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neutral belt of open unoccupied country of at least 200 years in width between the European residences and those of the Asiatic and African. This neutral belt is not only a desirable feature, but also a useful open space which can be used for recreation purposes by all races.

Professor Simpson's object is thus sanitary. Lord Milner is also influenced by social reasons. To quote again his speech of the 14th July:

"My own conviction is that in the interests of social contact, social convenience and social peace, the residence of different races in different areas - I am speaking now of the populous city areas - is desirable and so far from stimulating it is calculated to mitigate hostility and ill-feeling."

Nevertheless, Lord Milner's decision is bitterly resented not only by Indians in East Africa, but by educated opinion throughout India. The reasons for this resentment require careful consideration.

12. We will first consider segregation in commercial areas. The first objection is that it is irrational. If the end in view is to prevent "the intermingling in the same quarters of town and trade centres of races with different customs and habits," the nationality of a business firm would appear to be of less importance than the nationality of its employees and customers. It seems irrational, for instance, that a European and an Indian firm, which are alike dealing mainly with European customers and are alike employing Indian clerks and assistants, should be made to trade in different quarters. Or again, sanitation and social convenience do not appear to require that a European firm with a large native retail trade should carry on its business in the European quarter. The distinction would break down altogether in the case of companies.

Secondly, from the strictly commercial point of view it is inconceivable that firms doing the same class of business should be separated by an artificial barrier. In the Uganda Protectorate, which is less affected by racial prejudice, the recently appointed Development Commission in para 269 of their report, state that they would be strongly opposed to any segregation in the business areas. And we are informed that the Uganda Chamber of Commerce has expressed similar views. Again, in Mombasa, the most important commercial town in East Africa, which is free from racial bitterness of the uplands, we understand that European opinion generally favours a united business area.

It is also to be noted that the condition of segregation in which Lord Milner proposes that the Indians should be fairly dealt with in the selection of sites, is not to be applied in Mombasa. And it is to be admitted that the plans of Nairobi, Mombasa and Kisumu found in pages 24, 45 and 52 of Professor Simpson's report are sufficient to show that the plan proposed in Nairobi, Professor Simpson proposed that the whole of the present business area be reserved for Europeans and the river should be reserved for Europeans and Indians respectively, segregated on the other side of the river. In Mombasa, the plan proposed is to segregate the market of Kambini to be the Indian business area. In Kisumu, the whole of the trade is in the hands of Indians, and the plan proposed is to reserve the Indian area while an extensive block was to be reserved for Europeans in the business quarters.

It is also to be noted that the segregation in commercial areas is unobjectionable, and that it is not to be applied in Mombasa. Professor Simpson had included in his report a plan for the segregation of the Indian area in Nairobi, who it is recognised, are the only Asiatic population in the Colony. It is to be noted that the plan proposed in Nairobi, Professor Simpson proposed that the whole of the present business area be reserved for Europeans and the river should be reserved for Europeans and Indians respectively, segregated on the other side of the river. In Mombasa, the plan proposed is to segregate the market of Kambini to be the Indian business area. In Kisumu, the whole of the trade is in the hands of Indians, and the plan proposed is to reserve the Indian area while an extensive block was to be reserved for Europeans in the business quarters.

13. If then, the object in view is sanitation and social convenience, we submit that the criterion should be the class of business, and not nationality. We suggest that there should be a joint commercial area, regulated by strict sanitary and building laws, which would ensure that only businesses of good class, whatever may be their nationality, should be established in the best streets, and that businesses of inferior class, whatever may be their nationality, should be confined to less important streets. Further, it has frequently been stated that the practice of "living-in" leads to insanitary habits and over-crowding, and we would suggest that "living-in" should be prohibited at any rate in the best streets. In other words, to use the phrase which we understand is current in Nairobi, there should be a joint "lock-up" commercial area.

14. We have next to consider the question of segregation in residential areas. It is admitted that the Indians in East Africa naturally prefer to live together in their own quarter, and have no desire to live in the European residential area. They have only asked that they should be allowed to acquire suitable residential sites, which hitherto have generally been denied to them. The only exceptions are the few Indians who have been brought up to live in European style, and it is understood that the Government of the Colony would not desire to enforce the policy of segregation rigidly in such cases.

15. The Indian objection to residential segregation is primarily a question of principle. It is felt, not only by Indians in East Africa, but also throughout India, that compulsory segregation implies a racial stigma. In theory, it may be that there is no question of racial discrimination against Indians. It is unfortunate, however, that the policy of segregation as advocated by Europeans in East Africa, is animated by the racial feeling which marred the Economic Commission's Report. And it is not easy for Indians to appreciate that the reasons for which Lord Milner has accepted this policy are wholly different. Nor is it a matter of mere sentiment. They fear that to practice the policy of segregation will be administered in a spirit of racialism rather than of even-handed justice. In his speech of the 14th July, Lord Milner said that the condition on which he was prepared to defend segregation was that there should be fair treatment of both races in the matter of sites. "I mean to say," he added, "that you should not give all the best sites to Europeans and cram the Indians into inferior localities." This, however, they consider, is precisely what has happened in the past, when the principle of segregation was not formally recognised. And they see no reason to expect that the formal recognition of the principle will better their condition.

If these fears do not appear to us to be groundless. In the projected plans of Nairobi, Mombasa and Kisumu in Professor Simpson's Report, the areas demarcated for European and Asiatic residence respectively, apart from any questions of convenience, are wholly disproportionate to the numbers of the two communities. And it is understood that in the case of residential areas no substantial modification of Professor Simpson's proposals is intended. It seems to us, indeed, almost inevitable that compulsory segregation will mean that the best sites will be allotted to the race which is politically most powerful. Further, it can be taken as almost certain that the race which controls the Municipal Council will spend an unfair proportion of the revenue of the Municipality on its own quarter, and will neglect the areas occupied by other races. The practical effect of compulsory segregation on the race which is politically weaker, can be seen in the Asiatic ghettos in the Transvaal.

17. We deeply regret that Lord Milner should now have considered it advisable to adopt the principle of race-segregation. It seems to us to be a reversal of the principle for which His Majesty's Government have always contended in the parallel case of South Africa. We may perhaps be permitted to quote the words in which the late Mr. Alfred Lyttelton, in his Despatch dated the 20th July 1904, rejected the proposals which the Governor of the Transvaal had submitted for the segregation of Indians in the Transvaal:

"His Majesty's Government feel that it is derogatory to the national honour to impose on resident British subjects disabilities against which we had remonstrated, and to which even the law of the late South African Republic rightly ascribed did not subject them, and they do not doubt that when this is perceived the public opinion of the Colony will not any longer support the demand which has been put forward."

We believe that sanitation and social convenience could be adequately assured by the strict enforcement of sanitary and building laws, and by a joint

administration of municipal revenues. In this way the end which Lord Milner has in view, to promote social comfort, social convenience and social peace, might be attained. But legislation on racial lines, so far from mitigating, will stimulate hostility and ill-feeling. It will, we fear, gratuitously provoke a conflict which may have grave political consequences in this country and throughout the Empire.

18. *Restrictions on Ownership of Land.*—We will consider first the restriction on the ownership of land in townships. In para. 8 of the Despatch of the 21st May, Lord Milner says that it seems necessarily to follow from the adoption of the principle of race-segregation that as a general rule no transfer of land either by way of ownership or mortgage between Europeans and Asiatics should be allowed; and similarly, when township plots are put up to auction, Europeans should not be allowed to bid for plots in the Asiatic quarter or Asiatics to bid for plots in the European quarter.

19. Even if the principle of race-segregation is admitted, the necessity of this consequence does not seem to us to be obvious. Professor Simpson himself, at the end of para. (16) of his report, says:—

"The town planning and division into separate zones and reservations would not prevent any European, Asiatic, or African owning land or buildings in any zone, except the neutral zone, provided they conform to the provisions of the Ordinances relating to these zones."

We would also invite attention to para. 212 of the report of the Uganda Development Commission:—

"We have said that we advocated segregation in residential areas, but we consider that a person should be able to acquire land in any area in a township, even though he may not be able to occupy it himself. Any restriction on acquisition would prevent a plot holder from obtaining the full market price for his land and we do not think that this is justifiable or necessary."

It may be added that the restriction would close a legitimate field for investment both to Indians and to Europeans, and in the case of sales of new plots would be likely to prevent the State also from obtaining the full market price for Crown lands. It is understood that Indians already own many plots in the areas now occupied by Europeans, and *vice versa*. It would appear to us to be inequitable to restrict the right of transfer of plots already alienated, and unnecessary to impose any such restriction in the sale of new plots which may be alienated hereafter.

20. There remains the question on the acquisition by Indians of agricultural land in the uplands. It is suggested in para. 6 of the Despatch of the 21st May that this merely reaffirms Lord Elgin's decision contained in his Despatch of the 19th March 1906, that as a matter of administrative convenience grants of land in the upland area should not be made to Indians. We understand, however, that practically no land which is not capable of development remains to be alienated in the uplands. In the course of his address to the Convention of Associations at Nairobi on the 9th August last, His Excellency the Governor is reported in the *East African Standard* of the 14th August to have said:—

"In this whole settlement scheme (the Soldier Settlement Scheme) had been re-adjusted, which had not turned out to be what it was hoped they would be were replaced by the Government. There should not be a Huss left worth having."

It thus appears that there is no practically any land left to which Lord Elgin's decision should be applied. It is understood, however, that the restriction has not been extended so as to prohibit the transfer of land to Indians. We would point out that the proposal for such a restriction and its incompatibility with his own promise to amend that it is not in accordance with the views of His Majesty's Government to impose legal restrictions in any particular section of the community in regard to the acquisition of land.

Lord Milner has justified the exclusion of Indians from the uplands on the ground that Europeans are by nature physically excluded from other areas. Hence if the limited area which is suitable for European settlement were thrown open to the competition of Asiatics, there would be, taking the Colony as a whole, a virtual discrimination in favour of Asiatics as against European settlement. He cannot, therefore, regard the Indian claim to be admitted to the uplands as just or reasonable.

21. It has been argued with force that there are vast areas in the Empire suitable for European settlement from which Indians are excluded either by law or climatic conditions and that it is, therefore, unjust that Indians should be prohibited from acquiring agricultural land in a colony which has been to a considerable extent

developed by Indian enterprise. Apart from this, however, it is not clear that the admission of Indians to the uplands would be a virtual discrimination against Europeans. First, it is necessary to determine what exactly is meant by the "uplands." This term is defined in the Despatch of the 17th July 1906, in which the Colonial Secretary approved the principle "that the land outside municipal limits roughly lying between Kiu and Fort Ternan should be granted only to European settlers." It might be inferred from the Despatch of the 21st May and from Lord Milner's speech of the 14th July that the European settlers were confined to a comparatively small area, while Indians enjoyed a monopoly elsewhere. But reference to the map appended to this Despatch, for which we are again indebted to Sir Edward Northey, will show that by far the larger part of the area required, which is alienated land or land surveyed for alienation, lies between Kiu and Fort Ternan. Further, almost the whole of the alienated land outside these limits, that is in the lowlands, which *ex hypothesi* are unsuitable for European settlement, has been alienated to Europeans. The total area alienated to Europeans or available for alienation is given as 11,859 square miles. The total area held by Indians, we are informed, is only 32 square miles, out of which 21 square miles have been purchased from Europeans and only 11 square miles have been obtained from the Government. In addition, Indians hold a small area of agricultural land in the coastal belt; but here again, we understand, Europeans own large plantations.

22. The attitude of the Government towards the acquisition by Indians of agricultural lands, even in the lowlands, can be judged from the following case, which has been brought to our notice:—

On the 14th February 1918 an estate, area 35 square miles, situated at Voi in the lowlands, lying about 150 miles east of Kiu, the eastern boundary of the uplands, which belonged to the Deutsche Englisch Ost-Africa Kompagnie Gesellschaft, an enemy firm, was sold by the liquidator, together with the machinery standing thereon, to Mr. William Stirling of Nairobi for Rs. 1,700. By an agreement, dated the 22nd June 1918, Mr. Stirling agreed to sell an area of 10,000 acres, being part of this estate, to Messrs. Jiwa Walji and Habib Nanji, British India subjects, for Rs. 82,500. The Hon. the Land Officer, however, refused to sanction transfer. At an interview with Mr. Allen of the firm of Messrs. Allen and Hamilton solicitors for Messrs. Jiwa Walji and Habib Nanji, on the 13th September 1918, the Land Officer was unable to suggest any reason why consent to transfer had been refused, beyond the fact that it had not been the practice of the Government to grant farms to Asiatics exceeding 100 acres in area. This was confirmed in a letter dated the 14th September 1918, addressed by Messrs. Allen and Hamilton to the Land Officer, which continued as follows:—

"The concession which it is desired to transfer from Mr. Stirling to our clients is situate at Voi, a part of the Protectorate which it has never been suggested should be retained exclusively for exploitation by Europeans."

"It is the inherent right of a British subject, such as Mr. Stirling is, to sell his property to the best advantage and to anyone whom he pleases, and it is the inherent right of our clients as British subjects to purchase any property they think fit, provided only, in the case of land, that the proposed transaction does not infringe any law or regulation in force at the time."

"We are aware that transfer requires the consent of Government, but such consent should not and may not lawfully be withheld to the prejudice of our clients."

"Our clients have two or three other Indian associates with them in the proposed purchase and they have undertaken to pay Mr. Stirling Rs. 62,500 purchase money, so it is obvious that they are substantial persons."

"We would ask you to be good enough to have the application for transfer referred back to His Excellency in Council with the request that the matter may be reconsidered in the light of the facts set forth in this letter. If the refusal of consent cannot be withdrawn, we request that you may be informed as soon as possible of the exact reasons for the refusal."

In his letter No. 1906 H, L. 10, dated the 12th October 1918, the Land Officer replied to Messrs. Allen and Hamilton as follows:—

"In reply to your letter No. 478-S of the 18th instant, I beg to inform you that His Excellency has given the matter long and careful consideration, but does not consider it proper as a matter of time to introduce such an important innovation in the Land Policy of the Protectorate as would be constituted by the registration of this proposed transfer, in which therefore His Excellency regrets that he is unable to consent."

We regret that it is not easy to reconcile the land policy of the East African Government with Lord Milner's assurance that "it has been the avowed principle, and it is the definite intention, of the British authorities to mete out even-handed justice "between the different races inhabiting these territories."

24. In the circumstances which we have set forth, we are unable to agree that the Indians should be allowed to acquire agricultural land anywhere in the Colony is neither just nor reasonable. We do not consider that the proposal in the latter part of para. 8 of the Despatch of the 21st May is adequate compensation for the exclusion of Indians from the uplands. And we hold most strongly that there is no justification for the extension of Lord Elgin's decision so as to prohibit the transfer of land to Indians, which, in our view, is incompatible with his own pronouncement. We would add that it is the opinion of Sir Benjamin Robertson that climatic disabilities in the Colony as a whole tend to operate against the Indian rather than against the European settler. The European, who works on the plantation system with native labour, can and does cultivate the lowlands. The European planter, is no more excluded by climatic considerations from the lowlands than he is excluded from other tropical countries. On the other hand, it is doubtful whether the Indian farmer would prosper in the cold climate of the uplands. We understand that this opinion is supported by experience in Natal. The acquisition of agricultural land by Indians in Natal is not restricted. There are many wealthy Indians, and there are more than 100,000 Indians of the agricultural class. There is a keen demand for land in the coast belt, which has not been satisfied. But very few farms have been acquired by Indians in the uplands; and the evidence before the recent Commission was that where Indians have attempted to farm in the uplands they have generally failed. If then, as Lord Milner suggests, the issue in Kenya Colony is merely a question of climate, we would urge that it be left for the climate to decide.

The Despatch of the 21st May purports to deal only with the various questions affecting the Indian community in British East Africa. We are informed, however, by Sir Benjamin Robertson that under the orders of the Colonial Office Lord Milner has also been asked to inquire into the simultaneous proposals in Nairobi and Freetown, and are to be transferred to the Uganda Protectorate. We were not aware of the inclusion of the Indians in Uganda, and we are surprised to find that the Commission has been asked to deal with them. Moreover, from the information before us, we are of opinion that the Indians in Uganda are generally amenable to conditions of settlement.

On the other hand, we understand that in Uganda there is no legal restriction on the acquisition of land by Indians. On the contrary, the importance of the Indian community in Uganda is already being recognized by the Government, and it is probable that the Government will eventually be established in Uganda.

The Commission's report, in the same paragraph of their report, which we have referred to above, states that the members adopted generally the principle of separate reserves for the different races, and it would appear that if no orders had been issued, this question would have been settled amicably by mutual consent.

Finally, as already stated, the Development Commission in para. 21 of their report have rejected objections on the acquisition of land in two types as neither just nor reasonable.

27. In short, the income issue would seem to have been unnecessarily introduced in Uganda. We are informed by Sir Benjamin Robertson that the relations of the Indian community in Uganda with the Government and with official Europeans have always been cordial, and this is borne out by the friendly spirit of the report of the Development Commission, in which all classes were represented. We may perhaps be permitted to quote, para. 43 of their report, in contrast to the racial differences which animated the report of the East African Executive Commission:

The country owes much to the Indian trader, and we consider that a broad policy of identification should be adopted towards him. He has shown energy and enterprise, and has assisted in the opening up of the interior of the country. He is a man of initiative and his activities in the interior might well be encouraged.

It is regrettable that the Indian should have been drawn into the East African controversy, and the Indians in Uganda fear that discrimination against them, which has been subjected, will now be imposed upon them. It would be desirable, if it were possible, to have a meeting as early as possible that this is not the case.

28. To conclude, we are unable to accept Lord Milner's decisions as a final settlement. It is our duty to impress on you that public opinion throughout India regards the case of the Indians in East Africa as a test of the position of India in the British Empire. At the Imperial Conference of 1918 for the sake of Imperial unity we accepted the reciprocity resolution, which practically excluded Indians from the self-governing dominions. We cannot agree to inequality of treatment in a Crown colony, more especially in a colony in which India has always had a peculiar interest. We have shown in this Despatch that, whatever may be the intention of Lord Milner's decisions, there is in practice an unfair discrimination against Indians in East Africa. If further proof is needed, we may point to the fact that in Tanganyika territory, where Indians are protected by the Covenant of the League of Nations, Lord Milner's decisions cannot be applied. It seems to us to be an impossible position that British Indians in a British Colony should be subjected to disabilities to which they cannot be subjected in an adjoining mandated territory.

29. It has been suggested that a Royal Commission should be appointed to consider the whole question of the administration of the East African territories; and it appears from his reply to Lord Islington's deputation on the 19th April that Lord Milner himself is not averse to the proposal. We would urge the appointment of such a Commission and the inclusion of the Indian question in the terms of reference. In no other way, we believe, will it be possible to assemble the facts on which a just decision can be based. We would also urge that the Government of India should be represented on the Commission. We cannot admit that we are not directly concerned. To quote once more Lord Milner's reply to Lord Islington's deputation, "we will cease to be an Empire if any portion of the Empire is entirely relieved from responsibility for what happens in another." The Government of India cannot and will not disclaim responsibility for the welfare of the Indians who are settled in East Africa.

No. 2.

From His Majesty's Secretary of State for India to the Government of India, dated 24th December 1920.

(Telegraphic.) East Africa. Your Despatch of 21st October. I need hardly say that I am fully alive to importance of question, and as responsible here for protection of Indian interests I have urged upon His Majesty's Government the strength of case which you have so cogently presented. I have not answered your Despatch merely because the matter is still before His Majesty's Government, and I wish Your Excellency's Government to be assured that your Despatch has reinforced case which I was already urging.

Papers published in the Gazette of India, 18th March 1921,  
regarding Indians in Tanganyika.

No. 1.

Sir Benjamin Robertson's Report taken *Deo-es-Salaam* the 14th August 1920, on the proposed settlement of Indian agriculturists in Tanganyika Territory (German East Africa).

On the 24th July I discussed with His Honour the Administrator the proposed settlement of Indian agriculturists in Tanganyika Territory (German East Africa).

2. Sir Horace Byatt put before me certain practical objections to the scheme. The two most important may be briefly summarised as follows:

(1) There is no vacant land suitable for an Indian reserve. The land which is now vacant is generally vacant because it has some defect. That is, it is either sterile or dense bush or swamp or remote from the main lines of communication. In order, therefore, to obtain really good land for an Indian settlement it would be necessary either—

(a) to expropriate the natives, or take land necessary for their natural expansion, which would be contrary to the principle of Article 22 of the Covenant of the League of Nations; or

(b) to confiscate some of the privately-owned German plantations which, under the economic clauses of the Peace Treaty, are to be realised subject to the conditions of the original grant.

(2) It is the view of the Administration that small settlers with only a moderate amount of capital, whether white or coloured, face grave risk of disaster in a country where capital for the employment of native labour is essential.

3. Sir H. Byatt also expressed the opinion that the principle of a reserve specially set apart for Indians would be resented by the Indians who are already settled in the Territory, as implying exclusion from free selection throughout the Territory. He considered that, as Indians desire equal treatment, they should be given equal rights with the nationals of other members of the League of Nations to settle on any available land, but that there should be no Indian reserve.

4. After this discussion, I journeyed up the Central Railway as far as Kilossa in order to get some idea of local conditions in the short time at my disposal. I visited the Government experimental farms which were established by the Germans at Morogoro and Kilossa, and the great Otto plantation and several smaller Greek plantations at Kilossa. I also motored for about 150 miles through the country round Kilossa along the rough tracks which serve for roads in the dry season, and saw a considerable amount of native cultivation. On my return journey I stopped at Ruva, where there is a well-run plantation belonging to a Greek.

5. The principal crops on the plantations are rubber, sisal and cotton. Rubber has been a failure, and thousands of acres must be cleared of the useless rubber trees before they can be profitably cultivated. The sisal and cotton are excellent. The sisal staple runs to 5 feet and the cotton staple to 1½ inches. Some of the German plantations, however, are being carelessly cultivated by the contractors, so whom they are being leased annually pending sale as enemy property. The area cultivated by the natives is large. The chief local crop is a variety of sorghum. A fair amount of cotton is also being grown.

The soil is thin and fertile, especially in the Ruva and Mvata valleys, where there are wide stretches of fine black alluvium. These valleys, however, are mostly under water during the rainy season. Large areas of good soil are unoccupied and are covered with dense bush and tall grass.

6. It is not within my province to consider whether it would be possible, after making every allowance for the expansion of native cultivation, to set apart a suitable area of good land within reasonable distance of the railway for an Indian settlement. Supposing, however, that land were available, there would still be serious obstacles. It is understood from para. 5 of the Secretary of State's Despatch No. 101, dated the 21st August 1919, that the settlement contemplated would be "a reserve" where Indians could practice their traditional methods of agriculture under a system of small holdings. Any such scheme would be confronted with the following difficulties:

(1) The climate is unhealthy and malarious. The Indian railway staff, who live in towns where there are medical and sanitary arrangements, or who, if



living elsewhere, are provided with excellent accommodation, frequently suffer from fever, several of those to whom I spoke said that they intended to return to India on the termination of their contracts. Conditions in the bush would, of course, be very much worse. From my own experience in the settlement of jungle tracts in the Central Provinces, I am of opinion that the mortality amongst Indian settlers would be heavy, and I do not think that many Indian cultivators to whom the conditions were fairly explained, would be willing to come here.

2. The tsetse fly has spread during the war over large areas which were formerly free. In a great part of the Territory it is now impossible for cattle, horses or any domestic animal to live. Even the donkey does not long survive. In time perhaps the fly area may be reduced. But meanwhile all cultivation is done by hand, and porters are practically the only means of transport. When the country settles down, machinery will doubtless be extensively used on the big estates. But it is scarcely possible to imagine the Indian without his bullock practising his traditional methods of agriculture under a system of small holdings.

3. The climate and the absence of domestic animals mean that the Indian settler would be dependent on native labour; and it is doubtful whether the necessary labour would be forthcoming.

7. From what I have been able to see of the country, and from what I have been told not only by Government officials, but also by business men who are interested in the development of close relations between the Territory and India, and by the Indians themselves who are established here, I am satisfied that the settlement of Indian cultivators would only be possible under close Government supervision and with liberal financial support. It would be necessary to provide special administrative officers, medical officers, agricultural experts, engineers, and so on. Government would have to be prepared to undertake not only the capital outlay, but also to provide an annual subsidy for several years at least. Even then success would be doubtful, and heavy mortality would almost certainly not be avoided. It would obviously be unreasonable to expect that the Administration of the Territory should undertake with the trouble, risk and heavy cost of a scheme from which it does not appear to derive advantage. It would presumably be necessary for the Government of India to undertake all responsibility. It is for the Government of India to consider whether it can be justified in embarking on so costly and hazardous a venture. Matters of this kind are the responsibility of the Government of India; a settlement with the sanction of a Government responsible to the League of Nations, would be liable to be a constant embarrassment.

There is another aspect of the question. The Secretary of State remarked in paragraph 7 of his Despatch No. 101, dated the 21st August 1919, that he did not feel that a scheme of agricultural colonisation would necessarily coincide with local aspirations; and he pointed out the danger that the concession of an area for Indian colonisation might be accompanied by the becoming a future pretext for the imposition of restrictions on the entry and the activities of Indians in other parts of the Territory. This danger is fully realised not only by local Indians but also by the Government of India. Resolution No. 17 of the East Africa Indian National Congress, held at Nairobi on 21st, 22nd and 23rd November 1949, was as follows:

...the Government of India, in its capacity as a member of the League of Nations and the International Labour Office, should be asked to take steps for the purpose of Indian colonisation.

The President of the Congress, Mr. ... dated the 17th January 1920, forwarding a copy of the proceedings to His Honour the Administrator of the Territory, expressed his opposition to the following terms:

...the Government of India, in its capacity as a member of the League of Nations and the International Labour Office, should be asked to take steps for the purpose of Indian colonisation.

In my opinion, the position which the Indians are now taking up is right. In particular, I venture to doubt whether it would be possible to claim preferential treatment for Indians in one part of the Territory, and equality of treatment everywhere else, as suggested in para. 8 of the Despatch of the 21st August 1919. Such a claim would appear to conflict with the rights of other members of the League of Nations.

9. Finally, Article 22 of the Covenant of the League of Nations requires that in the administration of the Territory there should be applied the principle that the well-

being and development of its peoples form a sacred trust of civilisation. This is not a matter with which I am directly concerned; but I may perhaps be permitted to suggest that it would not be consistent with this principle to exclude the native peoples from part of the Territory in order to form an Indian reserve.

10. The Indians with whom I have discussed the question in Dar-es-Salaam and elsewhere in the Territory, would appear to endorse these views. They appreciate the policy that the interests of the natives should come first, and they expect no more than equal opportunity with the nationals of other members of the League of Nations. Further, they are generally of opinion that the vacant lands of the Territory are not suitable for the settlement of the Indian cultivators.

11. In my opinion, Indians only require equal opportunity to enable them to play an important part in the development of the Territory. Indian traders, who with their families now number about 15,000, have penetrated to every corner of the country and practically monopolise the retail trade. The retail dealers are largely supplied by Indian merchants. And it is the policy of the European firms whose representatives I have met to work with the Indians and not against them. The door is open for the closest commercial relations between the Territory and India.

Again, the climate gives the Indian an undoubted advantage over the European in many walks of life. There will be many openings for Indians as professional men, engineers, clerks, and so on, both in private business and in Government service.

Regarding agriculture and the development of the land, I am not prepared to dissent from the considered opinion of the Administrator that small-holders, whether white or coloured, face grave risk of disaster in this country where capital for the employment of native labour is essential. I would only make one reservation; and that is that Indian market gardeners who, as I myself saw at Kilossa, are growing excellent vegetables, should be given reasonable opportunity for acquiring land for cultivation in the vicinity of towns and villages instead of depending, as they now do, on short leases from natives or others. Apart from this, it is enough that Indians with capital have equal opportunity to acquire large estates. A Kilossa shopkeeper has already a controlling interest in an adjoining cotton estate, and it is open to any Indian with sufficient capital to make similar investments. Later, when the country has developed, smaller holdings may become practicable, and the Indian cultivator will then again have equal opportunity. But the proposal to settle small cultivators in a special Indian reserve is, in my opinion, unsound both politically and economically, and I recommend that it should now be dropped.

No 2.

Despatch from the Government of India to His Majesty's Secretary of State for India, No. 9, dated the 10th February 1921.

We have the honour to refer to the correspondence ending with our Despatch No. 35, Emigration, dated the 25th December 1919, regarding the question of Indian colonisation in Tanganyika Territory, formerly known as German East Africa.

The immediate issue raised in your Despatch No. 101, Public, dated the 21st August 1919, was Lord Milner's offer, conveyed in Colonial Office letter No. 13721, dated the 4th April 1919, to discuss the possibility of encouraging the settlement of Indians of a desirable class (preferably agriculturists and ex-service men) in some part of the Territory. Lord Milner was unable at that time to commit himself to any definite policy, but he recognised that India, in view of her services in the war and on general grounds of Imperial policy, had a claim to consideration in the matter. It was assumed by you that the suggestion was that some area or areas, sparsely inhabited by natives but suitable for colonisation, would be set apart as a reserve where Indians could practise their traditional methods of agriculture under a system of small holdings. You recognised the need for previous examination of local conditions by a deputation of experts, but in view of the disturbed condition of the country and the probability of an administrative redistribution of territory when the mandates were assigned, you considered that the despatch of any such deputation should be postponed. Meanwhile, however, you asked for our general views on the following points:—

- (1) Whether from the point of view of India we regarded it as desirable and practicable to attempt an organised scheme of settlement.
(2) How far a suitable type of agriculturist, ex-service men or others, would be attracted by the prospects of free settlement in the Territory so far as could be judged in the light of the information at present available as to its physical characteristics and potentialities.

Whether we should be prepared to encourage such colonisation and how far we should be prepared to give financial assistance.

The Government of India referred these questions to the Local Governments of the provinces from which settlers would be most likely to go. Copies of our Commerce Department's letter No. 825 D, dated the 19th December 1919, and of the replies of the Local Governments, are appended to this despatch. Sir Benjamin Robertson also was requested by us, with the consent of the Colonial Office to break his return journey from South Africa at Dur-es-Salaam and discuss the matter informally with His Excellency the Governor of Tanganyika Territory. A copy of his report, dated the 4th August 1920, is appended. It will be understood that Sir Benjamin Robertson only stayed for a fortnight in Tanganyika Territory, and the area which he was personally able to visit was comparatively small. His report, as he himself has insisted, should in no way be regarded as a substitute for the report of the deputation of experts, including Indian representatives, which we had contemplated. At the same time, we attach great importance to the views of Sir Benjamin Robertson, who not only has long experience of agricultural colonisation in India itself, but also has exceptional knowledge regarding the settlement of Indians overseas.

4. The Local Governments, as we had anticipated, have found it difficult to give a satisfactory reply to the points referred to them without more detailed and definite information regarding agricultural conditions in Tanganyika Territory. Provisionally, however, they are generally of opinion that agriculturists of the required type would not be attracted by the scheme.

The Government of the Central Provinces consider that the Central Provinces are not likely to provide any appreciable number of colonists.

The Government of Bihar and Orissa are of opinion that there is no prospect of inducing agriculturists to emigrate to Tanganyika Territory from that province.

The Madras Government say—

Agriculturists of a suitable type are not likely to be attracted by the prospects of the settlement held out to them under the scheme. As a class they are much too conservative to migrate to a new and untried country like East Africa, and even if they do they would not take their own folk.

The Government of the United Provinces say—

There seems grave doubt as to whether the class of settlers would be available. The Allahabad Zemindari Association considers that the best form of colonisation would be to make large grants of land to bona fide small land holders. The Lieutenant Governor considers that any successful experiment in colonisation must be looked for in view of the reluctance to emigrate of the class to which emigration is most generally confined. Religious scruples and deep attachment to their own characteristics are also factors.

The Punjab Government, however, are more hopeful that a scheme of colonisation could gradually be developed from small beginnings—

From the papers forwarded with Mr. Leys' letter, Sir Edward Maitland, however, thinks that any developed scheme of colonisation could not be started in the immediate future, and that it would be necessary, as a preliminary, to send a few suitable settlers who would be tempted by large grants and large concessions and who would be given facilities for occasional return to India. If this were done, His Honour believes that a score or two of adventurous agriculturists of a good type would be found in the Punjab who would be attracted to German East Africa; and if their settlement were successful a further scheme could then be developed with a view to attracting larger numbers with due facilities.

The Punjab Government are also unable, on the material now before them, to express a definite opinion. In particular, they consider it essential that the political and administrative questions to which we referred in our Despatch of the 25th December 1919 should first be settled.

The report of Sir Benjamin Robertson shows that there are serious practical objections to any scheme of colonisation under a system of small holdings. It is true that the area in which he personally inspected was comparatively small, and it is not suggested that the difficulties enumerated by him would necessarily be encountered throughout the territory. But, on the information now before us, it must be admitted that these serious practical reasons, taken together with the view of the Tanganyika Administration that the country, at its present state of development, is not suited to the small settler.

We are thus forced to this conclusion. On the one hand, the replies of the Local Governments to our enquiries show that small Indian farmers are not likely to be attracted by the prospect of settlement in Tanganyika. On the other hand, it is affirmed that a system of small holdings will not be practicable in Tanganyika until the country is more developed. In other words, for the small farmer to be attracted to the country, the demand is only for large estates, and these are unlikely to succeed.

7. But, as Sir Benjamin Robertson has emphasised, there is another aspect of the case. On the one hand, we cordially agree that it would be contrary to the principles enunciated in Article 22 of the Covenant of the League of Nations to exclude the native peoples from part of the Territory in order to form an Indian reserve. On the other hand, as you yourself suggested in your Despatch of the 21st August 1919, there is a danger that the reservation of an area for exclusive Indian settlement might be made a pretext for the imposition of restrictions on Indians in other parts of the Territory. It might be argued with some speciousness that preferential treatment in one area implied differential treatment elsewhere. The concession of an Indian reserve might even be regarded as an admission of the principle of race-segregation.

8. It appears from Sir Benjamin Robertson's report that the Indians who are already settled in East Africa, accept the view that the interests of the natives should be considered first; and at the same time, on their own behalf, they ask for nothing more than equal rights and equal opportunity with the nationals of other Members of the League of Nations. Their position is clearly stated in a letter dated the 13th January 1920, from the Secretary of the British East Africa Indian Association to the Honourable Mr. K. K. Chund, which was published in the Indian Press.

"We feel that by claiming special treatment in a particular place we shall forfeit our claim for equal treatment everywhere. What we want is equal treatment in both East and South Africa, and in fact throughout the British Empire. Hoping for special treatment in German East Africa we shall be violating the fundamental principle which we have all along been fighting for, namely, that there shall be no discrimination in the treatment meted out to various sections of His Majesty's subjects."

9. The terms of the Mandate for German East Africa, which was forwarded to us with letter No. J, and P. 1521, dated the 31st April 1920, from your Assistant Secretary, Judicial and Public Department, guarantees equal treatment for the nationals of all Members of the League of Nations. This guarantee was specifically confirmed by Lord Milner's assurances, conveyed in Colonial Office letter No. 15886/20, dated the 12th April 1920, that "Indian settlers in the territory will be treated on a footing of complete equality with other settlers, and that no discrimination will be made in their disfavour." If this guarantee is respected, in spirit as well as in letter, the claims of the East African Indians will be satisfied.

10. We agree with Sir Benjamin Robertson that the position which the East African Indians have taken up is right, and we believe that it will be generally supported by public opinion throughout India. We have opposed, and will continue to oppose, unfair discrimination against our nationals overseas. We desire no discrimination in their favour. We ask for no more than equal rights. We can be satisfied with nothing less.

11. It follows that we accept Sir Benjamin Robertson's recommendation that the proposal to settle small cultivators in an Indian reserve should be dropped. There will be no need, therefore, for us to send a deputation of experts to examine local conditions and select an area for Indian colonisation. At the same time, we trust that no obstacle will be placed in the way of Indians who may wish to acquire land on the same footing as the nationals of other Members of the League of Nations. We are informed by Sir Benjamin Robertson that the intention of the local authorities is first to sell by auction the existing German estates, which are now leased to contractors, and afterwards to alienate vacant Crown lands from time to time as occasion offers. Sir Benjamin Robertson was assured by His Excellency the Governor that the same opportunity would be given to Indian purchasers as to purchasers of other nationalities. We would also ask that we should be given ample notice of such sales to enable us to answer enquiries from intending purchasers who are resident in India, and also to encourage colonisation, should we so desire, on the lines suggested by the Punjab Government.

12. We would also request that the attention of the local authorities should be invited to Sir Benjamin Robertson's recommendation that Indian market gardeners should be given reasonable opportunity for acquiring land for cultivation in the vicinity of towns and villages instead of depending, as they now do, on short leases from natives or others. It is understood that the transfer of land from natives to non-natives is ordinarily prohibited, but may be permitted, in accordance with Article 7 of the Mandate, with the previous consent of the public authorities. We would suggest that it should be represented to the authorities that consent in such cases should not, without good reason, be withheld.

3) Whether we should be prepared to encourage such colonisation and how far we should be prepared to go in giving financial assistance.

The Government of India referred these questions to the Local Governments of the provinces from which settlers would be most likely to go. Copies of our Commerce Department's letter No. 825/D, dated the 19th December 1919, and of the replies of the Local Governments, are appended to this despatch. Sir Benjamin Robertson also was requested by us, with the consent of the Colonial Office, to break his return journey from South Africa at Durban-Salama and discuss the matter informally with His Excellency the Governor of Tanganyika Territory. A copy of his report, dated the 4th August 1920, is appended. It will be understood that Sir Benjamin Robertson only stayed for a fortnight in Tanganyika Territory, and the area which he was personally able to visit was comparatively small. His report, as he himself has insisted, should in no way be regarded as a substitute for the report of the deputation of experts, including Indian representatives, which we had contemplated. At the same time, we attach great importance to the views of Sir Benjamin Robertson, who not only has long experience of agricultural colonisation in India itself, but also has exceptional knowledge regarding the settlement of Indians overseas.

4. The Local Governments, as we had anticipated, have found it difficult to give a satisfactory reply to the points referred to them without more detailed and definite information regarding agricultural conditions in Tanganyika Territory. Provisionally, however, they are generally of opinion that agriculturists of the required type would not be attracted by the scheme.

The Government of the Central Provinces consider that the Central Provinces are not likely to provide any appreciable number of colonists.

The Government of Bihar and Orissa are of opinion that there is no prospect of inducing agriculturists to emigrate to Tanganyika Territory from that province.

The Madras Government say—

"Agriculturists of a suitable type are not likely to be attracted by the prospects of five settled holdings to them under the scheme. As a class they are much too conservative to uproot themselves from their ancestral East Africa and even if they do they would not take their own folk."

The Government of the United Provinces say—

"The serious ground is as to whether the crops of settlers would be available. The Agricultural Association considers that the best form of colonisation would be to make large grants of land to young princes and big land owners. The Lieutenant Governor considers that a successful experiment in colonisation must be looked for in view of the reluctance to emigrate of the class to which ex-Servants of the Crown generally belong. Religious scruples and deep attachment to their own country are characteristic of these men."

The Punjab Government, however, are more hopeful that a scheme of colonisation could gradually be developed from small beginnings—

"From the papers forwarded with Mr. Ley's letter, Sir Edward Michelson, however, thinks that a developed scheme of colonisation could not be started in the immediate future, and that it would be necessary, as a preliminary, to send a few suitable settlers who would be equipped by large grants and large concessions and who would be given financial return to India. If this were done, His Honour believes that a score or two of adventurous agriculturists of a good type would be found in the Punjab who would be attracted to German East Africa, and if their settlement were successful a further scheme could then be developed with a view to attracting larger numbers with large families."

The Bombay Government are unable in the material now before them, to express any definite opinion. In particular they consider it essential that the political and administrative questions to which we referred in our Despatch of the 25th December 1919 should first be settled.

The report of Sir Benjamin Robertson shows that there are serious practical objections to any scheme of colonisation under a system of small holdings. It is true that the view on which he personally is reported was comparatively small, and it is not suggested that difficulties enumerated by him would necessarily be encountered throughout the Territory. But, on the information now before us, it must be admitted that there is a *prima facie* reason to accept the view of the Tanganyika Administration that the country, in its present state of development, is not suited to the small settler.

We are thus forced to this conclusion. On the one hand, the replies of the Local Governments to our enquiries show that small Indian farmers are not likely to be attracted by the prospect of settlement in Tanganyika. On the other hand, the information now before us shows that a system of small holdings will not be practicable in the Territory until the country is more developed. In other words, for the scheme of settlement to be successful, the demand is only for large estates, and such estates are likely to succeed.

7. But, as Sir Benjamin Robertson has emphasised, there is another aspect of the case. On the one hand, we cordially agree that it would be contrary to the principles enunciated in Article 22 of the Covenant of the League of Nations to exclude the native peoples from part of the Territory in order to form an Indian reserve. On the other hand, as you yourself suggested in your Despatch of the 21st August 1919, there is a danger that the reservation of an area for exclusive Indian settlement might be made a pretext for the imposition of restrictions on Indians in other parts of the Territory. It might be argued with some speciousness that preferential treatment in one area implied differential treatment elsewhere. The concession of an Indian reserve might even be regarded as an admission of the principle of race-segregation.

8. It appears from Sir Benjamin Robertson's report that the Indians who are already settled in East Africa accept the view that the interests of the natives should be considered first, and at the same time, on their own behalf, they ask for nothing more than equal rights and equal opportunities with the nationals of other Members of the League of Nations. Their position is clearly stated in a letter, dated the 19th January 1920, from the Secretary of the British East Africa Indian Association to the Honourable Mr. K. K. Chaman, which was published in the Indian Press.

"We feel that by claiming special treatment in a particular place we shall forfeit our claim for equal treatment everywhere. What we want is equal treatment in both East and South Africa, and in fact throughout the British Empire. By asking for special treatment in German East Africa we shall be violating the fundamental principle which we have all along been fighting for, namely, that there shall be no differentiation in the treatment meted out to various sections of His Majesty's subjects."

9. The terms of the Mandate for German East Africa, which was forwarded to us with letter No. P. and P. 1521, dated the 31st April 1920, from your Assistant Secretary, Judicial and Public Department, guarantees equal treatment for the nationals of all Members of the League of Nations. This guarantee was specifically confirmed by Lord Milner's assurance, conveyed in Colonial Office letter No. 15886/20, dated the 12th April 1920, that "Indian settlers in the territory will be treated on a footing of complete equality with other settlers, and that no discrimination will be made in their disfavour." If this guarantee is respected, in spirit as well as in letter, the claims of the East African Indians will be satisfied.

10. We agree with Sir Benjamin Robertson that the position which the East African Indians have taken up is right, and we believe that it will be generally supported by public opinion throughout India. We have opposed, and will continue to oppose, unfair discrimination against our nationals overseas. We desire no discrimination in their favour. We ask for no more than equal rights. We can be satisfied with nothing less.

11. It follows that we accept Sir Benjamin Robertson's recommendation that the proposal to settle small cultivators in an Indian reserve should be dropped. There will be no need, therefore, for us to send a deputation of experts to examine local conditions and select an area for Indian colonisation. At the same time, we trust that no obstacle will be placed in the way of Indians who may wish to acquire land on the same footing as the nationals of other Members of the League of Nations. We are informed by Sir Benjamin Robertson that the intention of the local authorities is first to sell by auction the existing German estates, which are now leased to contractors, and afterwards to alienate vacant Crown lands from time to time, as occasion offers. Sir Benjamin Robertson was assured by His Excellency the Governor that the same opportunity would be given to Indian purchasers as to purchasers of other nationalities. We would also ask that we should be given ample notice of such sales to enable us to answer enquiries from intending purchasers who are resident in India, and also to encourage colonisation, should we so desire, on the lines suggested by the Punjab Government.

12. We would also request that the attention of the local authorities should be invited to Sir Benjamin Robertson's recommendation that Indian market gardeners should be given reasonable opportunity for acquiring land for cultivation in the vicinity of towns and villages, instead of depending, as they now do, on short leases from natives or others. It is understood that the transfer of land from natives to non-natives is ordinarily prohibited, but may be permitted, in accordance with Article 7 of the Mandate, with the previous consent of the public authorities. We would suggest that it should be represented to the authorities that consent in such cases should not, without good reason, be withheld.

3) Whether we should be prepared to give such assistance and how far we should be prepared to go in giving financial assistance.

The Government of India referred these questions to the Local Governments of the provinces from which settlers would be most likely to go. Copies of our Commerce Department's letter No. 825-D, dated the 19th December 1919, and of the replies of the Local Governments, are appended to this despatch. Sir Benjamin Robertson also was requested by us, with the consent of the Colonial Office, to break his return journey from South Africa at Dar-es-Salaam and discuss the matter informally with His Excellency the Governor of Tanganyika Territory. A copy of his report, dated the 4th August 1920, is appended. It will be understood that Sir Benjamin Robertson only stayed for a fortnight in Tanganyika Territory, and the area which he was personally able to visit was comparatively small. His report, as he himself has insisted, should in no way be regarded as a substitute for the report of the deputation of experts, including Indian representatives, which we had contemplated. At the same time, we attach great importance to the views of Sir Benjamin Robertson, who not only has long experience of agricultural colonisation in India itself, but also has exceptional knowledge regarding the settlement of Indians overseas.

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The Government of the United Provinces say—

"There seems ground to say whether the class of settlers would be available. The All-India Zamindars' Association considers that the best form of colonisation would be to make large grants of land to Indian princes and big landowners. The Lieutenant Governor considers that rapid success in any experiment in colonisation must be looked for in view of the reluctance to emigrate of the class to which we refer. The Government believe that agriculturists belong to a class which is too deeply attached to their own characteristics to emigrate.

The Punjab Government, however, are more hopeful that a scheme of colonisation might gradually be developed from small beginnings—

"From the papers forwarded with Mr. Ley's letter, Sir Edward Maclagan, however, thinks that a fully developed scheme of colonisation could not be started in the immediate future, and that it would be necessary, as a preliminary, to send a few suitable settlers for occasional return to India. If this were done, His Honour believes that a score or two of adventurous agriculturists of a good type, would be found in the Punjab who would be attracted to German East Africa, and if their settlement were successful, a further scheme could then be developed with a view to attracting larger numbers with their families.

The Bombay Government are unable in the material now before them, to express any opinion. In particular they consider it essential that the political and administrative questions to which we referred in our Despatch of the 23rd December should first be settled.

5. The report of Sir Benjamin Robertson shows that there are serious practical objections to any scheme of settlement under a system of small holdings. It is true that there are at which in personally inspected was comparatively small and it is not suggested that the difficulties enumerated by him would necessarily be encountered throughout the Territory. But, on the information now before us, it must be admitted that there is, *prima facie*, reason to accept the view of the Tanganyika Administration that the country, in its present state of development, is not suited to the small settler.

We are thus forced to this conclusion. On the one hand, the replies of the Local Governments to our enquiries show that small Indian farmers are not likely to be attracted by the prospect of settlement in Tanganyika. On the other hand, we have found that a system of small holdings will not be practicable in the Territory, and that the country is more developed. In other words, for the settlement of agriculturists of the required type, the demand is only for large estates and these are not likely to be supplied.

7. But, as Sir Benjamin Robertson has emphasised, there is another aspect of the case. On the one hand, we cordially agree that it would be contrary to the principles enunciated in Article 22 of the Covenant of the League of Nations to exclude the native peoples from part of the Territory in order to form an Indian reserve. On the other hand, as you yourself suggested in your Despatch of the 21st August 1919, there is a danger that the reservation of an area for exclusive Indian settlement might be made a pretext for the imposition of restrictions on Indians in other parts of the Territory. It might be argued with some speciousness that preferential treatment in one area implied differential treatment elsewhere. The concession of an Indian reserve might even be regarded as an admission of the principle of race-segregation.

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"We feel that by claiming special treatment in a particular place we shall forfeit our claim for equal treatment everywhere. What we want is equal treatment in both East and South Africa, and in fact throughout the British Empire. Demanding for special treatment in German East Africa we shall be violating the fundamental principle which we have all along been fighting for, namely, that there shall be no discrimination in the treatment meted out to various sections of His Majesty's subjects."

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10. We agree with Sir Benjamin Robertson that the position which the East African Indians have taken up is right, and we believe that it will be generally supported by public opinion throughout India. We have opposed, and will continue to oppose, unfair discrimination against our nationals overseas. We desire no discrimination in their favour. We ask for no more than equal rights. We can be satisfied with nothing less.

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9. The terms of the Mandate for German East Africa, which was forwarded to us with letter No. J and P, 1521, dated the 1st April 1920, from your Assistant Secretary, Judicial and Public Department, guarantees equal treatment for the nationals of all Members of the League of Nations. This guarantee was specifically confirmed by Lord Milner's assurance, conveyed in Colonial Office letter No. 15886/20, dated the 12th April 1920, that "Indian settlers in the territory will be treated on a footing of complete equality with other settlers, and that no discrimination will be made in their disfavour." If this guarantee is respected, in spirit as well as in letter, the claims of the East African Indians will be satisfied.

10. We agree with Sir Benjamin Robertson that the position which the East African Indians have taken up is right, and we believe that it will be generally supported by public opinion throughout India. We have opposed, and will continue to oppose, unfair discrimination against our nationals overseas. We desire no discrimination in their favour. We ask for no more than equal rights. We can be satisfied with nothing less.

11. It follows that we accept Sir Benjamin Robertson's recommendation that the proposal to settle small cultivators in an Indian reserve should be dropped. There will be no need, therefore, for us to send a deputation of experts to examine local conditions and select an area for Indian colonisation. At the same time, we trust that no obstacle will be placed in the way of Indians who may wish to acquire land on the same footing as the nationals of other Members of the League of Nations. We are informed by Sir Benjamin Robertson that the intention of the local authorities is first to sell by auction the existing German estates, which are now leased to contractors, and afterwards to alienate vacant Crown lands from time to time, as occasion offers. Sir Benjamin Robertson was assured by His Excellency the Governor that the same opportunity would be given to Indian purchasers as to purchasers of other nationalities. We would also ask that we should be given ample notice of such sales to enable us to answer enquiries from intending purchasers who are resident in India, and also to encourage colonisation, should we so desire, on the lines suggested by the Punjab Government.

12. We would also request that the attention of the local authorities should be invited to Sir Benjamin Robertson's recommendation that Indian market gardeners should be given reasonable opportunity for acquiring land for cultivation in the vicinity of towns and villages instead of depending, as they now do, on short leases from natives or others. It is understood that the transfer of land from natives to non-natives is ordinarily prohibited, but it may be permitted, in accordance with Article 7 of the Mandate, with the previous consent of the public authorities. We would suggest that it should be represented to the authorities that consent in such cases should not, without good reason, be withheld.

living elsewhere, are provided with excellent accommodation, frequently suffer from fever, several of those to whom I spoke said that they intended to return to India on the termination of their contracts. Conditions in the bush would, of course, be very much worse. From my own experience in the settlement of jungle tracts in the Central Provinces, I am of opinion that the mortality amongst Indian settlers would be heavy, and I do not think that many Indian cultivators to whom the conditions were fairly explained, would be willing to come here.

The tsetse fly has spread during the war over large areas which were formerly free. In a great part of the Territory it is now impossible for cattle, horses or any domestic animal to live. Even the donkey does not long survive. In time perhaps the fly area may be reduced. But meanwhile all cultivation is done by hand, and porters are practically the only means of transport. When the country settles down, machinery will doubtless be extensively used on the big estates. But it is scarcely possible to inculcate the Indian without his bullock practising his traditional methods of agriculture under a system of small holdings.

The climate and the absence of domestic animals mean that the Indian settler would be dependent on native labour; and it is doubtful whether the necessary labour would be forthcoming.

From what I have been able to see of the country, and from what I have been told not only by Government officials, but also by business men who are interested in the development of close relations between the Territory and India, and by the Indians themselves who are established here, I am satisfied that the settlement of Indian cultivators would only be possible under close Government supervision and with liberal financial support. It would be necessary to provide special administrative officers, medical officers, agricultural experts, engineers, and so on. Government would have to be prepared to undertake not only the capital outlay, but also to provide an annual subsidy for several years at least. Even then success would be doubtful, and heavy mortality would almost certainly not be avoided. It would be very unlikely to expect that the Administration of the Territory should be saddled with the trouble, risk and heavy cost of a scheme from which it does not appear to derive any advantage. It would presumably be necessary for the Government of India to take all responsibility. It is for the Government of India to consider whether it would be justified in embarking on so costly and hazardous a venture. While the administration by officers of the Government of India of a settlement scheme in the Territory is a Government responsibility, the League of Nations would be likely to be embarrassed.

There is another aspect of the case. The Secretary of State remarked in his Despatch No. 101, dated the 21st August 1919, that he did not feel that a scheme of agricultural colonisation would necessarily coincide with local aspirations; and he pointed out the danger that the concession of an area for Indian colonisation might be accompanied by or become a future pretext for the imposition of restrictions on the entry and free activities of Indians in other parts of the Territory. This danger is fully realised not only by local Indians, but also by the British public in India. Resolution No. 17 of the East Africa Indian National Congress, held at Nairobi on the 14th and 15th November 1919, was as follows:—

"The Government of India, in the services rendered by the Indians in connection with the war, should be specially praised by the League of Nations and the mandatory Powers, and should be encouraged to the purpose of Indian Colonisation."

The President of the Congress in his letter, dated the 17th January 1920, forwarded a copy of the proceedings to His Honour the Administrator of the Territory, and the following resolution in the following terms:—

"The Government of India, in the services rendered by the Indians in connection with the war, should be specially praised by the League of Nations and the mandatory Powers, and should be encouraged to the purpose of Indian Colonisation."

In my opinion, the position which the Indians have taken up is right. In particular, I venture to doubt whether it would be possible to claim preferential treatment for Indians in any part of the Territory, an equality of treatment everywhere else, as suggested in para. 8 of the Despatch of the 21st August 1919. Such a claim would appear to conflict with the rights of other members of the League of Nations.

Finally, Article 22 of the Covenant of the League of Nations requires that in the administration of the Territory there should be applied the principle that the well-

being and development of its peoples form a sacred trust of civilisation. This is not a matter with which I am directly concerned; but I may perhaps be permitted to suggest that it would not be consistent with this principle to exclude the native peoples from part of the Territory in order to form an Indian reserve.

10. The Indians with whom I have discussed the question in Dar-es-Salaam and elsewhere in the Territory, would appear to endorse these views. They appreciate the policy that the interests of the natives should come first, and they expect no more than equal opportunity with the nationals of other members of the League of Nations. Further, they are generally of opinion that the vacant lands of the Territory are not suitable for the settlement of the Indian cultivators.

11. In my opinion, Indians only require equal opportunity to enable them to play an important part in the development of the Territory. Indian traders, who with their families now number about 15,000, have penetrated to every corner of the country and practically monopolise the retail trade. The retail dealers are largely supplied by Indian merchants. And it is the policy of the European firms whose representatives I have met, to work with the Indians and not against them. The door is open for the closest commercial relations between the Territory and India.

Again, the climate gives the Indian an undoubted advantage over the European in many walks of life. There will be many openings for Indians as professional men, engineers, clerks, and so on, both in private business and in Government service.

Regarding agriculture and the development of the land, I am not prepared to dissent from the considered opinion of the Administrator that small holders, whether white or coloured, face grave risk of disaster in this country where capital for the employment of native labour is essential. I would only make one reservation; and that is that Indian market gardeners who, as I myself saw at Kilossa, are growing excellent vegetables, should be given reasonable opportunity for acquiring land for cultivation in the vicinity of towns and villages instead of depending, as they now do, on short leases from natives or others. Apart from this, it is enough that Indians with capital have equal opportunity to acquire large estates. A Kilossa shopkeeper has already a controlling interest in an adjoining cotton estate, and it is open to any Indian with sufficient capital to make similar investments. Later, when the country has developed smaller holdings may become practicable, and the Indian cultivator will then again have equal opportunity. But the proposal to settle small cultivators in a special Indian reserve is, in my opinion, unsound both politically and economically, and I recommend that it should now be dropped.

No 2.

Despatch from the Government of India to His Majesty's Secretary of State for India, No. 9, dated the 10th February 1921.

We have the honour to refer to the correspondence ending with our Despatch No. 35, Emigration, dated the 25th December 1919, regarding the question of Indian colonisation in Tanganyika Territory, formerly known as German East Africa.

2. The immediate issue raised in your Despatch No. 101, Public, dated the 21st August 1919, was Lord Milner's offer, conveyed in Colonial Office letter No. 13721, dated the 4th April 1919, to discuss the possibility of encouraging the settlement of Indians of a desirable class (preferably agriculturists and ex-service men) in some part of the Territory. Lord Milner was unable at that time to commit himself to any definite policy, but he recognised that India, in view of her services in the war and on general grounds of Imperial policy, had a claim to consideration in the matter. It was assumed by you that the suggestion was that some area or areas, sparsely inhabited by natives but suitable for colonisation, would be set apart as a reserve where Indians could practise their traditional methods of agriculture under a system of small holdings. You recognised the need for previous examination of local conditions by a deputation of experts, but in view of the disturbed condition of the country and the probability of an administrative redistribution of territory when the mandates were assigned, you considered that the despatch of any such deputation should be postponed. Meanwhile, however, you asked for our general views on the following points:—

- (1) Whether from the point of view of India we regarded it as desirable and practicable to attempt an organised scheme of settlement.
(2) How far a suitable type of agriculturist, ex-service man or others, would be attracted by the prospects of free settlement in the Territory so far as could be judged in the light of the information at present available as to its physical characteristics and potentialities.

No. 1.

Sir Benjamin Robertson's Report, dated Dar-es-Salaam, the 4th August 1920, on the proposed settlement of Indian agriculturists in Tanganyika Territory (German East Africa).

On the 24th July I discussed with His Honour the Administrator the proposed settlement of Indian agriculturists in Tanganyika Territory (German East Africa).

2. Sir Horace Byatt put before me certain practical objections to the scheme. The two most important may be briefly summarised as follows—

(1) There is no vacant land suitable for an Indian reserve. The land which is now vacant is generally vacant because it has some defects. That is, it is either sterile or dense bush or swamp or remote from the main lines of communication. In order, therefore, to obtain really good land for an Indian settlement it would be necessary either—

(a) to expropriate the natives, or take land necessary for their natural expansion, which would be contrary to the principle of Article 22 of the Covenant of the League of Nations; or

(b) to confiscate some of the privately-owned German plantations which, under the economic clauses of the Peace Treaty, are to be realised subject to the conditions of the original grant.

(2) It is the view of the Administration that small settlers with only a moderate amount of capital, whether white or coloured, face grave risk of disaster in a country where capital for the employment of native labour is essential.

3. Sir H. Byatt also expressed the opinion that the principle of a reserve specially set apart for Indians would be resented by the Indians who are already settled in the Territory, as implying exclusion from free selection throughout the Territory. He considered that, as Indians desire equal treatment, they should be given equal rights with the nationals of other members of the League of Nations to settle on any available land, but that there should be no Indian reserve.

4. After this discussion, I journeyed up the Central Railway as far as Kilossa in order to get some idea of local conditions in the short time at my disposal. I visited the Government experimental farms which were established by the Germans at Morogoro and Kilossa, and the great Otto plantation and several smaller Greek plantations at Kilossa. I also motored for about 150 miles through the country round Kilossa along the rough tracks which serve for roads in the dry season, and saw a considerable amount of native cultivation. On my return journey I stopped at Ruvu, where there is a well-run plantation belonging to a Greek.

5. The principal crops on the plantations are rubber, sisal and cotton. Rubber has been a failure, and thousands of acres must be cleared of the useless rubber trees before they can be profitably cultivated. The sisal and cotton are excellent. The sisal staple runs to 5 feet, and the cotton staple to 14 inches. Some of the German plantations, however, are being carelessly cultivated by the contractors, to whom they are being leased annually pending sale as enemy property. The area cultivated by the natives is large. The chief food crop is a variety of sorghum. A fair amount of cotton is also being grown.

The soil is rich and fertile, especially in the Ruvu and Mvira valleys, where there are wide stretches of fine black alluvium. These valleys, however, are mostly under water during the rainy season. Large areas of good soil are unoccupied, and are covered with dense bush and long grass.

6. It is not within my province to consider whether it would be possible, after making every allowance for the expansion of native cultivation, to set apart a suitable area of good land within reasonable distance of the railway for an Indian settlement. Supposing, however, that land were available, there would still be serious obstacles. It is understood from para. 6 of the Secretary of State's Despatch No. 10, dated the 24th August 1919, that the settlement contemplated would be "a reserve" where Indians could practice their traditional methods of agriculture under a system of small holdings. Any such scheme would be confronted with the following difficulties—

(1) The climate is unhealthy and malarious. The Indian railway staff, who live in towns where there are medical and sanitary arrangements, or who, if

24. In the circumstances which we have set forth, we are unable to agree that the Indian claim to be allowed to acquire agricultural land anywhere in the Colony is neither just nor reasonable. We do not consider that the proposal in the latter part of para. 6 of the Despatch of the 21st May is adequate compensation for the exclusion of Indians from the uplands. And we hold most strongly that there is no justification for the extension of Lord Elgin's decision to prohibit the transfer of land to Indians, which, in our view, is incompatible with his own pronouncement. We would add that it is the opinion of Sir Benjamin Robertson that climatic disabilities in the Colony as a whole tend to operate against the Indian rather than against the European settler. The European, who works on the plantation system with native labour, can and does cultivate the lowlands. The European planter is no more excluded by climatic considerations from the lowlands than he is excluded from other tropical countries. On the other hand, it is doubtful whether the Indian farmer would prosper in the cold climate of the uplands. We understand that this opinion is supported by experience in Natal. The acquisition of agricultural land by Indians in Natal is not restricted. There are many wealthy Indians, and there are more than 100,000 Indians of the agricultural class. There is a keen demand for land in the coast belt, which has not been satisfied. But very few farms have been acquired by Indians in the uplands; and the evidence before the recent Commission was that where Indians have attempted to farm in the uplands they have generally failed. If then, as Lord Milner suggests, the issue in Kenya Colony is merely a question of climate, we would urge that it be left for the climate to decide.

The Despatch of the 21st May purports to deal only with the various questions affecting the Indian community in British East Africa. We are informed, however, by Sir Benjamin Robertson that under the orders of the Colonial Office Lord Milner's decisions were announced simultaneously in Nairobi and Entebbe, and are understood to apply *mutatis mutandis* to the Uganda Protectorate. We were not previously aware that the position of the Indians in Uganda was even under the consideration of the Colonial Office. Moreover, from the information before us, it would appear that the East African decisions are generally inapplicable to conditions in Uganda.

Secondly, in respect of the fact, we understand that in Uganda there is no Legislative Council. On the contrary, as the important members of the native tribes already enjoys a substantial measure of autonomy, it is likely that the principle of native government will eventually be established in that country.

Thirdly, as already stated, we understand the Uganda Development Commission to be of the opinion that the principle of segregation of business areas should be applied.

Fourthly, the Development Commission, in the same paragraph of their report, which was agreed to by Asiatic members, accepted generally the principle of separate residential areas for different races; and it would appear that if no orders had been issued, this question would have been settled amicably by mutual consent.

Fourthly, as already stated, the Development Commission in para. 212 of their report have rejected restrictions on the acquisition of land in townships as neither justifiable nor necessary.

Fifthly, there are the "uplands" in Uganda.

In short, the main issue would seem to have been raised unnecessarily in Uganda. We are informed by Sir Benjamin Robertson that the relations of the Indian community in Uganda with the Government and with unofficial Europeans have always been cordial; and this is borne out by the friendly spirit of the report of the Development Commission on which all classes were represented. We may, perhaps, be permitted to quote para. 43 of their report, in contrast to the racial bitterness which animated the Report of the East Africa Economic Commission:

"The industry owed much to the Indian trader, and we consider that a broad policy of toleration should be adopted towards him. He has shown energy and enterprise, and has assisted in the opening up of the more remote districts. He is able to raise an agriculturalist, and his activities in this respect ought well to be encouraged."

It seems regrettable that Uganda should have been drawn into the East African controversy as things now stand, the Indians in Uganda fear that disabilities which heretofore have not been subjected, will now be imposed upon them. It is to be hoped that they are assured as early as possible that this is not the intention of His Majesty's Government.

28. To conclude, we are unable to accept Lord Milner's decisions as a final settlement. It is our duty to impress on you that public opinion throughout India regards the case of the Indians in East Africa as a test of the position of India in the British Empire. At the Imperial Conference of 1918 for the sake of Imperial unity, we accepted the reciprocity resolution which practically excludes Indians from the self-governing dominions. We cannot agree to inequality of treatment in a Crown colony, more especially in a colony in which India has always had a peculiar interest. We have shown in this Despatch that, whatever may be the intention of Lord Milner's decisions, there is in practice an unfair discrimination against Indians in East Africa. If further proof is needed, we may point to the fact that in Tanganyika territory, where Indians are protected by the Covenant of the League of Nations, Lord Milner's decisions cannot be applied. It seems to us to be an impossible position that British Indians in a British Colony should be subjected to disabilities to which they cannot be subjected in an adjoining mandated territory.

29. It has been suggested that a Royal Commission should be appointed to consider the whole question of the administration of the East African territories; and it appears from his reply to Lord Islington's deputation on the 19th April that Lord Milner himself is not averse to the proposal. We would urge the appointment of such a Commission and the inclusion of the Indian question in the terms of reference. In no other way, we believe, will it be possible to assemble the facts on which a just decision can be based. We would also urge that the Government of India should be represented on the Commission. We cannot admit that we are not directly concerned. To quote once more Lord Milner's reply to Lord Islington's deputation, "we will cease to be an Empire if any portion of the Empire is entirely relieved from responsibility for what happens in another." The Government of India cannot and will not disclaim responsibility for the welfare of the Indians who are settled in East Africa.

## No. 2.

From His Majesty's Secretary of State for India to the Government of India, dated 24th December 1920.

(Telegraphic.)

East Africa. Your Despatch of 21st October. I need hardly say that I am fully alive to importance of question, and as responsible here for protection of Indian interests I have urged upon His Majesty's Government the strength of case which you have so cogently presented. I have not answered your Despatch merely because the matter is still before His Majesty's Government, and I wish Your Excellency's Government to be assured that your Despatch has reinforced case which I was already urging.



administration of municipal revenues. In this way the end which Lord Milner has in view, to promote social comfort, social convenience and social peace, might be attained. But legislation on racial lines, so far from mitigating, will stimulate hostility and ill-feeling. It will, we fear, gratuitously provoke a conflict which may have grave political consequences in this country and throughout the Empire.

18. *Restrictions on Ownership of Land.*—We will consider first the restriction on the ownership of land in townships. In para. 8 of the Despatch of the 21st May, Lord Milner says that it seems necessarily to follow from the adoption of the principle of race-segregation that as a general rule no transfer of land either by way of ownership or mortgage between Europeans and Asiatics should be allowed; and similarly, when township plots are put up to auction, Europeans should not be allowed to bid for plots in the Asiatic quarter or Asiatics to bid for plots in the European quarter.

19. Even if the principle of race-segregation is admitted, the necessity of this consequence does not seem to us to be obvious. Professor Simpson himself, at the end of para. (16) of his report, says:—

"The town planning and division into separate zones and reservations would not prevent any European, Asiatic, or African owning land or buildings in any zone, except the neutral zone, provided they conform to the provisions of the Ordinances relating to these zones."

We would also invite attention to para. 212 of the report of the Uganda Development Commission:—

"We have said that we advocate segregation in residential areas, but we consider that a person should be able to acquire land in any area in a township, even though he may not be able to occupy it himself. Any restriction on acquisition would prevent a plot holder from obtaining the full market price for his land and we do not think that this is justifiable or necessary."

It may be added that the restriction would close a legitimate field for investment both to Indians and to Europeans, and in the case of sales of new plots would be likely to prevent the State also from obtaining the full market price for Crown lands. It is understood that Indians already own many plots in the areas now occupied by Europeans, and *vice versa*. It would appear to us to be inequitable to restrict the right of transfer of plots already alienated, and unnecessary to impose any such restriction in the sale of new plots which may be alienated hereafter.

20. There remains the restriction on the acquisition by Indians of agricultural land in the uplands. It is suggested in para. 6 of the Despatch of the 21st May that this merely reaffirms Lord Elgin's decision, contained in his Despatch of the 14th March 1906, that as a matter of administrative convenience grants of land in the upland area should not be made to Indians. We understand, however, that practically no land which is not capable of development remains to be alienated in the uplands. In the course of his address to the Convention of Associations at Nairobi on the 9th August last, His Excellency the Governor is reported in the *East African Standard* of the 14th August to have said:—

"By the time this whole settlement scheme (the Soldier Settlement scheme) has been readjusted but the land which had not found out to be what it was hoped they would be were replaced by other land, there should not be a bare left worth having."

Thus appear that there is now practically no land left to which Lord Elgin's decision should be applied. It is understood, however, that the restriction has been extended so as to prohibit the transfer of land to Indians. We would point out that this goes far beyond Lord Elgin's decision, and is incompatible with his own personal opinion that it is not consonant with the views of His Majesty's Government to impose any restrictions on any particular section of the community in regard to the acquisition of land.

Lord Milner has justified the exclusion of Indians from the uplands on the ground that Europeans are by nature physically excluded from other areas. Hence if the limited area which is suitable for European settlement were thrown open to the competition of Asiatics, there would be, taking the Colony as a whole, a virtual discrimination in favour of Asiatics as against European settlement. He cannot, therefore, object to the Indian claim to be admitted to the uplands as just or reasonable.

21. It has been argued with force that there are vast areas in the Empire suitable for European settlement from which Indians are excluded either by law or climatic conditions, and that it is, therefore, unjust that Indians should be prohibited from acquiring agricultural land in a colony which has been, to a considerable extent,

developed by Indian enterprise. Apart from this, however, it is not clear that the admission of Indians to the uplands would be a virtual discrimination against Europeans. First, it is necessary to determine what exactly is meant by the "uplands." This term is defined in the Despatch of the 17th July 1906, in which the Colonial Secretary approved of the principle "that the land outside municipal limits roughly lying between Kim and Fort Ternau should be granted only to European settlers." It might be inferred from the Despatch of the 21st May and from Lord Milner's speech of the 14th July that the European settlers were confined to a comparatively small area, while Indians enjoyed a monopoly elsewhere. But reference to the map appended to this Despatch, for which we are again indebted to Sir Edward Northey, will show that by far the larger part of the area coloured red, which is alienated land or land reserved for alienation, lies between Kim and Fort Ternau. Further, almost the whole of the alienated land outside these limits, that is in the lowlands, which *ex hypothesi* are unsuitable for European settlement, has been granted to Europeans. The total area alienated to Europeans or available for alienation is given as 11,859 square miles. The total area held by Indians, we are informed, is only 32 square miles, out of which 2 square miles have been purchased from Europeans and only 11 square miles have been obtained from the Government. In addition, Indians hold a small area of agricultural land in the coastal belt; but here again, we understand, Europeans own large plantations.

22. The attitude of the Government towards the acquisition by Indians of agricultural lands, even in the lowlands, can be judged from the following case, which has been brought to our notice:—

On the 11th February 1918 an estate area 35 square miles, situated at Voi in the lowlands, lying about 150 miles east of Kim, the eastern boundary of the uplands, which belonged to the Deutsche Englische Ost-Africa Kompagnie Gesellschaft, an enemy firm, was sold by the Registrar, together with the machinery standing thereon, to Mr. William Stirling of Nairobi for Rs. 1,700. By an agreement, dated the 22nd June 1918, Mr. Stirling agreed to sell an area of 10,000 acres, being part of this estate, to Messrs. Jiwa Walji and Habib Nanji, British Indian subjects, for Rs. 82,500. The Hon. the Land Officer, however, refused to sanction transfer. At an interview with Mr. Allen of the firm of Messrs. Allen and Hamilton solicitors for Messrs. Jiwa Walji and Habib Nanji, on the 13th September 1918, the Land Officer was unable to suggest any reason why consent to transfer had been refused, beyond the fact that it had not been the practice of the Government to grant farms to Asiatics exceeding 100 acres in area. This was confirmed in a letter dated the 14th September 1918, addressed by Messrs. Allen and Hamilton to the Land Officer, which continued as follows:—

"The concession which it is desired to transfer from Mr. Stirling to our clients is situate at Voi, a part of the Protectorate which it has never been suggested should be retained exclusively for exploitation by Europeans."

"It is the inherent right of a British subject such as Mr. Stirling, to sell his property to the best advantage and to anyone whom he pleases, and it is the inherent right of our clients as British subjects to purchase any property they think fit, provided only, in the case of land, that the proposed transaction does not infringe any law or regulation in force at the time."

"We are aware that transfer requires the consent of Government, but such consent should not and may not be arbitrarily withheld to the prejudice of individuals."

"Our clients have two or three other Indian associates with them in the proposed purchase and they have undertaken to pay Mr. Stirling Rs. 62,500 purchase money, so it is obvious that they are substantial persons."

"We would ask you to be good enough to have the application for transfer referred back to His Excellency the Council with the request that the matter may be reconsidered in the light of the facts set forth in this letter. If the refusal of consent cannot be withdrawn, we request that you will be informed as soon as possible of the exact reasons for the refusal."

In his letter No. 20011/12 dated the 17th October 1918, the Land Officer referred to Messrs. Allen and Hamilton as follows:—

"In reply to your letter, No. 475-8 of the 13th inst., I beg to inform you that His Excellency has given the matter long and careful consideration, and does not consider that it would be expedient to sanction such an important transaction in the Lands Policy of the Protectorate as would be constituted by the registration of this proposed transfer, to which therefore His Excellency deems that he is unable to consent."

We submit that it is not easy to reconcile the land policy of the East African Government with Lord Milner's assurance that "it has been the avowed principle, and it is the definite intention, of the British authorities to mete out even-handed justice, "between the different races inhabiting these territories."

neutral belt of open unoccupied country of at least 300 yards in width between the European residences and those of the Asiatic and African. The neutral zone should be reserved for European houses approaching or encroaching on the limits of African habitation, and the area should also be a useful open space which can be used for recreational purposes by all races.

Professor Simpson's object is thus sanitary. Lord Milner is also influenced by social reasons. To quote again his speech of the 14th July—

"At each conviction is that in the interests of social equities, social convenience and social peace, the residence of different races in different areas—I am speaking now of the populous city areas—is desirable, and so far from stimulating it is calculated to mitigate hostility and ill-feeling."

Nevertheless, Lord Milner's decision is bitterly resented not only by Indians in East Africa, but by educated opinion throughout India. The reasons for this resentment require careful consideration.

12. We will first consider segregation in commercial areas. The first objection is that it is irrational. "If the end in view is to prevent the intermingling in the same quarters of town and trade centres of races with different customs and habits, the nationality of a business firm would appear to be of less importance than the nationality of its employees and customers. It seems irrational, for instance, that a European and an Indian firm, which are alike dealing mainly with European customers and are alike employing Indian clerks and assistants, should be made to trade in different quarters. Or again, sanitation and social convenience do not appear to require that a European firm with a large native retail trade should carry on its business in the European quarter. The distinction would break down altogether in the case of companies."

Secondly, from the strictly commercial point of view it is inconvenient that firms doing the same class of business should be separated by an artificial barrier. In the Uganda Protectorate, which is less affected by racial prejudice, the recently appointed Development Commission, in para. 209 of their report, stated that they would be strongly opposed to any segregation in the business areas. And we are informed that the Uganda Chamber of Commerce has expressed similar views. Again, in Mombasa, the most important commercial town in East Africa, which is free from the racial bitterness of the uplands, we understand that European opinion generally favours a joint business area.

Lord Milner is aware that the condition of segregation which Lord Milner proposes is one in which Indians should be fairly dealt with in the selection of sites, and that he is not to be hindered. And it must be admitted that the plans of Nairobi, Mombasa and Kisumu, (see pages 24, 45 and 59 of Professor Simpson's report, are sufficient to demonstrate that in Nairobi, Professor Simpson proposed that the whole of the present business area between the railway station and the river should be reserved for the European Indians were to be relegated to the other side of the river. In Mombasa, during the whole of the year adjoining the harbour of Kilindini was to be the European business area, Indians were to be kept on the other side of the island. At Kisumu, the whole of the trade is in the hands of Indians, and a street was allotted for the Indian "bazar," while an extensive block was to be reserved for the European business quarters.

Fourthly, it is objected that segregation in commercial areas is impracticable. A considerable part of the land which Professor Simpson had included in his plan for a commercial area is already occupied by Indians, who, it is recognised, cannot be separated. We are indebted to Sir Edward Northey for the plan of the proposed business area, and the lay-out which is now proposed. Comparison with the map facing page 2 of Professor Simpson's report will show that his recommendations have been substantially modified. We gratefully acknowledge the liberal spirit in which Sir Edward Northey has interpreted Lord Milner's orders. At the same time, it is apparent that his proposals, which are based on practical considerations, are not in line with Professor Simpson's theories. The European and Asiatic areas are now separated only by the width of a street, and the Indian bazar, which in Professor Simpson's opinion is the centre of infection, remains where it is, cutting out like a protrusion into the European area. Moreover, a large number of plots in the reserved European area, and more especially in the important Government Road, are still occupied by Indians, whom it is not intended to disturb. In fact, it is not apparent that the proposed segregation in Nairobi is now practically narrower than the quarters allotted to Indians, shall be allowed to bid for certain unoccupied plots in the best business streets, in which Indians are already established, but which are reserved for European occupation.

13. If then, the object in view is sanitation and social convenience, we submit that the segregation should be based on the question of business, and not nationality. We suggest that there should be a joint commercial area, regulated by strict sanitary and building laws, which would ensure that only businesses of good class, whatever may be their nationality, should be established in the best streets, and that business of inferior class, whatever may be their nationality, should be confined to less important streets. Further, it has frequently been noticed that the practice of "living-in" leads to insanitary habits and over-crowding, and we would suggest that "living-in" should be prohibited, at any rate in the best streets. In other words, to use the phrase which we understand is current in Nairobi, there should be a joint "lock-up" commercial area.

14. We have next to consider the question of segregation in residential areas. It is admitted that the Indians in East Africa naturally prefer to live together in their own quarter, and have no desire to live in the European residential area. They have only asked that they should be allowed to acquire suitable residential sites, which hitherto have generally been denied to them. The only exceptions are the few Indians who have been brought up to live in European style, and it is understood that the Government of the Colony would not deare to enforce the policy of segregation rigidly in such cases.

15. The Indian objection to residential segregation is primarily a question of principle. It is felt not only by Indians in East Africa, but also throughout India, that compulsory segregation implies a racial stigma. In theory, it may be that there is no question of racial discrimination against Indians. It is unfortunate, however, that the policy of segregation as advocated by Europeans in East Africa, is animated by the racial feeling which marred the Economic Commission's Report. And it is not easy for Indians to appreciate that the reasons for which Lord Milner has accepted this policy are wholly different. Nor is it a matter of mere sentiment. They fear that in practice the policy of segregation will be administered in a spirit of racialism rather than of even-handed justice. In his speech of the 14th July, Lord Milner said that the condition on which he was prepared to defend segregation was that there should be fair treatment of both races in the matter of sites. "I mean to say," he added, "that you should not give all the best sites to Europeans and cram the Indians into inferior localities." This, however, they consider, is precisely what has happened in the past, when the principle of segregation was not formally recognised. And they see no reason to expect that the formal recognition of the principle will better their condition.

16. These fears do not appear to us to be groundless. In the projected plans of Nairobi, Mombasa and Kisumu in Professor Simpson's Report, the areas demarcated for European and Asiatic residence respectively, apart from any question of convenience, are wholly disproportionate to the numbers of the two communities. And it is understood that in the case of residential areas no substantial modification of Professor Simpson's proposals is intended. It seems to us, indeed, almost inevitable, that compulsory segregation will mean that the best sites will be allotted to the race which is politically most powerful. Further, it can be taken as almost certain that the race which controls the Municipal Council will spend an unfair proportion of the revenue of the Municipality on its own quarter, and will neglect the areas occupied by other races. The practical effect of compulsory segregation on the race which is politically weaker, can be seen in the Asiatic ghettos in the Transvaal.

17. We deeply regret that Lord Milner should now have considered it advisable to adopt the principle of race segregation. It seems to us to be a revival of the principle for which His Majesty's Government have always contended in the parallel case of South Africa. We may perhaps be permitted to quote the words in which the late Mr. Alfred Lyttelton, in his Despatch dated the 20th July 1904, reported the proposals which the Governor of the Transvaal had submitted for the segregation of Indians in the Transvaal—

"His Majesty's Government hold that it is derogatory to the national honour to impose on resident British subjects disabilities against which we had reorganised and to which even the law of the late South African Republic might have subjected them, and they do not deem that when this is perceived the public opinion of the Colony will not any longer support the demand which has been put forward."

We believe that sanitation and social convenience could be adequately ensured by enforcement of strict sanitary and building laws, and by a just

24. In the circumstances which we have set forth, we are unable to agree that the Indian claim to be allowed to acquire agricultural land anywhere in the Colony is neither just nor reasonable. We do not consider that the proposal in the latter part of para. 6 of the Despatch of the 21st May is adequate compensation for the exclusion of Indians from the uplands. And we hold most strongly that there is no justification for the extension of Lord Milner's decision as to prohibit the transfer of land to Indians, which, in our view, is incompatible with his own pronouncement. We would add that it is the opinion of Sir Benjamin Robertson that climatic disabilities in the Colony as a whole tend to operate against the Indian rather than against the European settler. The European who works on the plantation system with native labour, can and does cultivate the lowlands. The European planter is no more excluded by climatic considerations from the lowlands than he is excluded from other tropical countries. On the other hand, it is doubtful whether the Indian farmer would prosper in the cold climate of the uplands. We understand that this opinion is supported by experience in Natal. The acquisition of agricultural land by Indians in Natal is not restricted. There are now wealthy Indians, and there are more than 100,000 Indians of the agricultural class. There is a keen demand for land in the coast belt, which has not been satisfied. But very few farms have been acquired by Indians in the uplands; and the evidence before the recent Commission was that where Indians have attempted to farm in the uplands they have generally failed. If then, as Lord Milner suggests, the issue in Kenya Colony is merely a question of climate, we would urge that it be left for the climate to decide.

The Despatch of the 21st May purports to deal only with the various questions affecting the Indian community in British East Africa. We are informed, however, by Sir Benjamin Robertson that under the orders of the Colonial Office Lord Milner's proposals are being considered simultaneously in Nairobi and Futebbe, and are being treated as approximately *standis* to the Uganda Protectorate. We were not aware of this until the position of the Indians in Uganda was even under the consideration of the Colonial Office. Moreover, from the information before us, we understand that the East African decisions are generally applicable to conditions

in Uganda. We understand that in Uganda there is no Legislative Council. The Indian community in Uganda already enjoys a substantial measure of self-government, and that the principle of native government will eventually be established in the near future.

The Uganda Development Commission in their report, para. 212, expressed the opinion that the principle of segregation of business areas should be applied to the uplands. The members of the Commission, in the same paragraph of their report, stated that the Asiatic members accepted generally the principle of segregation of business areas for different races; and it would appear that if no orders had been issued, this question would have been settled amicably by mutual consent.

Fourthly, as already stated, the Development Commission in para. 212 of their report have rejected restrictions on the acquisition of land in townships as neither just nor necessary.

There are no "uplands" in Uganda.

27. It is to be noted that the main issue would seem to have been raised unnecessarily in Uganda. We are informed by Sir Benjamin Robertson that the relations of the Indian community in Uganda with the Government and with non-Indian Europeans have always been cordial, and this is borne out by the friendly spirit of the report of the Development Commission on which all cases were represented. We may, perhaps, be permitted to quote, para. 43 of their report, in contrast to the racial bitterness which animated the report of the East Africa Economic Commission:

"The Indian is devoted to the Indian trade, and we consider that a broad policy of toleration should be adopted towards him. He has shown energy and enterprise, and has assisted in the opening up of the interior, and his presence is of value to an agriculturist; and his activities in the interior are highly creditable."

It seems scarcely conceivable that Uganda should have been drawn into the East African controversy. As things now stand, the Indians in Uganda fear that discrimination, when they have not hitherto been subjected, will now be imposed upon them. It is to be hoped that if they are assured as early as possible that this is not the intention of His Majesty's Government,

28. To conclude, we are unable to accept Lord Milner's decision as a final settlement. It is our duty to impress on you that public opinion throughout India regards the case of the Indians in East Africa as a test of the position of India in the British Empire. At the Imperial Conference of 1919 for the sake of Imperial unity, we accepted the reciprocity resolution which practically excludes Indians from the self-governing dominions. We cannot agree to inequality of treatment in a Crown colony, more especially in a colony in which India has always had a peculiar interest. We have shown in this Despatch that, whatever may be the intention of Lord Milner's decisions, there is in practice an unfair discrimination against Indians in East Africa. If further proof is needed, we may point to the fact that in Tanganyika Territory, where Indians are protected by the Covenant of the League of Nations, Lord Milner's decisions cannot be applied. It seems to us to be an impossible position that British Indians in a British Colony should be subjected to disabilities to which they cannot be subjected in an adjoining mandated territory.

29. It has been suggested that a Royal Commission should be appointed to consider the whole question of the administration of the East African territories; and it appears from his reply to Lord Islington's deputation on the 19th April that Lord Milner himself is not averse to the proposal. We would urge the appointment of such a Commission and the inclusion of the Indian question in the terms of reference. In no other way, we believe, will it be possible to assemble the facts on which a just decision can be based. We would also urge that the Government of India should be represented on the Commission. We cannot admit that we are not directly concerned. To quote once more Lord Milner's reply to Lord Islington's deputation, "we will cease to be an Empire if any portion of the Empire is entirely relieved from responsibility for what happens in another." The Government of India cannot and will not disclaim responsibility for the welfare of the Indians who are settled in East Africa.

No. 2.

From His Majesty's Secretary of State for India to the Government of India, dated 24th December 1920.

(Telegraphic.)  
East Africa. Your Despatch of 21st October. I need hardly say that I am fully alive to importance of question, and as responsible here for protection of Indian interests I have urged upon His Majesty's Government the strength of case which you have so cogently presented. I have not answered your Despatch merely because the matter is still before His Majesty's Government, and I wish Your Excellency's Government to be assured that your Despatch has reinforced case which I was already urging.

24. In the circumstances which we have set forth, we are unable to agree that the Indians should be allowed to acquire agricultural land anywhere in the Colony is neither just nor reasonable. We do not consider that the proposal in the latter part of para. 6 of the Despatch of the 21st May is adequate compensation for the exclusion of Indians from the uplands. And we hold most strongly that there is no justification for the extension of Lord Milner's decision so as to prohibit the transfer of land to Indians which, in our view, is unacceptable with his own pronouncement. We would add that it is the opinion of Sir Benjamin Robertson that climatic disabilities in the Colony as a whole tend to operate against the Indian rather than against the European settler. The European who works on the plantation system with native labour, can and does cultivate the lowlands. The European planter is no more excluded by climatic considerations from the lowlands than he is excluded from other tropical countries. On the other hand, it is doubtful whether the Indian farmer would prosper in the cold climate of the uplands. We understand that this opinion is supported by experience in Natal. The acquisition of agricultural land by Indians in Natal is not restricted. There are many wealthy Indians, and there are more than 100,000 Indians of the agricultural class. There is a keen demand for land in the coast belt, which has not been satisfied. But very few farms have been acquired by Indians in the uplands; and the evidence before the recent Commissioner was that where Indians have attempted to farm in the uplands they have generally failed. If then, as Lord Milner suggests, the issue in Kenya Colony is merely a question of climate, we would urge that it be left for the climate to decide.

25. The Despatch of the 21st May purports to deal only with the various questions affecting the Indian community in British East Africa. We are informed, however, by Sir Benjamin Robertson that under the orders of the Colonial Office Lord Milner's decisions are announced simultaneously in Nairobi and Entebbe, and are understood to apply *mutatis mutandis* to the Uganda Protectorate. We were not previously aware that the position of the Indians in Uganda was even under the consideration of the Colonial Office. Moreover, from the information before us, we would appear that the East African decisions are generally inapplicable to conditions in Uganda.

26. In the first place, we understand that in Uganda there is no Lord Milner's Colony. The so-called Mon and Chaga. On the contrary, the important Buganda, the native Government, has already entered a substantial measure of autonomy. It is to be expected that the Government will eventually be established on a footing of equality with other native Governments.

Secondly, it is to be noted that the Uganda Development Commission, in paragraph 17 of their report, has recommended the segregation of business areas as a practical measure.

Thirdly, the Development Commission, in our same paragraph of their report, which was approved by two Asiatic members, accepted generally the principle of separate residential areas for different races; and it would appear that if no orders had been issued, this question would have been settled amicably by mutual consent.

Fourthly, as already stated, the Development Commission in para. 212 of their report have rejected restrictions on the acquisition of land in lowlands as neither justifiable nor necessary.

Finally, there are no "uplands" in Uganda.

27. In short, the main issue would seem to have been raised unnecessarily in Uganda. We are informed by Sir Benjamin Robertson that the relations of the Indian community in Uganda with the Government and with official Europeans have always been cordial; and this is borne out by the friendly spirit of the report of the Development Commission on which all classes were represented. We may, perhaps, be permitted to quote para. 43 of their report, in contrast to the racial language which animated the report of the East Africa Economic Commission:

"The Secretary went back to the Indian trader and we consider that a broad policy of toleration should be adopted towards him. He has shown energy and enterprise, and has assisted in the development of the country. He is also a cultivator, an agriculturist, and his activities in the future might well be encouraged."

It seems to be regrettable that such a cordial attitude should have been drawn into the East African controversy. As things now stand, the Indians in Uganda fear that disabilities to which they have not been subjected, will now be imposed upon them. It will not be surprising if they are inclined to view with some suspicion the intention of the Government to extend the East African decisions to Uganda.

28. To conclude, we are unable to accept Lord Milner's decisions as a final settlement. It is our duty to impress on you that public opinion throughout India regards the case of the Indians in East Africa as a test of the position of India in the British Empire. At the Imperial Conference of 1917 for the sake of Imperial unity, we accepted the reciprocity resolution which practically excludes Indians from the self-governing dominions. We cannot agree to inequality of treatment in a Crown colony, more especially in a colony in which India has always had a peculiar interest. We have shown in this Despatch that, whatever may be the intention of Lord Milner's decisions, there is in practice an unfair discrimination against Indians in East Africa. If further proof is needed, we may point to the fact that in Tanganyika territory, where Indians are protected by the Covenant of the League of Nations, Lord Milner's decisions cannot be applied. It seems to us to be an impossible position that British Indians in a British Colony should be subjected to disabilities to which they cannot be subjected in an adjoining mandate territory.

29. It has been suggested that a Royal Commission should be appointed to consider the whole question of the administration of the East African territories; and it appears from his reply to Lord Islington's deputation on the 19th April that Lord Milner himself is not averse to the proposal. We would urge the appointment of such a Commission and the inclusion of the Indian question in the terms of reference. In no other way, we believe, will it be possible to assemble the facts on which a just decision can be based. We would also urge that the Government of India should be represented on the Commission. We cannot admit that we are not directly concerned. To quote once more Lord Milner's reply to Lord Islington's deputation, "we will 'cease to be an Empire if any portion of the Empire is entirely relieved from 'responsibility for what happens in another.'" The Government of India cannot and will not disclaim responsibility for the welfare of the Indians who are settled in East Africa.

## No. 2.

From His Majesty's Secretary of State for India to the Government of India,  
dated 24th December 1920.

(Telegraphic.)

East Africa. Your Despatch of 21st October. I need hardly say that I am fully alive to importance of question, and as responsible here for protection of Indian interests I have urged upon His Majesty's Government the strength of case which you have so cogently presented. I have not answered your Despatch merely because the matter is still before His Majesty's Government, and I wish Your Excellency's Government to be assured that your Despatch has reinforced case which I was already urging.

No. 1.

Sir Benjamin Robertson's Report, dated Dar-es-Salaam, the 4th August 1920, on the proposed settlement of Indian agriculturists in Tanganyika Territory (German East Africa).

On the 24th July I discussed with His Honour the Administrator the proposed settlement of Indian agriculturists in Tanganyika Territory (German East Africa).

2. Sir Horace Byatt put before me certain practical objections to the scheme. The two most important may be briefly summarised as follows:—

(1) There is no vacant land suitable for an Indian reserve. The land which is now vacant is generally vacant because it has some defect. That is, it is either sterile or dense forest, or swamp or remote from the main lines of communication. In order, therefore, to obtain really good land for an Indian settlement it would be necessary either—

(a) to expropriate the natives, or take land necessary for their natural expansion, which would be contrary to the principle of Article 22 of the Covenant of the League of Nations; or

(b) to confiscate some of the privately-owned German plantations which, under the economic clauses of the Peace Treaty, are to be realised subject to the conditions of the original grant.

(2) It is the view of the Administration that small settlers with only a moderate amount of capital, whether white or coloured, face grave risk of disaster in a country where capital for the employment of native labour is essential.

3. Sir H. Byatt also expressed the opinion that the principle of a reserve specially set apart for Indians would be resented by the Indians who are already settled in the Territory, as implying exclusion from free selection throughout the Territory. He considered that, as Indians desire equal treatment, they should be given equal rights with the nationals of other members of the League of Nations to settle on any available land, but that there should be no Indian reserve.

4. After this discussion, I journeyed up the Central Railway as far as Kilossa in order to get some idea of local conditions in the short time at my disposal. I visited the Government experimental farms which were established by the Germans at Morogoro and Kilossa, and the great Otto plantation and several smaller Greek plantations at Kilossa. I also motored for about 150 miles through the country round Kilossa along the rough tracks which serve for roads in the dry season, and saw a considerable amount of native cultivation. On my return journey I stopped at Ruvu, where there is a well-run plantation belonging to a Greek.

5. The principal crops on the plantations are rubber, sisal and cotton. Rubber has been a failure, and thousands of acres must be cleared of the useless rubber trees before they can be profitably cultivated. The sisal and cotton are excellent. The sisal staple runs to 5 feet, and the cotton staple to 4½ inches. Some of the German plantations, however, are being carelessly cultivated by the contractors, to whom they are being leased annually pending sale as enemy property. The area cultivated by the natives is large. The chief food crop is a variety of sorghum. A fair amount of cotton is also being grown.

The soil is rich and fertile, especially in the Ruvu and Mlaka valleys, where there are wide stretches of fine black alluvium. These valleys, however, are mostly under water during the rainy season. Large areas of good soil are unoccupied, and are covered with short grass and long grass.

6. It is not within my province to consider whether it would be possible, after making every allowance for the expansion of native cultivation, to set apart a suitable area of good land within reasonable distance of the railway for an Indian settlement. Supposing, however, that land were available, there would still be serious obstacles. It is understood from para. 6 of the Secretary of State's Despatch No. 101, dated the 21st August 1920, that the settlement contemplated would be on a reserve where Indians could practice their traditional methods of agriculture under a system of small holdings. Any such scheme would be confronted with the following difficulties:—

(1) The climate is unhealthy and malarious. The Indian railway staff, who live in towns where there are medical and sanitary arrangements, or who, if

living elsewhere, are provided with excellent accommodation frequently suffer from fever, several of those to whom I spoke said that they intended to return to India on the termination of their contracts. Conditions in the bush would, of course, be very much worse. From my own experience in the settlement of jungle tracts in the Central Provinces, I am of opinion that the mortality amongst Indian settlers would be heavy, and I do not think that many Indian cultivators to whom the conditions were fairly explained, would be willing to come here.

7. The tsetse fly has spread during the war over large areas which were formerly free. In a great part of the Territory it is now impossible for cattle, horses or any domestic animal to live. Even the donkey does not long survive. In time perhaps the fly area may be reduced. But meanwhile all cultivation is done by hand, and porters are practically the only means of transport. When the country settles down, machinery will doubtless be extensively used on the big estates. But it is scarcely possible to imagine the Indian without his bullock practising his traditional methods of agriculture under a system of small holdings.

The climate and the absence of domestic animals mean that the Indian settler would be dependent on native labour; and it is doubtful whether the necessary labour would be forthcoming.

7. From what I have been able to see of the country, and from what I have been told not only by Government officials, but also by business men who are interested in the development of close relations between the Territory and India, and by the Indians themselves who are established here, I am satisfied that the settlement of Indian cultivators would only be possible under close Government supervision and with liberal financial support. It would be necessary to provide special administrative officers, medical officers, agricultural experts, engineers, and so on. Government would have to be prepared to undertake not only the capital outlay, but also to provide an annual subsidy for several years at least. Even then success would be doubtful, and heavy mortality would almost certainly not be avoided. It would obviously be unreasonable to expect that the Administration of the Territory should saddle itself with the trouble, risk and heavy cost of a scheme from which it does not expect to derive advantage. It would presumably be necessary for the Government of India to undertake all responsibility. It is for the Government of India to consider whether this would be justified in embarking on so costly and hazardous a venture. Moreover, the administration by officers of the Government of India of a settlement within the Territory of a Government responsible to the League of Nations, would be likely to be a constant embarrassment.

8. There is another aspect of the case. The Secretary of State remarked in paragraph 7 of his Despatch No. 101, dated the 21st August 1919, that he did not feel sure that a scheme of agricultural colonisation would necessarily coincide with local Indian aspirations; and he pointed out the danger that the cession of an area for extensive Indian colonisation might be accompanied by, or become a future pretext for, the imposition of restrictions on the entry and free activities of Indians in other parts of the Territory. This danger is fully realised not only by local Indians, but also, it appears, by politicians in India. Resolution No. 17 of the East Africa Indian National Congress held at Nairobi on the 15th and 16th November 1919, was as follows:

...the Government of the Territory, especially since the League of Nations and the mandatory Power have assumed the administration of the Territory, to the responsibility of the Government of India.

At the President's request the Congress on its 15th January 1920, forwarded a copy of its proceedings to His Majesty's Administration of the Territory. The President's resolution in the following terms:

...and responsibility with the other fellow subjects of His Majesty the King in the East Africa Protectorate, and the German East Africa Protectorate, and to give effect to the best treatment for Indians under the conditions of the Territory.

In my opinion, the position which the Indians have taken is quite right. In particular, I venture to doubt whether it would be possible to do an essential treatment for Indians in any part of the Territory, and equality of treatment everywhere else, as suggested in para. 8 of the Despatch of the 21st August 1919. Such a claim would appear to conflict with the rights of other members of the League of Nations.

9. Finally, Article 22 of the Covenant of the League of Nations requires that in the administration of the Territory there should be applied the principle that the well-

being and development of its peoples form a sacred trust of civilization. This is a matter with which I am directly concerned, but I may perhaps be permitted to suggest that it would not be consistent with this principle to cede the native peoples from part of the Territory in order to form an Indian reserve.

10. The Indians with whom I have discussed the question in Dar-es-Salaam and elsewhere in the Territory, would appear to endorse these views. They appreciate the policy that the interests of the natives should come first, and they expect no more than equal opportunity with the nationals of other members of the League of Nations. Further, they are generally of opinion that the vacant lands of the Territory are not suitable for the settlement of the Indian cultivators.

11. In my opinion, Indians only require equal opportunity to enable them to play an important part in the development of the Territory. Indian traders, who with their families now number about 15,000, have penetrated to every corner of the country and practically monopolise the mail trade. The retail dealers are largely supplied by Indian merchants. And the policy of the European firms whose representatives I have met, to work with the Indians and not against them. The door is open for the closest commercial relations between the Territory and India.

Again, the climate gives the Indian an undoubted advantage over the European in many walks of life. There will be many openings for Indians as professional men, engineers, clerks, and so on, both in private business and in Government service.

Regarding agriculture and the development of the land, I am not prepared to dissent from the considered opinion of the Administrator that small holders, whether white or coloured, face grave risk of disaster in this country where capital for the employment of native labour is essential. I would only make one reservation; and that is that Indian market gardeners, who as I myself saw at Kilossa are growing excellent vegetables, should be given reasonable opportunity for acquiring land for cultivation in the vicinity of towns and villages instead of depending, as they now do, on short leases from natives or others. Apart from this, it is enough that Indians with capital have equal opportunity to acquire large estates. A Kilossa shopkeeper has already a controlling interest in an adjoining cotton estate, and it is open to any Indian with sufficient capital to make similar investments. Later, when the country has developed, smaller holdings may become practicable, and the Indian cultivator will then again have equal opportunity. But the proposal to settle small cultivators in a special Indian reserve is, in my opinion, unsound both politically and economically, and I recommend that it should now be dropped.

No 2.

Despatch from the Government of India to His Majesty's Secretary of State for India, No. 3, dated the 10th February 1921

We have the honour to refer to the correspondence ending with our Despatch No. 35, Emigration, dated the 25th December 1919, regarding the question of Indian colonisation in Tanganyika Territory, formerly known as German East Africa.

2. The immediate issue raised in your Despatch No. 101, Public, dated the 21st August 1919, was Lord Milner's offer, conveyed in Colonial Office letter No. 13721, dated the 4th April 1919, to discuss the possibility of encouraging the settlement of Indians of a desirable class (preferably agriculturists and ex-service men) in some part of the Territory. Lord Milner was unable at that time to commit himself to any definite policy, but he recognised that India, in view of her services in the war and on general grounds of Imperial policy, had a claim to consideration in the matter. It was assumed by you that the suggestion was that some areas or areas, sparsely inhabited by natives but suitable for colonisation, would be set apart as a reserve where Indians could practise their traditional methods of agriculture under a system of small holdings. You recognised the need for previous examination of local conditions by a deputation of experts, but in view of the disturbed condition of the country and the probability of an administrative redistribution of territory when the mandate were assigned, you considered that the despatch of any such deputation should be postponed. Meanwhile, however, you asked for our general views on the following points:

- (1) Whether from the point of view of India we regarded it as desirable and practicable to attempt an organised scheme of settlement.
(2) How far desirable types of agriculturists, ex-service men or others, would be attracted by the prospects of free settlement in the Territory so far as could be judged in the light of the information at present available as to its physical characteristics and possibilities.

(3) Whether we should be prepared to encourage such colonisation and how far we should be prepared to give financial assistance.

The Government of India referred these questions to the Local Governments of the provinces from which settlers would be most likely to go. Copies of our Commerce Department's letter No. 825 D, dated the 19th December 1919, and of the replies of the Local Governments, are appended to this despatch. Sir Benjamin Robertson also was requested by us, with the consent of the Colonial Office to break his return journey from South Africa at Durban, Natal, and discuss the matter informally with His Excellency the Governor of Tanganyika Territory. A copy of his report, dated the 4th August 1920, is appended. It will be understood that Sir Benjamin Robertson only stayed for a fortnight in Tanganyika Territory, and the area which he was personally able to visit was comparatively small. His report, as he himself has insisted, should in no way be regarded as a substitute for the report of the deputation of experts, including Indian representatives, which we had contemplated. At the same time, we attach great importance to the views of Sir Benjamin Robertson, who not only has long experience of agricultural colonisation in India itself, but also has exceptional knowledge regarding the settlement of Indians overseas.

4. The Local Governments, as we had anticipated, have found it difficult to give a satisfactory reply to the points referred to them without more detailed and definite information regarding agricultural conditions in Tanganyika Territory. Provisionally, however, they are generally of opinion that agriculturists of the required type would not be attracted by the scheme.

The Government of the Central Provinces consider that the Central Provinces are not likely to provide any appreciable number of colonists.

The Government of Bihar and Orissa are of opinion that there is no prospect of inducing agriculturists to emigrate to Tanganyika Territory from that province.

The Madras Government say—

Agriculturists of a suitable type are not likely to be attracted by the prospects of free settlement held out to them under the scheme. As a class they are much too conservative to migrate to an untried and unknown country like East Africa, and even if they do they would not take their women folk.

The Government of the United Provinces say—

There seems good reason to believe that the class of settlers would be available. The All-India Zamindars' Association considers that the best form of colonisation would be to make large grants of land to Indian princes and big landowners. The Lieutenant Governor considers that no experiment in any experiment in emigration must not be looked for in view of the reluctance to emigrate of the classes to which emigration is most generally being considered. Religious prejudices and deep attachment to their homes are characteristic of these men.

The Punjab Government, however, are more hopeful that a scheme of colonisation might gradually be developed from small beginnings—

From the papers forwarded with Mr. Ley's letter Sir Edward Maitland, however, thinks that a fully developed scheme of colonisation could not be started in the immediate future, and that it would be necessary, as a preliminary, to send a few suitable settlers who would be helped by large grants and large concessions and who would be given facilities for occasional return to India. If this were done, His Honour believes that a score or two of adventurous agriculturists of a good type would be found in the Punjab who would be attracted to German East Africa; and if their settlement were successful, a further scheme could then be developed with a view of attracting larger numbers with better facilities.

The Bombay Government are unable on the material now before them, to express a definite opinion. In particular, they consider it essential that the political and administrative questions to which we referred in our Despatch of the 25th December 1919 should first be settled.

The report of Sir Benjamin Robertson shows that there are serious practical objections to any scheme of colonisation under a system of small holdings. It is true that there are which in personally inspected was comparatively small, and it is not suggested that the difficulties enumerated by him would necessarily be encountered throughout the territory. But, on the information now before us, it must be admitted that there is, prima facie, reason to accept the view of the Tanganyika Administration that the country, in its present state of development, is not suited to the small settler.

We are thus forced to this conclusion. On the one hand, the replies of the Local Governments to our enquiries show that small Indian farmers are not likely to be attracted by the prospect of settlement in Tanganyika. Of the other hand, we are satisfied that a scheme of small holdings will not be practicable in Tanganyika, in view of the present state of development. In other words, for the time being, the only large estate available for settlement is suitable only for large estates, and not for small ones.

7. But, as Sir Benjamin Robertson has emphasised, there is another aspect of the case. On the one hand, we cordially agree that it would be contrary to the principles enunciated in Article 22 of the Covenant of the League of Nations to exclude the native peoples from part of the Territory in order to form an Indian reserve. On the other hand, as you yourself suggested in your Despatch of the 21st August 1919, there is a danger that the reservation of an area for exclusive Indian settlement might be made a pretext for the imposition of restrictions on Indians in other parts of the Territory. It might be argued with some acuteness that preferential treatment in one area implied differential treatment elsewhere. The concession of an Indian reserve might even be regarded as an admission of the principle of race-segregation.

8. It appears from Sir Benjamin Robertson's report that the Indians who are already settled in East Africa, accept the view that the interests of the natives should be considered first, and at the same time, on their own behalf, they ask for nothing more than equal rights and equal opportunities with the nationals of other Members of the League of Nations. Their position is clearly stated in a letter, dated the 19th January 1920, from the Secretary of the British East Africa Indian Association to the Honourable Mr. K. K. Chaudhri, which was published in the Indian Press.

"We feel that by claiming special treatment in a particular place we shall forfeit our claim for equal treatment everywhere. What we want is equal treatment in both East and South Africa, and in fact throughout the British Empire. By asking for special treatment in German East Africa, we shall be violating the fundamental principle which we have all along been fighting for, namely, that there shall be no discrimination in the treatment meted out to various sections of His Majesty's subjects."

9. The terms of the Mandate for German East Africa, which was forwarded to us with letter No. 3, and P. 1521, dated the 3rd April 1920, from your Assistant Secretary, Judicial and Public Department, guarantee equal treatment for the nationals of all Members of the League of Nations. This guarantee was specifically confirmed by Lord Milner's assurance, conveyed in Colonial Office letter No. 15886/20, dated the 12th April 1920, that "Indian settlers in the territory will be treated on a footing of complete equality with other settlers, and that no discrimination will be made in their disfavour. If this guarantee is respected, in spirit as well as in letter, the claims of the East African Indians will be satisfied."

10. We agree with Sir Benjamin Robertson that the position which the East African Indians have taken up is right, and we believe that it will be generally supported by public opinion throughout India. We have opposed, and will continue to oppose, unfair discrimination against our nationals overseas. We desire no discrimination in their favour. We ask for no more than equal rights. We can be satisfied with nothing less.

11. It follows that we accept Sir Benjamin Robertson's recommendation that the proposal to settle small cultivators in an Indian reserve should be dropped. There will be no need, therefore, for us to send a deputation of experts to examine local conditions and select an area for Indian colonisation. At the same time, we trust that no obstacle will be placed in the way of Indians who may wish to acquire land on the same footing as the nationals of other Members of the League of Nations. We are informed by Sir Benjamin Robertson that the intention of the local authorities is first to sell by auction the existing German estates, which are now leased to contractors, and afterwards to alienate vacant Crown lands from time to time as occasion offers. Sir Benjamin Robertson was assured by His Excellency the Governor that the same opportunity would be given to Indian purchasers as to purchasers of other nationalities. We would also ask that we should be given ample notice of such sales to enable us to answer enquiries from intending purchasers who are resident in India, and also to encourage colonisation, should we so desire, on the lines suggested by the Punjab Government.

12. We would also request that the attention of the local authorities should be invited to Sir Benjamin Robertson's recommendation that Indian market gardeners should be given reasonable opportunity for acquiring land for cultivation in the vicinity of towns and villages, instead of depending, as they now do, on short leases from natives or others. It is understood that the transfer of land from natives to non-natives is ordinarily prohibited, but may be permitted, in accordance with Article 7 of the Mandate, with the previous consent of the public authorities. We would suggest that it should be recommended to the authorities that consent in such cases should not, without good reason, be withheld.

13. In conclusion, we must refer once more to the point which we urged in our Despatch of the 25th December 1919, that administrative conditions in Tanganyika Territory should be such as to afford an absolute guarantee that Indians will stand on a footing of unquestioned equality with other settlers, of whatever nationality. The Mandate guarantees economic equality, but as we understand, makes no provision for political equality. On the contrary, Article II of the Mandate authorises the Mandatory to constitute the territory into an administrative union with the adjacent territories under his own sovereignty or control. In view of recent events, we may perhaps be pardoned if we regard with grave misgiving the possibility of administrative union with the adjacent territory of Kenya Colony. "If there is no political equality, we fear that even the guarantee of economic equality may prove to be illusory. Experience elsewhere has shown how easy it is to subvert nominal equality by administrative action." We need only recall the exclusion of Indians from the uplands of Kenya "as a matter of administrative convenience." As the Government of Bombay have expressed it, in their letter No. 12267, dated the 9th December 1920, which appended to this Despatch:

"They consider it absolutely necessary in the first instance to know what form of government will prevail in German East Africa and what class of people will have power to legislate and to conduct the administration. While it is true in theory that under the Mandate every resident of an original member of the League of Nations will have equal rights in the new territory, everything will depend in practice upon the people who exercise the governing power."

14. In our Despatch of the 25th December 1919, we suggested the desirability of associating representatives of the Government of India in the preliminary discussions regarding the system of administration to be set up in the Territory. But Lord Milner replied in Colonial Office letter No. 1795/19, dated the 6th March 1920, that as the system of administration had already been settled, our proposal could not usefully be considered. We understood, however, from a subsequent letter from the Colonial Office, No. 15886/20, dated the 13th April 1920, that Lord Milner referred only to the organisation of Government Departments and staff, and not to the political rights of the inhabitants of the Territory. We may say here that we fully recognise that the well-being and development of the native peoples should, under the conditions of the Mandate, be the first principle of the administration of the Territory. And we are perhaps told that Sir Benjamin Robertson was convinced by his experience in East Africa that it was not desirable, during the period of tutelage, that the Government should in any way be controlled by alien settlers, of whatever nationality. At the same time, the interests in Tanganyika Territory, both actual and prospective, are large. The system has not always, perhaps, been fully realised. To quote from Sir Benjamin Robertson's Report:

"In our opinion, Indians must secure equal opportunity to enable them to play an important part in the development of the Territory. Indian traders, who with their families now number about 100,000, have penetrated to every corner of the country and practically monopolise the retail trade. The retail traders are largely supplied by Indian merchants. And it is the power of the European firms whose representatives are engaged to work with the Indians and not against them, the door is open to the closest commercial relations between the Territory and India."

Again, the climate gives the Indian an undoubted advantage over the European in many walks of life. There will be every chance for Indians as professional men, engineers, clerks and so on, both in private business and in Government service."

Indians with capital have equal opportunity to acquire large estates. A Kilosa shopkeeper has already a controlling interest in an adjoining coffee estate, and it is open to an Indian, with sufficient capital, to make similar investments. Later, when the country has developed, smaller holdings may become practicable and the Indian cultivator will then again have equal opportunity."

We regard it as essential that there should be adequate safeguards against the development of a system of Government which might be apathetic, or even hostile, to our legitimate aspirations. We must, therefore, repeat our request that we should be consulted. In para. 20 of our Despatch, dated the 21st October 1920, regarding the position of Indians in Kenya Colony, we recommended the suggestion that a Royal Commission should be appointed to consider the whole question of the administration of the East African territories. The House of Commons Government in Tanganyika Territory would naturally be among the matters referred to such a Commission. We would again urge that a Commission should be appointed, and should include representatives of the Government of India. We would again submit that it is not possible to arrive at a statesmanlike solution of the East African question without full consideration of all the interests involved and full knowledge of the facts.



13. In conclusion, we must refer once more to the point which we urged in our Despatch of the 25th December 1919, that administrative conditions in Tanganyika Territory should be such as to afford an absolute guarantee that Indians will stand on a footing of unquestioned equality with other settlers, of whatever nationality. The Mandate guarantees economic equality, but, as we understand, makes no provision for political equality. On the contrary, Article 14 of the Mandate authorises the Mandatory to constitute the territory into an administrative union with the adjacent territories under his own sovereignty or control. In view of recent events, we may perhaps be pardoned if we regard with grave misgiving the possibility of administrative union with the adjacent territory of Kenya Colony. If there is no political equality, we fear that even the guarantee of economic equality may prove to be illusory. Experience elsewhere has shown how easy it is to subvert nominal equality by administrative action. We need only recall the exclusion of Indians from the uplands of Kenya as a matter of administrative convenience. As the Government of Bombay have expressed it, in their letter No. 12267, dated the 9th December 1920, which is appended to this Despatch:—

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"In our opinion, Indians must secure equal opportunity to enable them to play an important part in the development of the Territory. Indian traders, who with their families, now numbered about 15,000, have penetrated to every corner of the country and practically monopolise the retail trade. The retail dealers are largely composed of Indian merchants. And it is the policy of the European firms whose representatives exist here, to work with the Indians and not against them. The door is open for the closest commercial relations between the Territory and India."

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We regard it as essential that there should be adequate safeguards against the development of a system of Government which might be apathetic or even hostile to our legitimate aspirations. At present, there is no report on record that we should be asked. In para 20 of our Despatch, dated the 25th October 1920, regarding the position of Indians in Kenya Colony, we suggested the suggestion that a Royal Commission should be appointed to inquire into the question of the administration of the East African territories. The formation of a Commission for Tanganyika Territory would naturally be among the matters referred to such a Commission. We would again urge that a Commission be appointed, and should include representatives of the Government of India. We would again submit that it is not possible to arrive at a statesmanlike solution of the East African question without full consideration of all the interests involved and full knowledge of the facts.

21342 EA

Confidential

4 May 1921

DRAFT.The Secy to India  
Public Dept  
India OfficeMINUTE.

Mr. Clain 3/5

Mr. Pashmore 3

Mr.

Mr. Grindle.

Sir H. Lambert.

Sir H. Read.

Sir G. Fiddes.

Col. Amery.

Mr. Churchill.

I am to acknowledge the receipt

of your letter N<sup>o</sup>. J+P 2809of the 30<sup>th</sup> April enclosing

copies of certain papers which

have been supplied by Mr

Secy Montagu to the

Standing Joint Committee

of both Houses of Parliament on Indian  
affairs.

(\*) I am to report that you will inform  
Mr Secy Montagu that Mr Churchill  
has no object to <sup>his</sup> the proposal to  
present the paper to Parliament

(Signed) H. J. READ