

1923

KENYA

44547

FROM
O.S.O.

DATE
6TH SEPTEMBER 1923

8 SEP 23

FOR CIRCULATION:—
Mr. *[Signature]*
Mr.
Mr.
Asst. U.S. of S.

.....
Perm. U.S. of S.
Part. U.S. of S.
Secretary of State.

SUBJECT
KENYA COFFEE PLANTATIONS
COFFEE FOR THE SMALL MAN

Approved
Note from Mr. Deventer asking that he may be furnished with copies of local papers in order that he may be in a position to obtain information on above subject.

Previous Paper
S.S.
H.C.
22479/23

MINUTES

? Write to Gov. as in app.
I refer to library to
consider what can be
done to arrange for him.
Approved to be furnished
regularly with a copy of
one of the Kenya newspapers
[The "Standard" would, probably,
be the best: the "Leader" is
now defunct]

Vertical handwritten notes on the left margin, partially illegible.

C.S. 89.23

*Recd.
19.9.23
at once*

Handwritten notes at the bottom left corner, including "1923" and other illegible scribbles.

MINUTES

MINUTES NOT TO BE WRITTEN ON THIS SIDE

~~The [unclear]~~
Mr. Jeffries

The [unclear] of the
O.S. Dept. already received
the 11 Gazettes of the
"Farm Journal", and
in the past he has
always read the leader
Rearrangements have
now been made for
the [unclear] to be
sent to him for personal
use & return as soon
as the issues have
been ~~received~~ after one
in the Dept. It has
been read by
[unclear] from the [unclear]
[unclear] in the [unclear]

F. B. [unclear]

Good. Mr. [unclear]

*to see
Mr. [unclear]
[unclear]*

put by
C. J. [unclear]
at once.

See last sheet.

See letter of 20 Dec. attached.

Mr. [unclear] called on [unclear] with
an introduction from [unclear] (C.S.)

His local people had written today
that an enquiry was proceeding as a
result of a C.O. despatch and he
felt that there was an atmosphere
of suspicion.

I said that we had received
enquiries & as we knew nothing we
had asked. That was all, & we had
a perfectly open mind.

He explained the [unclear] at
some length, but as the [unclear]
is coming I have not thought
it necessary to record what he said,
except that any one who suggests
that they attract people to [unclear]
or a CO [unclear] plot is thus informed
the [unclear] idea has for [unclear]
& not [unclear] [unclear].

SP [unclear]

As this is an [unclear] letter I
have not answered it - I should
say as little as possible. Tell me
know more. If all [unclear] [unclear] [unclear]
should put him on to the [unclear].

Plenty [unclear]

KENYA COFFEE PLANTATIONS LIMITED.

(TURBO VALLEY ESTATES)

MANAGER:
SIR J. L. LISTON POLLE, BART.
KENYA COLONY.

HEAD OFFICE:
CLARENCE CHAMBERS,
NAIROBI, KENYA COLONY.

199, Piccadilly,
London, W.1.

20/12/23.

W. C. Bottomley Esq. O.B.E.
Colonial Office.
Downing Street, S.W.1.

Dear Sir,

We wish to thank you for the interview of yesterday, enabling us to place before you the main details of our settlement proposals in Kenya Colony, and further thank you for your interest in same.

At any time we shall be glad to wait upon you again, providing any further information re this Company and especially exhibiting documentary evidence as to the soundness of our proposals, - the main points of which are 1. Our ability to give Transfer and Title to our sub-purchasers. 2. The suitability of our estate for the purpose of sub-division and Coffee Culture. (Chief Coffee Officers Report.) and 3. The development we have done and that now in progress on the estate.

Coffee is one of the main staple products of the Colony and provides the medium for an occupation which demands close settlement with small areas for the individual settler and therefore makes possible the very type of "Community" settlement which is now regarded as the most suitable for emigration.

Our "Semi-development" plan of purchase for the person with moderate capital is ideal, especially when this is combined with little experience, as it means that the main initial development upon which so much depends, is done for him by practical people and his inexperience is not a handicap.

We will not at the moment bother you with further details, but will send you an explanatory booklet at an early date, which is now in course of publication.

Incidentally we are helping to increase the white population of a country that has an enormous future and we shall appreciate to the full any help you can render.

Yours Faithfully,

W. C. Bottomley
W. C. Bottomley

Memorandum to 6 Sept 1923

Mr Jeffries.

100

re Coffee for the small man
Kenya Coffee Plantations Ltd.

The above was referred to in the

X Leader 23rd 30th December 1922.

(File N. C. O.).

X Advertisement appeared in the Times
August 20th 1923 (p. Col. 4. Business Opportunities).

X Further publicity was given to the
Coffee-growing industry by the Delegates
from Nairobi who went to India last year
also Debat. House of Commons (Hansard 25th July
last).

And I've no doubt by other means, also
the Agents acting in India, etc.

The local papers from time to time have
aided my work in various ways. District
news of industrial development, are cases
as to what is taking place, besides the
official news, such as Debat. in the Legislative
Assembly. For some reason I do not get
the papers now.

Could I be provided with a copy direct?
at your expense please.

AB PT.

N. B.

I recognized the importance of
the Coffee industry when the
O. S. O. was first established
and I have been at considerable
pains to gain information from
the official publications in order
to pass it on to others.

ab

COFFEE AND THE SMALLHOLDER.

From the Daily "Leader",
Thursday, Dec. 9.

With every colony of the British Empire at present feverishly competing for settlers it behoves Kenya to consider seriously how it can bring to its shores the large white population its potentialities warrant. South Africa has for years past consistently sought, by extensive advertising to settle on small holdings men with only moderate capital. In a recent number of *United Empire* the S.A. Prudential Ltd. offer 5 acre orange orchards for approximately £600 cash. The estimated profits from this extremely small acreage after five years is estimated at £100 per acre, though they claim in actual practice higher results have been obtained, there being an unlimited market for the fruit grown as it reaches the markets of Europe and America during the summer months. Kenya has placed itself prominently a coffee country. The tendency has been hitherto, for the potential coffee farmer to buy scattered coffee land in 1,000 acre farms and upwards, of which perhaps one-quarter eventually becomes coffee producing. It is obvious that with this land lying idle when with capital available it could all be producing, the colony suffers an irreparable financial loss. Nor are the profits from the crop reaped from the cultivated quarter as high as they might be. With the whole area cultivated, and consequently the bulk increased four times, bulk handling and transport would reduce costs considerably.

A farmer we know of in the Kiambu district is making a comfortable living from the proceeds of forty acres. It may be safely assumed that an acre of coffee land in full bearing will yield five and a half cwt. of clean coffee which at Shs. 80 per cwt., would realize £22 on the London market, while costs would work out about £10 leaving a net profit of £12 per acre. The price of Kenya coffee in all probability will rise considerably in the next few years. The latest figures for Kenya coffee are Shs. 98 per cwt. The introduction of prohibition into America has led to an enormous increase in the demand. In fact America is now in a position to practically absorb the whole of the output of that continent, which hitherto has been the source of large supplies for the European market. Some of the largest coffee consuming countries in Europe are at the present moment largely out of the markets.—Germany, Austria, Turkey and Russia—and it may be surmised that they will within a few years become restored to normal conditions and again become heavy consumers. All these factors point to a rise rather than a fall in price in the commodity upon which Kenya's prosperity so largely depends. A hundred acre holding with say 80 acres under coffee will yield a profit of at least £1,000 per annum to the farmer. Would it not be possible to devise some scheme whereby the land known to be capable of growing coffee at present lying idle could be split up into small holdings on the lines suggested, making homes for a larger population.

Such a scheme is just as feasible with coffee in Kenya as with fruit lands in South Africa and California. Any coffee grower with ample acreage is in the position to lease, with option of purchase, portions of his land to the small man. A scheme of this sort has already been undertaken by certain private enterprises on the Uasin Gishu, with, we understand, some good prospects of success. Smaller schemes on similar directions might well be essayed by our leading coffee planters with profit to themselves and benefit to the Colony.

KENYA COFFEE IMPROVES.

Better Quality Still on Ascendant.

Messrs. J. W. Milligan and Co., sole representatives of Messrs. John K. Gilliat and Co., Ltd. send the following report received by cable from Messrs. John K. Gilliat and Co. Ltd. dated London, December 15.
"The offerings during the past fortnight amount to 1,260 bags of which 1,190 bags were sold, realising an average price of 95s. 6d. per cwt. The highest price paid for bold size was 116s. 7d. per cwt. Market easier."
It will be noticed that although the market in London is described as easier, the average price for the coffee sold was 2.6d. per cwt. higher than was the case a fortnight before. This we think, must be due to a continued improvement in the quality and versatility of the parcels put up for sale.

The Reader

30th December, 1972

COOPERATION FOR THE SMALL MAN.

From the Daily ("Reader")

Thursday, Dec. 16.

Since our article of last week, pointing out the potentialities of the small holding as planned and organised by big estate owners in South Africa, we have had the prospectus and agreement of the Kenya Coffee Plantations Ltd. placed before us for inspection and comment. This is the scheme associated with Mr. A.S.F. Barham, of which Sir Charles J. Luton Fombi of Fort Ternan is the Chairman. Without any inside knowledge of the Turbo Valley Estates or the qualities of the soil or local conditions or the organisation and capital behind it, the scheme itself as presented presents all the elements of success and is a frank and fair proposition. It is attempting to do that which would be the making of Kenya settlement. In brief the Company offers a plantation of 100 acres comprising at least 80 acres of approved coffee land, which it clears and prepares for the owner, settling planting up half this area. The total price for these facilities is £1,000, payable half on purchase and the balance in four equal yearly instalments. And the owner who does not desire or who finds it inconvenient to superintend and cultivate during the early stages may have the work done for him at actual cost by the Company. The estimated net profit to be derived is £90 per annum per acre. The whole estate of 2,000 acres is intended to be worked on the co-operative basis. The Company is offering

to erect central plant and machinery to deal with the output on the estate. And the terms of the agreement to be signed by the purchaser appear to be a very fair and equitable proposition.

Whether this pioneer scheme of its kind succeed or otherwise—and some allotments have already been taken up and the allottees are on their ground and at work—we think the enterprise presents all the best features of a beginning of closer settlement. Yet we have the object lesson of Beadoc before us, a similar scheme of closer and co-operative settlement which has come to disaster.

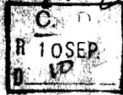
But the causes of the failure of Beadoc may not necessarily be present in this other scheme. Where Kenya Coffee Plantations has a better chance of success is in its proprietary character, as against the purely co-operative character of Beadoc Ltd. Co-operative enterprises and industries seem only to succeed where one master mind—whether Government or owner-founder—initiates and controls the basic conditions, leaving the co-operators, or the workers, to do the work and attend

to the details. It is not clear how such a controlling line will be drawn. It is not clear how closer settlement can succeed in Kenya. And it was on such lines that we commended the small holding enterprises in South Africa, now being carried out at Sunday's River and in the Transvaal and elsewhere. In all these cases it is the head owner of the estate who becomes responsible for the lay-out; being in the position to discard or pay out those congenitally unfitted for the work and to assist those who prove their initial capacity.

There are many large estates owned by men of means in Kenya that would lend themselves to the Kenya Coffee Plantation idea, and it is this high and useful and lucrative development we would endeavour to excite and encourage among estate owners. It is a kind of a Land Bank carried out under private auspices.

CO/44547/23

Kenya. Inv



12 Sept. 1923

DRAFT.

Kenya
Conf.
Gen. Cunningham

*Original
6068
-24*

MINUTE.

Mr. Jeffries 2.9.23
Mr. Parkington
Mr.

Mr. Duns.

Sir G. Grindle.

Sir H. Read.

Sir J. MacLinton Smith

Mr. Ormsby Gore.

Duke of Devonshire.

for comment

Hi,

I have to inform you that my attention has been drawn to the following advertisement which has appeared in

"The Times":-

"Coffee Planting in Kenya Colony

[as marked in copy of Times hereunder] ...

1923 Periodically, w.l.

2. The Oversea Settlement Dept.

*W. B. Abraham
president*

Dept. of this office ~~has~~ ^{has}
received several enquiries
from members of the public
as to the genuineness
of this scheme and ^{generally as to} the
prospects ~~generally~~ of obtaining
~~or~~ a sufficient income
from the produce of ten
acres of coffee land in
Kenya. I should be
glad if you would furnish
me with such information
as may be available on
these points.

{
(Signed) DEVONSHIRE

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SIGNED DEVONSHIRE