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DESPATCH

EAST AFR. PROT.
38012

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Governor. No.

Howard 593

1909

11th Oct

Previous Paper.

2200
32652

IMPORTATION OF MARIA THERESA DOLLARS

States the Boma Trading Company has applied for exemption from import duty. Asks if there is any arrangement with the Abyssinian Government which renders it undesirable for us to allow dollars to be imported into the Prot. with the knowledge that they are intended for use in Abyssinia. Requests decision.

Mr. Read,

We had better ask the Foreign Office whether any arrangement exists with the Abyssinian Government which renders it undesirable for us to allow Maria Theresa dollars to be imported into the East Africa Protectorate with the knowledge that they are likely to find their way into Abyssinia. Subject to the Foreign Office reply on this point, I think we should send a copy of this despatch to the Treasury, and say that, if they agree, we propose to tell the Governor that it is not desirable to do anything which may appear to give the dollars a position similar to that of the legal tender currency of the Protectorate, or anything which would hamper us in prohibiting the importation of the dollars hereafter if it should be found necessary to eliminate them from the currency, (in the same way as in Nigeria recently), and that they should

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should, therefore, continue to be treated like all other trade articles imported into the Protectorate, and should be subject to the import duty of 10%.

H.B.

Nov 26

Mr. Fiddes.

So passed?

N. J. R.

27/11

at home

P. 29

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GOVERNMENT HOUSE,

Nairobi,

October 18th 1909.

407

EAST AFRICA PROTECTORATE.

No. 593

My Lord,

I have the honour to submit for Your Lordship's decision a question which has arisen in connection with the importation of Maria Thereza dollars.

2. These dollars, as Your Lordship is doubtless aware, constitute the only currency accepted in the Northern districts of this Protectorate and in parts of Somaliland and Abyssinia. The Boma Trading Company has accordingly, in order to conduct its operations in these regions, found it convenient to import them and has applied for exemption from import duty.

3. It appears that this can only be granted on coins when legally current in the Protectorate and dollars are not legal currency. On the other hand rupees and cents are useless in the districts referred to.

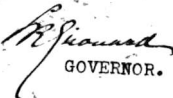
4. A further question arises in connection with our Treaty obligations towards Abyssinia. A very considerable portion of the business of the Company is transacted in Abyssinia and therefore the dollars
in

M. PRINCIPAL SECRETARY OF STATE
FOR THE COLONIES,
DOWNING STREET,
LONDON, S.W.

in question would almost inevitably pass over the border into that country very quickly. I should be glad to know whether any arrangement exists with the Abyssinian Government which renders it undesirable for us to allow dollars to be imported into this Protectorate with the knowledge that they are intended for use in Abyssinia.

5. I may mention that these dollars cost only 9d or so in Austria and the profit to be made by importing them, even subject to a duty of 10%, is very considerable, as their local value is Rs. 2/-
s d
or 2.8.

I have the honour to be
Your Lordship's humble
obedient servant,


GOVERNOR.

Cle

DRAFT

msd 40611

The Under Secretary of State,
FOREIGN OFFICE.

John

Downing Street,

2 December, 1909.

MINUTE.

Sir,

- Mr. Butler *Dec 1*
- Mr. *f*
- Mr. Just.
- Mr. Antrobus.
- Mr. Cox.
- Sir C. Lucas.
- Sir F. Hopwood.
- Col. Seely.
- The Earl of Crewe.

I am directed by the Earl of Crewe to transmit to you to be laid before Secretary Sir E. Grey, a copy of a despatch from the Governor of the East Africa Protectorate relating to the importation of Maria Theresa dollars.

2. Before considering the question raised by the Governor, Lord Crewe would be glad to be informed whether any arrangement exists with the Abyssinian Government which renders it undesirable to allow dollars to be imported into the

Gov. No 593. Oct. 18. D