

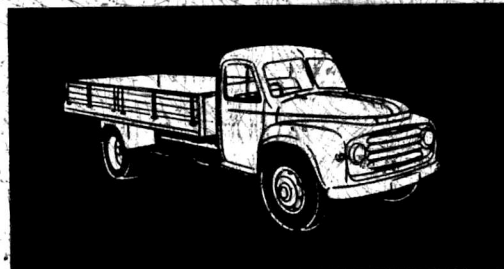
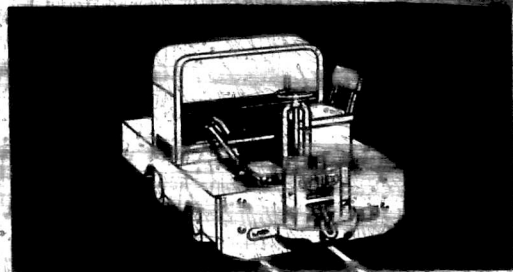
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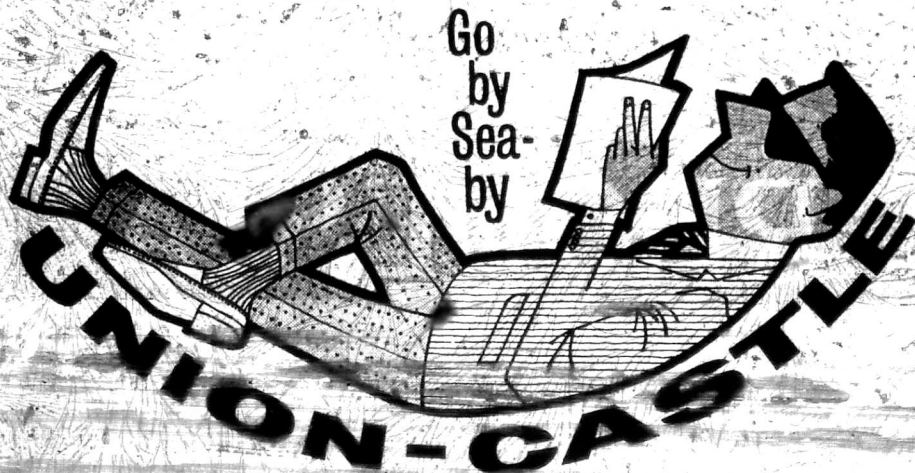
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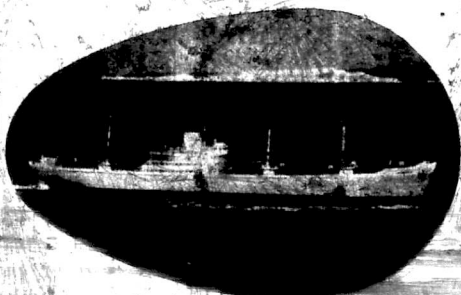
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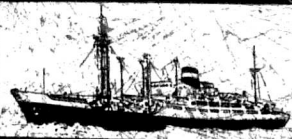
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MATTERS OF MOMENT

UNITED NATIONS IRRESPONSIBILITY

and recklessness have been strikingly—and indeed damnably—demonstrated by the General Assembly's supine admission to the recent machinations of the United Nations

United Nations Irresponsibility.

of the Afro-Asian bloc, of course with the cynical co-operation of the Communist countries, in respect of Southern Rhodesia and the territories of Rwanda and Burundi. The objectives of the conspiring groups were to humiliate Great Britain, Belgium and Southern Rhodesia; to add two more African votes to the fantastic farce which runs non-stop in New York at the moment (in both senses of the term) mainly of the Great Powers; to denigrate Belgium once more, even at the risk of much bloodshed, administrative calamity, and economic and social chaos in territories of which she has been a faithful trustee; and to traduce Great Britain and Southern Rhodesia jointly in the hope that the United Kingdom Government, which has been so spineless in its dealings with the United Nations, will weaken in its support for a fine Colony which is still determined to make multi-racialism a success. That policy is the ultimate outrage from the standpoint of the African political dictators, for they are committed to the expulsion of the white man (except when they remember to say a few words in his favour in order to attract external capital and to neutralize some of the most extravagant utterances of the Nkrumahs, Mbovas, Kenyattas, Kaundas, and Nkomos). Little need be said about this assault on Rhodesia, for the days of vituperation were so much waste of breath. The debate was *ultra vires*, and will have no practical effect, except to strengthen Rhodesian suspicion of the United Nations and contempt for its truckling to Afro-Asian extremists.

Certainly no territory in East or Central Africa has approached independence under

such afflicting auguries as Rwanda and Burundi. Age-old enemies, perpetually at war until European rule was imposed a bare half-century ago, the territories are still riven by deep tribal hatreds.

Afflicting Auguries

They have never had a balanced budget, have been beholden to Belgium for all forms of progress, and are so remote from ocean transport that there is little hope of creating profitable commerce, except by the production of coffee, and latterly of tea, specialist and vulnerable crops which are now jeopardized by the departure of many of the planters. Until a few weeks ago rather more than seven thousand Europeans were at work in the two territories, together about the size of Wales, as administrators, technicians, missionaries, educationists, planters and merchants. Because of the general fear that independence would provoke chaos on a Congo pattern, fewer than two thousand remained last week-end, and they had their bags packed ready for departure at any moment. Usumbira, the main town of Burundi, had only one doctor and one lawyer, and all businessmen except petty traders had left, either permanently, or to wait in Uganda, Kenya, or Tanganyika and see how events developed.

While Burundi has chosen the status of a monarchy under Mwami (King) Mwambutsa (whose son, Prince Louis Rwagasore, was killed last year while Prime Minister), Rwanda has become a presidential

What Sort Of Uhuru?

republic under President Kayibanda, with a Cabinet of sixteen and an Assembly elected by universal adult suffrage. Of the joint population of nearly five million about 85% are Hutu, peasants of Bantu stock, and the rest are Tutsi Nilotics, pastoralists whose ancestors entered the country some three centuries ago and subdued the Hutu, who continued as servants under the political

ideas reached Rwanda. In the past couple of years they have killed thousands of their previous overlords, many more thousands of whom have sought refuge in Tanganyika, Uganda, and the Congo. It is the height of folly to have thrust independence upon tiny territories which are torn by internal strife, which have no trained administrators, no dependable security forces, no technicians, no experienced businessmen, and no prospect of a viable economy. Yet that is the achievement of the United Nations, which has completely disregarded the warnings of its own Molson Commission. To add to its criminal irresponsibility, it has refused even to allow the small force of Belgian paratroopers to keep order, and has not even moved in United Nations troops from southern Katanga (where they have been doing nothing useful since their scandalous aggressions twice last year). If bloodshed occurs the Belgian troops must choose between inactivity and open disregard of the General Assembly resolution, and they will be arraigned at the United Nations whatever course they take.

GOOD HUMOUR marked the Uganda Independence Conference in London, even when one or other of the delegations withdrew in protest, and when at the very end Mr. Maudling, Secretary of State for the Colonies, imposed a ruling in the "lost counties" dispute because agreement could not be reached between Buganda and Bunyoro, he could still claim that there had been no major disagreements, and that Mr. Obote, the Prime Minister, had accepted the decision as reasonable and practicable. Though the areas outside Buganda had been jealous of its higher status, they had similarly accepted compromise arrangements, which Mr. Maudling had consistently intended to be practical rather than decorative. "Call it anything you like, so far as I am concerned, if only we settle how to make things work properly": that about epitomized his sensible attitude at the conference. All things considered, he and Uganda had cause for satisfaction when its eighteen days ran out.

Whether the right solution has been found in the "lost counties" wrangle may nevertheless be doubted. Lord Molson and his privy councillor colleagues were emphatic that two of the counties should be surrendered by Buganda to Bunyoro before the termination of British rule, in order that an African Government should not have to add to its other

burdens responsibility for a territorial adjustment which must arouse strong tribal feelings and might cause civil war. Our view is that that recommendation should have been followed, and that the indefinite postponement preferred by Mr. Maudling is, at least as likely to inflame enmity as to weaken it. That risk, moreover, is increased by indecision about the date for the proposed referendum. The stipulation is that "not less than two years hence" the date shall be determined by the National Assembly. If, as is probable, that body is then still dominated by a coalition dependent upon Buganda support, and if the authorities in that province on the matter deferred once more, further indefinite postponement is to be expected. Would not the better course have been for Britain to accept the unpopularity involved in detaching two of the counties from Buganda and adding them to Bunyoro, and so spare Mr. Obote's Government a potentially explosive inheritance? Because he was brought to power by the votes of the Kabaka Yekka (Kabaka Only) party, which is adamantly opposed to any surrender of territory, he was in a difficult position, and his acceptance of Mr. Maudling's ruling was obviously a major factor in the decision. Only the future can demonstrate whether rejection of the Molson Commission's advice was wise.

Statements Worth Noting

- "I am not afraid of any propaganda from anyone." — Dr. Kamuzu Banda.
- "The punishment for unscrupulous shopkeepers and employers will be the sight of co-operative shops springing up in the towns." — Mr. Rashidi Kawawa, Prime Minister of Tanganyika.
- "Only a few expatriates used to be necessary to run the country efficiently. Now in place of one expatriate the Government is employing 100 Africans." — Mr. W. W. K. Nadioppe, speaking in the Uganda National Assembly.
- "Not a penny from the Government is going to be allowed to be spent as long as I am Minister on expenses on sending a chap to Rhodesia University College." — Mr. Kanyama Chiume, Minister of Education in Nyasaland.
- "Most names rivers and escarpments in the Northern Province are wrong. — Lufira in place of Luviri, Katondore instead of Katonthoworo, and Kasumbaji instead of Kasumbachi." — Mr. A. M. Nyasulu, M.L.C. for Mzimba South, speaking in the Nyasaland Legislature.
- "The Government of Southern Rhodesia provides education for 17% of the black population. In Ghana, Egypt, and Northern Rhodesia the proportion is 11%; in Nyasaland and Nigeria 6%; in Liberia, 3%; in Ethiopia, less than 1%. Nevertheless a man like Ethiopia's Emperor, seemingly unconcerned about the appalling conditions at his own palace door in his own capital city, alleges that Southern Rhodesia enslaves its Africans." — Professor H. J. Rousseau, Professor of Education in the University College of Rhodesia and Nyasaland.

Notes By The Way

Private Investment

THE ANNUAL SURVEY of the chairman of the Standard Bank is always interesting and perceptive, and, as will be seen from the full text on other pages of this issue, Sir Edmund-Hall Patch commented at considerable length on East and Central African matters. He especially emphasized a point which some prominent African political leaders are prone to disregard, namely, the importance of attracting private capital. When asked about plans to create and maintain the confidence of external investors, some African leaders have told me that they need not worry about such old-fashioned ideas, because in the frustrated continent today the money which their countries need for development will be provided either by the United Kingdom, the United States, the United Nations or Iron Curtain nations—if not from generous motives, then from mutual fear, competitiveness, or determination to meet a march on someone else. The thirsters after power who express such views also calculate that private capital already invested in their countries cannot leave, and think that some may enter for political reasons from the U.S.A., Germany, and perhaps one or two other sources.

Timely Warning

SIR EDMUND HALL-PATCH has described a sufficient inflow of private capital as the need of East, Central, and even South Africa, and has emphasized that the help of national or international organizations cannot provide a substitute. Overseas capital will be invested in the African territories, he asserts, only if there is confidence in the maintenance of law and order and in the ability to operate the invested money efficiently and reasonably profitably, and if earnings can be permitted, and the money itself if necessary. Admitting that these thoughts are not new, the chairman of the bank adds with justice that they have yet to be fully appreciated "by many of those now actively concerned with the political future of large parts of Africa where we conduct our business". The warning is timely, especially as many African politicians have been misled by the Nkrumah doctrine that if they seek first the political kingdom all else will follow automatically.

Expense Account Safaris

SAFARI ORGANIZERS in East Africa have probably not realized that the substantial expenditure of many of their American clients has ultimately been met by the taxpayers of the United States. That fact has now been revealed by the United States Treasury in evidence submitted to a sub-committee of the Senate which is enquiring into what is called "expense account living". The president of a dairy is stated to have taken his wife to Kenya on a six-months' safari and claimed 16,818 dollars as a deductible business charge; revenue officers having demurred, the case was taken to court with the result that an allowance of 16,443 dollars was granted. The Senate sub-committee has been told of other lavish safaris in Kenya—and of one large American corporation which in one year claimed and was allowed a deduction from taxable profits of £134,000 in respect of costs incurred in providing "facilities on a sub-tropical island" including its own fishing cruiser and commuting aircraft for the benefit of its tired executives and their guests. The Kennedy Government being evidently determined to introduce strong measures against this kind of self-indulgence at the cost of the revenue, Kenya

must expect to be affected, perhaps a good more severely than anyone in the Colony has yet recognized.

End This Hypocrisy

PUNGENCY, GOOD HUMOUR, determination, and earnest insistence on the need for adherence to principle in national and international affairs characterized the speech of Sir Roy Welensky in the Federal Parliament which is reported at length in other columns. It ought to be read by the critics, white and black, of the Federation, but few of them are likely to accept that discipline, for, as the Prime Minister remarked, they prefer fanaticism to facts, pretence to principle, cant to conscience, and ideologies to sense. Without mentioning their names, he spoke in severely critical tones of the Banda, Mr. Kuumbe, and Mr. Mwenya Williams, and ended with a challenge to the leaders of the Western world to recognize that appeasement never pays, that there is no dependable substitute for honest government, and that the situation in Africa can be saved only by a prompt return to sanity and to firm and experienced leadership: "Let there be an end to hypocrisy" fairly summarizes a characteristic, bold and robust statement.

My Boy

DR. BANDA, Minister of Natural Resources and Local Government, said in the Legislative Council of Nyasaland when a new Education Bill was under discussion that he was delighted at the way in which it had been introduced by "my boy, Kanyama". In the next few minutes there were four more references to "that boy" and "my boy", Mr. Kanyama Chiume, the Minister, who is 29 years of age, when asked by the Speaker to talk a little more slowly because the reporters all found it difficult to follow him, promised to "put a brake on my tendency to speak at super-sonic speed". He dismissed a proposal of a European member with the comment that it might be necessary to open "an archives for palaeozoic ideas such as his". Later he said that his Ministry would do its best to make sure that "Fact", "this insidious publication [of the United Federal Party] is turned into the kinetic energy of the electrons of dead matter".

Tame M.P.s. and Expensive Ministers

CONDEMNATION of Macblundellism in Africa is to be seen every day in the published quotations of the London Stock Exchange dealings in shares of excellently managed companies which were considered to be first-class holdings until Mr. Macleod was sent to the Colonial Office to do the will of his political master. The prices of the shares of companies engaged in all kinds of enterprises in East and Central Africa have been halved or still more adversely affected, and some now return more than 20% on the present price even when all their commitments are not in Africa. Of one such case a leading financial journal has just written that the shares, returning 21% at the current quotation, would not be a bad "speculative purchase". Until Africa suffered the dual calamity of what has been rightly called Macmillan-Macleod "amateurism", they would have been a sound purchase at double their present level. The blameworthy Ministers have cost shareholders scores of millions of pounds, if not hundreds of millions. Yet I do not recall reading of even one Parliamentary question. So much for our tame M.P.s!

African Nationalists and Communists Treading the Same Path

Intimidation Part of the Overall Plot, Says Sir Roy Welensky

SIR ROY WELENSKY, Prime Minister of the Federation of Rhodesia and Nyasaland, spoke in strong terms in the Federal Parliament last week of the dangerous activities of pan-Africanists, Communists and fellow travellers, of the delusions about Africa of leading Americans, of the distressing state of the United Nations and of the desperate need for the Western world to reaffirm its faith in the traditional standards.

He made it clear that the Federal Government will not be a party to destruction of the Federation, though sound adjustments will be accepted.

Remarkable Resilience of the Economy

The Prime Minister

The Federal economy has shown remarkable resilience; nevertheless, I have heard it said that it is grinding to a standstill. There may be some people in the Federation who would like to see it grinding to a standstill, because in the perversity of their thinking they believe this would hasten the day when they will achieve their desires.

The Government's contribution to our gross domestic product in 1961 was £11.7m.—the highest ever. Copper exports declined by £9.7m. to £112.6m., almost entirely due to the fall in the price, which we cannot control. Manufacturing industry had a further increase in output, though not so large as we would have liked. Our trading position and foreign exchange reserves are very healthy. The economy is geared to the growing rate of development.

If we are to develop, the output must grow faster than the population; and this has not happened in 1961. We have a surplus capacity of labour and material which must be put to work. We have a growing problem of unemployment, particularly in Southern Rhodesia, but this must not be ascribed solely to the slowing down in our rate of development. It is also due to the spread of education and training, to increased efficiency, and to rationalization of labour.

The Government is doing its best to restore confidence—our major requirement—by resolving constitutional problems as quickly as possible and so far as lies in its power under the Constitution by encouraging the advancement of the African population.

Outlook Far From Discouraging

We have a new development plan. We are sparing no effort in our quest for associated overseas territory status in the European Economic Community. All this is going on against an economic outlook which for the rest of 1962 is far from discouraging. Copper prices are better. Tobacco is almost certain to realize more than last year, and the maize crop will be bigger than ever.

A number of developments have an important bearing on Britain's relationships with the Federal Government and the territories. The Central African Office has been created and ministerial responsibility for the whole Federal area vested in one Secretary of State. My Government has welcomed Mr. Butler's appointment, which is recognition by the United Kingdom of the importance and special nature of our problem.

The Secretary of State has appointed a small team of advisers. My Government has agreed to co-operate fully with these advisers. I would not wish it thought by the Federation's enemies that our willingness to co-operate is a sign of weakness. On the contrary, I believe we are in a position of strength, but we are reasonable men, not bigots like so many of those who would be prepared to break the Federation by any means in their power.

This unforgiving, pathological hatred of the Federation is a characteristic of those who regard fanaticism as a substitute for facts. Their is a familiar technique. Every demagogue must have a scapegoat—whether he calls it capitalism, imperialism, or neo-colonialism. So far as this country is

concerned the whipping horse of ambitious and unscrupulous self-seekers is 'Federation'.

There is a misconception in certain quarters, which may be symptomatic of wishful thinking, that the Federation is dead. Reports of the Federation's death are very much exaggerated. The Federation is a living entity. It has made its mark on the international scene, has an established place within the Commonwealth, and is infinitely stronger today than at its birth nearly nine years ago. Whether our critics like it or not, the Federation's existence cannot be ignored.

It has been suggested that the Federation could be legislated out of existence, practically at the stroke of a pen. This ignores the realities of the situation. I have indicated in the House previously the difficulties, hardships and likely consequences that would flow from what I can describe only as a calamity. Even if we confine ourselves to the narrowest legal field, I have good authority for saying that action cannot be taken unilaterally by the Government, and its content is a vital element.

We do not dispute that an Act of the British Parliament, once it has received the royal assent, is a law of the land, and of the courts. There is a long-established convention which forbids the British Parliament from passing legislation in relation to the governing of another country. Its existence is expressly recognized, as far as the Federation is concerned, in a joint *communiqué* of the British and Federal Governments, dated April 29, 1957. These are the facts as we see them, and they are a good deal more substantial than the flimsy opinions of those who have made it their business to utter the last rites to the Federation during the past two years.

My Government has no intention of taking a leaf from the books of those who believe that they will achieve their ambitions and at the same time remain intractable and impervious to compromise. Our minds are not closed. Whilst we believe it our duty to uphold the Constitution, we concede that it may be both necessary and desirable to make adjustments. We are prepared to listen, to negotiate, and, if convinced by the arguments put forward, to be persuaded.

Expediency Disguised as Principle

But we are not prepared to abdicate our responsibilities or be a party to concessions that would effectively destroy the Federal structure, and all that has been achieved for the peoples of all races since the Rhodesias and Nyasaland first became associated in a Federation.

We in the Federation do not resent criticism, provided it is constructive. We have some good friends in Africa and the West who do not hesitate to criticize us from time to time; but that does not prevent our remaining friends and continuing to value each other's opinions and suggestions.

The all-too-familiar spectacle of expediency masquerading as principle will always arouse my indignation. It would be a sad reflection upon our integrity and moral fibre if we became so cynical or resigned to these manoeuvres that we could no longer wax indignant.

We have every right to despise the stream of purely destructive criticism and spiteful allegations levelled at us by representatives of countries in which criticism of the State has been ruthlessly suppressed. In many cases conditions in their own countries would not bear independent examination, and they would certainly emerge very badly from any factual comparison with the Federation.

Of the 61 member States of the United Nations which juggled with the rules of that international body, voted for an immediate debate on Southern Rhodesia, and opposed Great Britain in her reasonable stand on this issue, 22 are dictatorships, 23 do not even bother to honour their subscriptions to U.N.O., and two—Saudi Arabia and the Yemen—tolerate slavery.

Countries such as these are demanding the introduction of sweeping parliamentary reforms; but they know that if their proposals are carried out at the speed they advocate it would lead not to reformation but to ruination. We have no intention of making drastic alterations to our policies merely to accommodate the view of countries which employ cant in the place of conscience and preference for principle.

It would be idle for me to pretend that the policy of active interference being pursued by certain Afro-Asian countries has not given comfort and encouragement to a number of our African nationalists, who see in these tactics a short cut to power. For a long time these gentlemen have found the constitutional facts of life unpalatable. Until recently they elected to look over their shoulders to London. Now the Mecca for their political pilgrimages is New York. They are

busily engaged in a rather disreputable form of diplomacy—fighting their election campaigns in lobbies and sub-committees of the United Nations. These itinerant politicians find it possible to discard facts and to rely on an increasing extent on emotional appeals, crocodile tears, untruths, and ideological clap-trap.

"Hon. Members will doubtless share my belief that the credibility displayed by certain member countries at the United Nations does not spring entirely from ignorance, but from a bias in some cases and a deliberate plan in others.

"Whilst one cannot hope to convert countries held in the thrall of Communism, it is distressing that many of the responsible nations seem to lack their critical faculties when addressing themselves to the United Nations. They tend to regard Communism in which race is only one facet. They tend to regard Communism immediately the prosecution has completed its case. Racism drives out common sense, just as bad money drives out good.

"All too often the solution to our problems is seen to be universal adult suffrage. I do not accept the proposition that only numbers are of any significance or have moral authority. A broadly-based franchise is certainly a vital element in any move towards full democracy, but it is only one element and not the sole one. The evidence of our progress and our progress in practice what we need is enshrined in our franchise legislation.

Presence of United Nations

Southern Rhodesia or the Federation, although it may well be critical for the United Nations Organization. Member nations are for inscribing the question of Southern Rhodesia on the agenda of the resumed session of the General Assembly have demonstrated once again their contempt for the principles of the Charter and their disregard for the constitutional realities which govern our political and constitutional life in this area.

By pretending that there exists in Southern Rhodesia a serious, critical, or explosive situation which calls for urgent consideration at an international level, they have demonstrated such a warped and distorted sense of value and proportion as to forfeit any claim to influence the course of international events. By the stratagem to which they resorted in order to secure urgent consideration of the Southern Rhodesian question they have committed an indiscretion that many of them will live to regret. By throwing the rule book out of the window they have cast away the protective shield of small Powers.

When U.N.O. was created it was recognized that the big Powers had a natural right to look after themselves. For the protection of small Powers' interests it was necessary to build into the mechanism of the organization a complex of checks and balances which would ensure that these interests could not unreasonably and irresponsibly be overwhelmed or set aside. The initiative to disregard these provisions may well have set the organization on the slippery slope that can only lead to its disintegration and ultimate collapse. I think that would be a disaster—a disaster of the member nations' own making.

"The issue concerning Southern Rhodesia is one in which U.N.O. has no competence and in which it can act only as an irritant.

Britain's Attitude Unequivocal

"The attitude of the British Government is unequivocal, and I have welcomed the very forthright and unambiguous terms in which it has been set out. Mr. Butler informed Parliament on May 8 that the British Government had told the United Nations sub-committee that it could not introduce a new Constitution for Southern Rhodesia or set aside the 1961 Constitution. It would be contrary to the convention which had operated for nearly 40 years of non-interference in the internal affairs of Southern Rhodesia.

"After referring to the fact that the sub-committee had chosen to ignore this statement, Mr. Butler went on: "It is still asking for the impossible; namely that H.M. Government should take the initiative to have the present Constitution set aside and a new one negotiated. It has expressed many opinions that we do not accept. When this comes up for debate in the United Nations, H.M. Government will again explain our attitude." Mr. Butler referred to the fact that the General Assembly and its subsidiaries can make only recommendations. "Members are in no way bound to accept them."

"I am sure that the House will share my satisfaction that H.M. Government has shown so much firmness and resolute determination to draw the line in regard to U.N. interference in her and our affairs. Whatever resolution emerges from this lamentable farce will have no practical effect so far as the Federation is concerned; but I do not underestimate the disturbance which the trouble-makers in the United Nations can cause. The Federal Government solidly supports the

British and Southern Rhodesian Governments in their stand at this difficult time.

"We are having to contend with interference from sources other than the United Nations, but the latest example reflects the same trend which today prevails in that body — the gangling-up of nations for the purpose of disrupting others. I refer to the report that Tanganyika intends to start broadcasting to Nyasaland, Northern Rhodesia, and Southern Rhodesia in Nyanja, Shona and English, and in those broadcasts to reflect the policies of pan-Africanism and what they call unity and freedom from colonialism. One particular party — U.N.I.P. — is to be supported in the coming election campaign in Northern Rhodesia. If the report is correct, those who exercise authority in Tanganyika should be warned of the consequences which could flow from such direct interference by one Commonwealth country in the domestic affairs of another.

"Why should we show the slightest interest what is happening in New York? There are arguments both ways, but I think there is a balance of advantage in taking some interest in these proceedings; we should not give our detractors the satisfaction of engaging us in formal debate on the affairs of Southern Rhodesia. It would be to admit competence which does not exist. But it is not letting facts speak, and we shall continue to share our information accordingly.

"What we are doing is based on the conviction that ultimately a sense of reaction and a sense of justice will prevail in international considerations, even if States are not yet lacking in these qualities. It is based also on the assumption that the international community as a whole must sooner or later assume the responsibilities which the Colonial responsibilities invariably creates economic and administrative vacuums which it just cannot afford to go on filling.

"It is based also on the assumption that there are a number of members of the international community who are capable of appreciating the special problems of the African races at different stages of development. It is based on the assumption that sufficient like over with a permanent rising population have made far greater progress in developing our natural human resources than any purely Colonial dependency.

Winning Friends

"Patient projection in the U.K. of our philosophy and achievement has already done much to straighten out the distorted image and win us friends and sympathizers, and I am not unhopful that we can achieve something of the same results on the broader international scene, bedevilled though it may be by racial antagonisms and the shadow of the cold war. It is not a policy in which we can hope to secure immediate spectacular results, but I believe it is worth pursuing. In this connection, I have decided to strengthen the Federal mission in Washington by the appointment of two additional officers of experience and ability.

"On the subject of international public relations, I applaud the initiative shown in inviting a group of Nigerian Parliamentarians to visit us in the Federation. For all her present difficulties Nigeria is a great country, destined to play a significant rôle in the future of Africa.

"I have also been much heartened by the Nigerian Prime Minister's public statement of his wish to visit the Federation. It will give us much pleasure to welcome him and discuss our problems as well as the problems of Africa as a whole in a friendly way, but concealing, as I believe he would have it, no right to anyone from outside to interfere in our domestic affairs.

"We are two powerful countries by African standards, which have inherited the noble traditions of parliamentary democracy, and I believe there is much we can do together and in collaboration with the other African States which have clung to the same traditions to keep the torch of parliamentary democracy burning and keep the road open to a better life, not only for our own peoples but for all peoples of this struggling continent.

"There are many bonds of common interest between ourselves and our Portuguese neighbours. It was gratifying to have it confirmed by our distinguished visitor the Governor-General that on the Portuguese side they are as strong as ever. I am pleased to give the same assurance as far as we in the Federation are concerned.

"Some developments in Africa give less ground for satisfaction. I am thinking particularly of the monotonous beating of the tired old drum of pan-African so-called liberation movements. The vultures have recently been gathering in Accra again, and the self-appointed leader of the Casablanca Group has added some sheep to his flock of scoundrels.

"One such new addition is reported to have said that Nyasaland will be on the side of Ghana whether in heaven or hell — an interesting statement which ought to give people here

Results of Uganda Conference in London

October 9 Confirmed as Independence Date

THE UGANDA INDEPENDENCE CONFERENCE, held at Marlborough House, London, ended on Friday afternoon, when the draft of the final report was agreed. It will be published this week as a White Paper.

The final *communiqué* was as follows:

The work of the conference was largely undertaken in three committees—a Constitutional Committee, a Fiscal Committee, and a Citizenship Committee. In addition, there were many informal meetings between various groups and individuals taking part in the conference. The recommendations of these committees and the outcome of the informal meetings were considered by the conference in plenary session.

The principal conclusions of the conference are summarized below.

Independence and Commonwealth Membership.

The Conference confirmed the provisional agreement reached at the Uganda Constitutional Conference, 1961, that Uganda should attain independence on October 9, 1962.

All the Uganda representatives joined in expressing the wish that on attaining independence Uganda should be accepted as a member country of the Commonwealth. They were also united in desiring that after independence Uganda should continue in allegiance to Her Majesty the Queen as Queen of Uganda. The United Kingdom delegation readily undertook to support with the other members of the Commonwealth Uganda's application for acceptance as a fellow-member.

Main Tasks of Delegates.

Independence Constitution.—The main task of the Constitutional Committee was to reach agreement on the provisions of a Constitution for Uganda after independence. Points which were given particular consideration included boundary changes; fundamental human rights; head of State; specially elected members of the National Assembly; use of emergency powers; appointment of an Electoral Commission; the prerogative of mercy; the High Court of Uganda; appeals to the Privy Council; the means by which Parliament may amend the Constitution; the public service and the police force.

Fiscal Matters.—The Fiscal Committee considered and recommended to the conference what should be the fiscal relationships between the Central Government and other authorities in Uganda after independence. In so doing the conference concentrated in particular upon those recommendations of the (Hicks/Prees) Fiscal Commission which had substantial constitutional implications: many of the Fiscal Commission's recommendations did not require consideration by the conference, either because they had no constitutional significance or because they concerned administration rather than policy, or because they simply confirmed agreement reached at the 1961 Conference. Full details of the recommendations will be published in the conference report.

Citizenship.—The Constitution will create a citizenship of Uganda. It will contain provisions dealing with the following aspects of this subject: persons automatically acquiring Uganda citizenship on independence; entitlement to citizenship of Uganda by registration; acquisition of Uganda citizenship by birth after independence; acquisition of Uganda citizenship by married women; dual citizenship.

The Kingdoms.—The Agreements between Her Majesty and the rulers of the kingdoms will cease to have effect at independence.

In the case of Buganda the Kingdom Constitution is already annexed to the Uganda Constitution.

In the cases of Ankole, Bunyoro and Toro the conference agreed that a number of additional provisions about the relationship between these kingdoms and the Central Government should be included in the Constitution. These provisions fall into five groups: (1) those relating to the domestic institutions of the three kingdoms that will be inserted in the constitution; (2) the method of amending those provisions; (3) the extent of the legislative powers of the kingdoms; (4)

the provisions of the Constitution as to relations between the Central Government and the kingdoms that should be entrenched; (5) the method of amending those provisions.

Busoga will be treated in the same way as the Kingdoms of Ankole, Bunyoro and Toro, and will be known as the Territory of Busoga. The provisions to be inserted in the Constitution for the domestic institutions of Busoga will be agreed between the Uganda Government and the Government of the territory.

Public Order and Police Powers.—The Central Government will have full authority for public safety and public order throughout Uganda. There will be a Kabaka's Police Force, which will be complementary to and will co-operate with the Uganda Police Force, in Buganda.

The Inspector-General of Police will be responsible for the command and co-ordination of all police activities throughout Uganda and the Secretary of State for the Colonies of the Central Government may give him general directions of policy in the interests of public security and public order throughout Uganda) his control of the police will be unfettered.

The Constitution will provide that there will be police forces for the Kingdoms of Ankole, Bunyoro and Toro that will have such composition, powers and functions as are provided by law of the Uganda Parliament.

"Lost Counties"

The Lost Counties.—The Secretary of State for the Colonies of the Central Government, in his statement to the conference that, to his great regret, it had not proved possible to achieve by negotiation an agreed solution to this long-standing and intractable problem, nevertheless stated that he would not be left as they now stood. It therefore fell to him, in the absence of agreement between the Kingdoms of Buganda and Bunyoro, to take a decision.

After much careful thought he has reached the conclusion that the right course was as follows:—(a) there would be no immediate transfer of territory; (b) the administration of the two counties of Buyaga and Bugangazzi would be transferred to the Central Government; (c) after not less than two years from the date of transfer the National Assembly of Uganda would decide upon a date for referendum in these two counties in which the electorate would be asked to express its preference between the following choices: (1) to be part of Buganda, with the administration of the area reverting to the Kabaka's Government; (2) to be part of Bunyoro, with the administration of the area passing to the Government of Bunyoro; or (3) to be a new district, remaining under the administration of the Central Government; (d) the future of the two counties would then finally be determined on the basis of the views expressed in the referendum.

The Prime Minister of Uganda undertook on behalf of the Uganda Government to accept the responsibility for the administration of the two counties which the statement by the Secretary of State required.

A brief "background note" added:—

Uganda's most difficult constitutional problem has been to work out satisfactory relationships between the Central Government and the various constituent parts of the Protectorate, including the Kingdoms of Buganda, Ankole, Bunyoro and Toro.

The 1961 conference decided that the future relationship between Uganda and Buganda should be federal. A new agreement between the United Kingdom and Buganda was negotiated in separate discussions alongside the conference, initiated before the delegates left London and formally signed in Kampala on October 31. Provisions were also made for the future relationship between the Central Government and the other kingdoms, and it was intended that new agreements with these kingdoms, which would bring these into line with the new constitutional arrangements for the rest of the country, should be negotiated subsequently.

The conference which has just concluded was convened to resolve these matters requiring decision before independence. The relationship between Uganda and the kingdoms (including Buganda) was still defined in agreements with the United Kingdom Government, which could not persist after independence. Decisions had also to be taken on the recommendations of the Meisner Commission on the lost counties and of the Fiscal Commission. It was further necessary to provide for the exercise after independence of the executive functions of the Governor under the existing Constitution, and generally to revise the Constitution to take account of the ending of the Protectorate.

Mr. Maudling told the Press on Friday that there had been no major disagreement at the conclusion of the conference, although the Bunyoro delegation had absented itself from the final plenary session and Buganda had officially rejected his imposed solution of the "lost counties" dispute.

The conference as a whole had agreed that his solution was as good as any that could be found, and he was hopeful that it would work out. The Prime Minister, Mr. Obote, had assured him that the Central Government would be able to administer Buyaga and Bueagazzi counties without difficulty.

There would be no ill omen that the Kabaka, Yekka members in the National Assembly would "hold a pistol to the Prime Minister's head in order to hinder the discharge of

the neutral Central Government's responsibility.

"Whatever solution had been suggested, there would still have been some risk of danger, but I feel that now that a decision has been taken it will be firmly acquiesced in", Mr. Maudling said. "Any unrest that might break out would not delay independence. Enough troops were available to deal with any disorders."

Asked if he would agree that the Constitution was federal, the Colonial Secretary said that it had federal elements in it. All groups were clear about who had power to do what. It would not be true to claim that the kingdoms were entirely happy with what had been achieved, but he felt that they all accepted the proposals as fair and just.

He added that the Government and the Opposition had been extremely co-operative and had worked very harmoniously together.

U.N. Breaches Charter to Attack Southern Rhodesia

Britain's Faith in Sir Edgar Whitehead's "Genuine Intentions"

THE UNITED NATIONS last week endorsed by 73 votes to one, with 27 abstentions, an Afro-Asian resolution calling on Britain to convene "urgently" a constitutional conference for Southern Rhodesia "in which there shall be full participation of representatives of all political parties" for the purpose of formulating a new Constitution in place of the December Constitution of 1961, "which would ensure the right of the majority of the people on the basis of one-man-one-vote in conformity with the principles of the U.N. Charter and the declaration on the granting of independence to colonial countries and peoples".

All the African, Asian and Communist countries voted for the resolution. South Africa was alone in voting against it. The United States and some Commonwealth, European and Latin American countries abstained. Britain and Portugal refused to take part in the vote.

The resolution demanded upon Britain to take "immediate steps to restore all rights of the non-European population and to remove all restraints and restrictions in law and in practice on the exercise of the freedom of political activity including all laws, ordinances and regulations which, directly or indirectly sanction any policy or practice based on racial discrimination"; and to grant an amnesty to and to ensure the immediate release of all political prisoners.

A Bulgarian amendment passed by 55 votes to one, with 42 abstentions, added that any new Constitution prepared for Southern Rhodesia should be based on the principle of one-man-one-vote.

It was the first time that Britain had deliberately decided to take no part in a vote before the General Assembly. But only the senior British delegate, Sir Patrick Dean, left the chamber during the voting; the other British representatives remained in their seats.

Even Britain Cannot Intervene

Sir Patrick said that the U.N. had no authority under its Charter or otherwise to intervene in Southern Rhodesia's affairs. The resolution was *ultra vires*, unacceptable, and impracticable. The British Government itself did not have the power to intervene in the internal affairs of Southern Rhodesia without the consent of that territory's Government. No good would come from ignoring that fact.

The initiative for the 1961 Constitution had come from Southern Rhodesia, not from the U.K. Government. "The accepted and declared aim is to move in a period of years to a state of affairs under which the majority of the population will, through the extended franchise, take a steadily increasing part in the management of the affairs of their own country."

"The record of the Southern Rhodesian Prime Minister, Sir Edgar Whitehead, shows that there is no basis for the fear that the Government there is backward-looking. The British Government has faith in the genuine intention of the Southern Rhodesian Government to eliminate racial discrimination from the territory and to build a truly multi-racial society based on tolerance and good will."

Referring to "unpleasant statements" aired by the Communist countries against Britain during the debates, he said that even after British Colonies in Africa and Asia had achieved their independence "these noisy, self-appointed spokesmen of democratic freedom have told this Assembly that the British continue to interfere in the internal affairs of these territories upon the territories in her former imperial dominions against the will of the peoples concerned. These hypocritical accusations were made by the representatives of a country which is notorious for having used its own armed forces to install and maintain its own political nominees in power in a number of nearby countries."

The proposals for the amnesty for so-called political prisoners were made by the representative of a political system which is responsible for the arrest and disappearance of untold numbers of political prisoners.

"The delegation to which I refer is never at a loss for a proverb. I offer its members this quotation from *Forgiveness*: 'If you desire to put your enemy in the wrong or even to damage his reputation, blame him for the sins which he has done to you, but you feel in yourself'."

The Afro-Asian attitude was stated by the Ethiopian delegate, Dr. Tesfaye Gebre-Egzy, who said that, despite British protests, the sponsors of the resolution believed that Britain had an obligation under the U.N. Charter to lead the 3m. Africans of Southern Rhodesia to independence. "If she refused to exercise that responsibility, the U.N. would have to intervene, and in the circumstances that could not be termed intervention in internal affairs."

Resolution Will Be Ignored

The Federal Prime Minister, Sir Roy Welensky, commented that the vote would do most harm to the U.N. itself than to Southern Rhodesia or the Federation, adding: "The fact that this world organization saw fit to change its own rules for the sake of expediency contains a warning not only to the smaller nations but quite possibly to the Great Powers themselves."

Mr. Joshua Nkomo, leader of the Zimbabwe African People's Union in Southern Rhodesia, calling on Britain to convene a constitutional conference immediately, said that Southern Rhodesia could become an independent State through negotiation, through forcing a complete economic breakdown, or through "bloody revolution."

Sir Edgar Whitehead, the Prime Minister, told the Southern Rhodesian Parliament last week that the right course for the Colony was to state openly that the United Nations had no right to interfere in Southern Rhodesian affairs and that its resolutions would be totally disregarded. To send people to New York to tell the General Assembly how wrong it was would be an extreme waste of public funds.

Governor-General's Speech

U.K. Government's "More Positive Approach"

THE EARL OF DALHOUSIE, Governor-General of the Federation of Rhodesia and Nyasaland, said when opening the first session of the new (third) Federal Parliament in Salisbury last week:—

"In 1961 the national income increased by only 2%. This was primarily due to a marked fall in mining income, though also affected by a slowing down in construction and commercial activity. Agriculture and manufacturing had a good year.

"In 1962 there has been encouraging activity in several fields. Two local loans, totalling £5.5m., were successfully floated. A Commonwealth assistance loan of £2m. was made available to the Federation by the British Government in New York loans of 5m. dollars and 2m. dollars were obtained from Barclays Bank and the standard bank respectively. Industrialists have continued to show interest in the establishment of new industries and the development of existing enterprises. Copper prices have been remarkably firm so far this year. Tobacco and maize crops are expected to set all previous records, and foreign exchange reserves are very healthy compared with the position in the previous

My Ministers welcome the British Government's decision to create the Central African Office and the appointment of Mr. R. A. Butler as Minister responsible for Central African affairs. It is their earnest hope that these developments will herald a more positive approach to the Federation's problems, and that an early settlement can be reached, acceptable to all men of good-will and tolerance.

Substantial Internal Resources

"Whilst the difficulties confronting us are to some extent symptomatic of conditions generally on this continent, the Federation has substantial internal resources for development. My Ministers intend to concentrate on developments which will provide employment for our people and assist in the solution of the major problem of raising the lowest levels of income. In particular, the Federal Government will co-operate with the territorial Governments in fields for which it is responsible in the great task of converting the rural subsistence economy, in which a greater part of our people still live, into the money economy.

"A statement of principles of economic policy which is aimed at increasing the real income per head as quickly as possible, together with the Government's development plan for the three-year period 1962-65, will be placed before you during this session.

"The negotiations for the United Kingdom's entry into the European Common Market are increasing in tempo. The Government is being kept in touch with the progress of the discussions, and the British Government has stated that before it makes a final decision an opportunity will be given to Commonwealth Prime Ministers to discuss the matter in conference. My Ministers continue to believe that should the United Kingdom finally decide to join the Common Market, the interests of the Federation would best be served by some appropriate form of association between the Federation and the Community.

"Following the signature of agreement between my Government and the oil refinery sponsors, the start of the refinery's construction depends on satisfactory arrangements being made for the transport by pipeline of crude oil from the coast. With the valued collaboration of the Southern Rhodesian and Portuguese Governments, my Ministers are pursuing vigorously this aspect of the project, which promises to bring considerable benefits to the Federation.

"The service operated on Lake Nyasa by Nyashaland Railways provides an essential amenity for the Northern Province of the territory. Unfortunately it continues to run at loss, notwithstanding financial and other assistance provided by my Government. A working party, appointed jointly by the Government and the railways, has investigated ways and means of reducing the loss whilst continuing to provide a service suitable to the needs of this remote region.

"There has been encouraging progress in the Government's campaign against endemic diseases. Further steps are being taken to eradicate malaria. During the past 10 to 15 years there has been an increase in the numbers of persons infected with tuberculosis; this has been halted, and the incidence of the

disease is showing a fall on figures for previous years.

"A census of the African population of Southern Rhodesia has been completed. The information derived will prove of great value to the Federal and Southern Rhodesian Governments.

"Now that the Federation has moved to a position where it is more than self-sufficient in such basic foodstuffs as maize and beef, it has become necessary to review the existing marketing and pricing policies. The Government has decided to set up a commission of inquiry into the maize industry, and is considering setting up a commission of inquiry into the cattle industry. To pave the way for the introduction of policy changes for maize pricing and marketing, which may result from the inquiry, the maize price agreement was terminated on May 1 with the concurrence of the producers' representatives.

"A Bill to regularize a Minister's decision will be placed before you; also a Companies Bill, a Bill to amend the Education Act, a Northern Fishing Duties Bill, a Bill to amend territorial laws relating to the regulation of the railways, and a Bill seeking to set up a development fund, financed from monies derived from the surcharge on Kariba power. You will also be asked to consider Bills amending the existing law regarding a wide range of subjects, including animal health, radio-communications, income tax, customs, prisons, the Marketing Board, and Central African Airways Corporation.

"Legislation to regulate the relations of the Federation with the Republic of South Africa is being prepared. A Bill being drafted include one to control the accountancy profession, a Bill to amend the law relating to friendly insurance of the public service and the Federal Supreme Court.

Federal Taxes Raised by 81.9%

Sir Donald MacIntyre's Budget

SIR DONALD MACINTYRE, Federal Minister of Finance, introduced his last budget last Thursday, for he is to retire in September.

The Federation's balance of trade in 1961 was, he said, a record of £59m., the largest single contribution to the increase in export earnings having been made by tobacco, with maize and tea as other main contributors. The adverse balance of current transactions was the lowest, except for 1960, since the creation of the Federation.

"People in the Federation squarely face the fact that the gross domestic product had risen by only 2% in 1961, a much lower rate of growth than that to which the Federation had been accustomed. The slowing down was mainly due to a substantial drop in the value of mining output as a direct result of the fall in the price of copper. Most other sectors of the economy suffered no marked reduction of income, and there were large increases in agriculture and manufacturing.

Referring to an adverse movement in the terms of trade, the Minister said that while the index of imports rose from 108 in 1960 to 112 in 1961 by value, average prices for exports declined from the index of 95 in 1960 to 92 last year.

The introduction of exchange control in February 1961 had halted the outflow of residents' funds. Indeed, the flow had been reversed. Federal banking reserves, which stood at £25m. in March 1961, now stood at over £50m. Even allowing for seasonal trends, this represented an increase of some £15m. over the position two years ago.

Local Investment

There had been increases in post office savings deposits, and commercial bank deposits were £6m. higher in March 1962 than in the previous year and advances were £4m. lower. The banks had eliminated their overdrawn position overseas, and in the second half of 1961 they held substantial overseas balances.

"An outstanding feature of the year had been the desire of investors to maintain a liquid position. Short-term money was therefore plentiful, although long-term money was not so readily available. The Treasury had taken advantage of this situation to expand the Treasury bills market by increasing its weekly issue of bills. The Minister had decided to utilize these short-term funds to finance both the shortfall on loan votes and the deficit on revenue account. He reaffirmed the Government's intention to do away with exchange control at the earliest opportunity.

"In a period in which there has been much uncertainty and in which the terms of trade have moved against us, the economy has displayed great resilience. This shows that there is in our economy an inherent strength, an intrinsic muscularity, which must be a source of comfort and satisfaction to all of us who live here and to all who have lent us money."

Gross investment in the three territories was now approach-

ing the £2,000m. mark. While the Federal labour force had increased by only 1½% between 1954 and 1961, the gross domestic product had gone up by 48% in volume. That was clearly due to an increasingly skilful and productive labour force.

It was intended to maintain loan vote expenditure at the 1961-62 level, namely some £19m, with the provision of £1m for housing. That reflected the Government's earnest endeavour to provide more and better housing for its African civil servants.

Copper prices in 1962 had so far been appreciably higher than in 1961. Tobacco receipts for the new crop were reasonably buoyant, and there were indications of another substantial maize surplus for export, while tea and beef exports seemed certain to be higher than in 1961. There was little reason why, apart from the built-up industry, expansion at home should not continue, as substantial funds would be voted by Government for public work to help maintain stability in that industry at present levels.

Needing Nobody's Charity

Dealing with revenue and expenditure for the year just ending, the Minister estimated revenue in 1961-62 at £66.6m. and expenditure of £69.1m, leaving a deficit of £2.5m. This was added to the surplus on the account of £1.1m. carried over from the previous year, leaving a net deficit of £600,000 to carry forward.

"We must now move forward into a new financial year," said Sir Donald, "with a modest surplus standing firmly on our own feet, needing nobody's charity in order to meet our commitments."

Expenditure in the coming year was estimated at £70.2m. of which £66.8m. would be provided if taxation was maintained at its present level. That left a deficit of £4.1m. which would be absorbed of £600,000 carried over from the previous year, leaving a deficit of £3.5m. He intended to close that gap only partly by means of more taxation, for he believed that this was a year in which a reasonable deficit on current operations was required, so that the Government might play its part in stimulating demand. His new tax measures would bring in £1.9m.

Some changes in income tax legislation would augment the yield from the taxes at the present level. From the assessment year beginning 1963 for those persons who did not derive income from employment, there would be two tax payment dates in the year, and taxpayers would be expected to make their own preliminary assessments. P.A.Y.E. was being studied, and would possibly be introduced by 1963. Grossing-up concessions would be withdrawn and a compensatory "investment credit" introduced.

Rebates would be limited to £250 for a married person and £125 for a single person. The insurance rebate calculation would be modified so that the first £120 of premium became subject to rebate of 3s. in the £1 and the next £120 to 1s. 6d. in the £1, thus reducing the maximum rebate from insurance from £45 to £27. Tax-free interest payments to non-residents would be limited to certain specific investments, including Government stock and investments with local authorities and statutory bodies.

New Taxes

Measures taken on May 4 to increase the duties on cigarettes, beer and liquor would yield £1.4m. The following new taxes would, now be added: an excise tax on matches of 8s. per gross, to yield £305,000; an excise tax on soaps, detergents and similar products of 4d. per lb. and a compensating customs duty to yield £137,000; a 10% increase in the customs duty on dry primary batteries, to yield £38,000; a 5% increase of duty on tobaccoists' wares and of 2s. 6d. per lighter on cigarette lighters, to yield £65,000; and a 5% ad valorem increase in the present duties on toilet preparations and perfumed spirits, to yield £26,000.

Sir Donald announced two measures of tax relief. He increased from £25,000 to £50,000 the limit at which the 5s. 5d. private company rate of tax ceases to apply, and he introduced substantial allowances (£100,000 in any assessment year) for prospecting expenses in order to encourage the search for new minerals.

The remaining deficit of £1.6m. would be financed by increased short-term borrowing.

Sir John Moffat, president of the Liberal Party of Northern Rhodesia, criticized the duty on matches, soap, and torch batteries as a heavy burden on the poorer sections of the community. He added: "As the Federation will probably end during the current financial year, deficit budgeting by the Minister is probably sound."

Mr. Kalufu, chairman of U.N.T.P. protested at the tax on matches as "hitting very hard at the African mass of the people", and Mr. Liso, chairman of the African National Congress of Northern Rhodesia, objected that lower-paid people were hit hardest by the budget.

Increase in Rhodesian Railway Rates

SIR ROY WELENSKY announced last week in the Federal Parliament that the State-owned Rhodesian Railways would show a loss of about £1.6m. for the year to June 30.

For the 12 months ending June, 1961 the Railways had made a profit of over £1m. but the mid-1961 wages arbitration award had made it impossible to avoid a deficit. Moreover, carriage of Katanga copper had contributed substantially to the favourable position in 1960-61, but owing to the Katanga disturbances that could be regarded only as fortuitous traffic. The arbitration award would cost £850,000 per annum, and the Railways faced over the last 15 months additional increases in African staff costs of £480,000. Increase in staff wages and allowances since May, 1959 had amounted to an additional £2.7m. per annum. Cessation in railings of Katanga copper and reduction in the recently resumed flow of that traffic had reduced revenue by £800,000 during this financial year; other net increases on various traffics amounted to £340,000. Income from investments had declined and the Copperbelt strike took its toll.

"Rhodesian Railways expect their loss for the financial year ending June 30 will be about £1.6m. and on foreseeable cost and revenue factors it is estimated that the coming financial year is estimated at £2.2m. Consequently a net increase is inevitable."

Further economies in working and improved operational methods had resulted in savings of £200,000 per annum, and other economies would double that figure, and the railways were taking further measures to increase staff productivity and efficiency. It was, however, imperative that freight rates be increased.

"Long consideration has been given to the Railways Board recommendation advocating a 10% surcharge on all goods and mineral traffic carried by rail and by the R.M.S. from September 1. We have concluded that a 10% surcharge will not be accepted. Even with the additional income which this surcharge is deemed to fetch, it will be necessary for the Railways to practise the utmost economy."

September 1 has been chosen to allow reasonable time for users to make representations to the Railways and for negotiations to take place, and because July and August were normally peak months for some important export traffics. Delay in the impact of the increase was a gesture which the Prime Minister hoped would be understood.

Dr. Banda's Meetings in London

DR. BANDA, Minister for Natural Resources and Local Government in Nyasaland, and president of the Malawi Congress Party, and Mr. Butler, Minister for Central African Affairs, began a series of meetings on Monday. Sir Glyn Jones, Governor of the Protectorate, has flown to London to take part in the talks.

Last week Dr. Banda met a number of businessmen with interests in Nyasaland, and gave assurances that the Government for which he speaks has no intention of embarking upon a policy of nationalization.

In Bristol he met Mr. E. J. Partridge, deputy chairman of the Imperial Tobacco Company, Mr. A. B. Manev-Courts, an executive director, Mr. W. Sommerville, a director and secretary of the company, and Mr. R. B. S. Harvey, its tobacco leaf manager, whom he told that there was no question of confiscating the company's holdings in Nyasaland. He wanted more Nyasaland tobacco to be sold, and if a better price were paid, so that the African growers could receive better wages, he would promise better quality leaf.

"I.T.C. have nothing to fear," said Dr. Banda. "We welcome anyone who comes to Nyasaland to do business. We are not against Europeans, still less against Britain."

The visit to Bristol was made partly to thank the city for its promise to provide a farm institute in Nyasaland as its contribution to the "Freedom from Hunger" campaign.

Tanganyika Ban on Strikes

A TRADES DISPUTES SETTLEMENT BILL, which virtually prohibits strikes or lockouts, and which has been broadly described as the most controversial piece of legislation introduced in Tanganyika since the country became independent, was passed by the National Assembly last week in less than an hour. Mr. Mkallo, president of the Tanganyika Federation of Labour, who is a nominated member of the Assembly, supported the Bill.

PERSONALIA

MR. C. W. DUPONT, is on his way back to Salisbury in the WINDSOR CASTLE.

MR. SYDNEY WYNNIE will leave in a few days for another visit to the Federation.

SIR JOHN ELLIOTT has been re-appointed a member of the Colonial Development Corporation for three years.

MR. R. TERRELL, who deals with Mauritan and Seychelles affairs in the Colonial Office, has visited Seychelles.

MR. RICHARD FOXLEE, lately engineer-in-chief of the Crown Agents, left £17,300 in which duty of £1,190 has been paid.

MR. F. S. W. RYRON has been appointed chief electrical engineer to the Crown Agents on the retirement of MR. P. HUGH JONES.

MR. MAURICE BENSON has been appointed principal of the Nyasaland Institute of Public Administration from 1962-63.

LORD LLOYD has been elected president of the National Broadcasting Development Committee, of which he was chairman last year.

DR. D. R. HAUFF, secretary of the National Advisory Council on Nutrition set up by the Kenya Minister of Health, MR. F. M. MATTI.

MR. GEORGE KAHAMA, Minister of Commerce and Industry in Tanganyika, is due in London in a few days for discussions in official and City quarters.

TIM SOMALI, Ambassador in London, held a reception on Monday evening to mark the second anniversary of the independence of the Somali republic.

MR. M. J. ADAMS, who was for a time in the office of Northern Rhodesia's Commissioner in London, is now district commissioner for Nkana-Kitwe.

MR. JUSTIN MALIBA, a son of the chairman of Arusha Town Council, Tanganyika, is to spend nearly a year in Sweden training as the U.M.C.A. secretary.

The first two Europeans in Tanganyika to take out citizenship papers are LADY CHESHAM, M.P., and MR. DEREK BRVCESON, M.P., Minister of Agriculture.

MR. YUSUF DIRIR, a Somali student at Reading University, is to give four talks in the Somali Service of the B.B.C. on the Somali communities in Britain.

Having taken up a portfolio in Kenya, MR. TOM MBOYA has resigned from the executive board of the International Confederation of Free Trade Unions.

MR. J. RUKUNI, an African shopkeeper and transport operator in Fort Victoria, Southern Rhodesia, has bought the 13,400-acre Rhodesdale Farm near the Ngesi Dam.

MR. C. H. HAYTER, formerly group works manager, has been appointed a director of the Universal Asbestos Manufacturing Co., Ltd., which has a subsidiary in Uganda.

THE RT. REV. A. E. B. ROGERS, Anglican Bishop of Mauritius and Seychelles, has dedicated the Sir John Thorpe Memorial Hall of St. Paul's Cathedral Church, Seychelles.

LADY MUIR, wife of SIR JOHN MUIR, chairman of James Finlay & Co., Ltd., launched the motor ship CLAN FINLAY, of 9,242 tons, on Friday at the Wallsend Shipyard.

SIR GEORFREY DE HAVILLAND, who has been a frequent visitor to East Africa, has been awarded the gold medal of the Royal Aero Club for his outstanding services to aviation.

MR. G. H. GRIFFIN has been appointed a local director in the Sudan of Barclays Bank D.C.O. The present senior local director, MR. R. W. HARVEY, will retire at the end of this month.

MR. EUGENE BLACK, president of the World Bank, who has visited East and Central Africa, received from Oxford University last week the honorary degree of Doctor of Civil Law.

SIR JOCK CAMPBELL, who was appointed to the Pilkington Committee when it was nominated, resigned early last year. The report, published last week, has caused much general discussion.

AIRCRAFTMAN KAWILILA, of the Royal Rhodesian Air Force, has been awarded the B.E.M. for gallantry in rescuing an air hostess from a civil aircraft which crashed at Salisbury in November.

CANON J. S. KINGSNORTE, the recently appointed general secretary of the U.M.C.A., who worked in Northern Rhodesia for 16 years, will spend July and August in Tanganyika and Nyasaland.

MR. ARNOLD PETER MOELLER, the 85-year-old Danish shipowner, said to be the richest man in Denmark, is visiting London. He is expected to be embarked on a large plantation enterprise in Tanganyika.

MISS ANNE GRANT-MORRIS, who recently showed 60 of her paintings in Dar es Salaam, has been awarded the Tanganyika National Fund just over £50, being 15% on the sale and the amount paid for royalties.

MR. EDWARD G. ROBINSON, the American actor, who suffered a heart attack while filming in northern Tanganyika, and was flown to hospital in Nairobi, is expected to remain for about another fortnight.

MR. SELEMANI KITUNDI, regional commissioner of the Eastern Region of Tanganyika, has appealed to the Gogo and Kusuha tribes to cease decorating their bodies with red soil except on special occasions.

MR. ROINALD MAUDLING, Secretary of State for the Colonies, and MRS. MAUDLING were the guests at luncheon last week of the central council of the Royal Over-Sea League. SIR ANGUS GILLAN presided.

SIR JEREMY RAISMAN and SIR DUNCAN OPPENHEIM have been re-elected to the council of the International Chamber of Commerce as two of the five representatives of the British National Committee of the Chamber.

ASSISTANT INSPECTOR A. NYARTI, on completion of six months' police training at Hendon Police College and Scotland Yard, has returned to Northern Rhodesia. He is to become the first African public prosecutor in Lusaka.

MR. H. SAMURIWO, a former Federal M.P., has been granted the title-deeds of his £7,000 house in Marimba Park, a new African suburb near Salisbury, where all the 62 one and two-acre stands have now been allocated.

SIR ROLAND ROBINSON, M.P., received the guests when the United Kingdom Branch of the Commonwealth Parliamentary Association held a reception on Thursday evening for delegates to the Uganda Independence Conference in London.

The ministerial career in Kenya of SIR MICHAEL BRUNDELL ended last Thursday week with the presentation to the Legislative Council of the estimates for the Ministry of Agriculture, which then passed to his successor, MR. WILFRID HAVELOCK.

M. ALBERT COMHAIRE, who was assistant manager of the Belgian base at Dar es Salaam from 1949 to 1958 and is now assistant manager of the Compagnie Maritime Belge, is revisiting East Africa. During the last war he served in the Royal Navy.

MR. I. G. SAGINI, Kenya's Minister of Education, who returned last week from a visit to the United States with news of assistance for about 130 students to attend American colleges this year, gave the warning that too many students were taking subjects like political science and sociology and would have difficulty in obtaining work on their return. He advised them to study engineering and teaching so as to benefit both themselves and Kenya.

H. H. OBA FALADE II, Alani of Idoani and a member of the Nigerian House of Chiefs, MALLAM SALIHU GONTO, and MR. DIXON OLATUNDE ORIOLA have been visiting the Federation at the invitation of the Rhodesian Branch of the Commonwealth Parliamentary Association.

MR. P. F. GREEN has been appointed Consul-General for the United States in the Federation of Rhodesia and Nyasaland, in succession to MR. EMMERSON, who, it is officially announced, was not recalled at the request of the Federal Government, as has been reported in some newspapers.

THE REV. CHARLES CATT, for the past year minister of the United Free Church in Chingola, arrived in Canada in time to attend a graduation ceremony at Sir George William College, Montreal, at which his mother, aged 63, received a B.A. degree. MR. CATT expects to return to the Copperbelt area but perhaps not to Chingola.

MR. PETER HILL, manager of regional and regional stations at Ghana University College, and Mr. THOMAS HINBY, research ecologist at the National Museum of Southern Rhodesia, will shortly tour East, Central and Southern Africa to gather wild life data for F.A.O. and the International Union for the Conservation of Nature (I.U.C.N.).

A 21-year-old secretary working at the Somali Embassy in London, MISS DAPHNE PARSONS, has announced her engagement to SHEIK MAHAMOUD SHEIK AHMED, 24-year-old son of SHEIK AHMED SHEIK AHMED of Bulawayo. MISS PARSONS has just returned to England from a three months' visit to the Somali Republic. Her fiancé is studying law.

MR. WILLIAM CHIGWERA RIBHE, of Makoholi Experimental Husbandry Station, near Fort Victoria, has been selected by the Southern Rhodesian Department of Native Agriculture for a year's course at the Surrey Farm Institute. He has been a member of the staff of the department for 27 years, and is president of the Southern Rhodesian Agricultural Demonstrators' Association.

MAJOR IAN CRIMMIE, chief game warden in Kenya, who is now in London, broke two ribs while pursuing oryx in Southern Arabia in order to jasso some specimens of the rare antelope for shipment to Kenya in an effort to preserve the species from extinction. Two buck and a doe were captured. THE DUKE OF EDINBURGH, chairman in Britain of the World Wildlife Fund, has congratulated the expedition, arranged by the Fauna Preservation Society at a cost of £4,000 on its "Noah's Ark Operation, a splendid precedent for future efforts to save the world's endangered species."

MR. L. F. G. ANTHONY, formerly of Rhodesia House, London, and MRS. ANTHONY extend a warm welcome to their many friends in the United Kingdom and the Federation of Rhodesia and Nyasaland to visit them at

ST. ELMO PRIVATE HOTEL BELGRAVE ROAD TORQUAY

Ideally situated on the English Riviera and in the heart of Torquay's hotel land. Open all the year. Terms moderate. Write now for brochure.

MR. MAUDLING, the Colonial Secretary, who leaves London today to spend a week in Kenya to review with the Council of Ministers the progress made in considering details of the new Constitution, will be accompanied by MR. J. T. A. HOWARD-DRAKE, his principal private secretary, and MR. F. D. WEBBER, the assistant secretary in charge of the East African Department of the Colonial Office.

VISCOUNT BOYD OF MERTON, chairman of the Royal Commonwealth Society, announced at the annual meeting last week that monthly seminars are now held in conjunction with the British Institute of Management for businessmen about to visit Commonwealth countries. Arrangements have been made with the Federation of Commonwealth Chambers of Commerce for joint membership of both organizations.

MR. WILLOUGHBY CAREY, at one time a missionary in East Africa, and later accountant of the Church Missionary Society at its London headquarters, has received a presentation from his colleagues on his retirement. After spending five years in Nigeria, he was transferred to the Sudan in 1934, and in 1939 he became principal secretary. Soon after the end of the last war he went to Kenya, and for the past five years has worked in the London office. MRS. CAREY was with him throughout his career in Africa, to which their daughter will shortly return as a C.M.S. teacher. MR. and MRS. CAREY will live in Billington, near Leighton Buzzard.

Obituary

MAJOR CECIL JOHN SOMERSET PADDON, O.B.E., who has died at the age of 87, was the only survivor of the 1893 Pioneer Column still resident in Bulawayo. He first reached Rhodesia in the previous year, when only 17 years of age, with a small hunting party. He was in the Victoria Column in its march against the Matabele. When the South African War started in 1899 he was in a komatje prospecting for gold, but he made for the Cape at once and joined Loch's Horse. After the war he was in the Transvaal Constabulary, and then spent some years in Mexico. He was wounded in the 1914-18 war, was made a freeman of Bulawayo in 1942, and awarded the O.B.E. in 1953.

MR. PHILIP HENRY GIFFORD, O.B.E., whose death is reported, was the pioneer of technical education in Bulawayo. He was born in Persia in 1891, educated in England, and went to Rhodesia in 1919 to what is now the Prince Edward School in Salisbury, of which he became deputy headmaster. In 1926 he went to Bulawayo as the first head of the Technical High School, which was later re-named the Gifford Technical High School. From 1947 to 1950, when he retired, he was chief inspector of schools.

MAJOR ERNEST DE COULHAC MAZIERIEUX, O.B.E., who has died in Seychelles, had served on the Legislative Council since 1954 until his recent resignation and on the Executive Council since 1957. He held a commission in the Seychelles Pioneers throughout the last war, had since given much time to the welfare of ex-Servicemen, and had served on many boards, committees, and societies.

MRS. JESSIE LINDSAY BROWNING, who has died in South Africa at the age of 93, arrived in Southern Rhodesia by ox-wagon from Natal in 1898 with an infant son. Her husband, Mr. Charles Browning, who died many years ago, farmed at Rocky Lodge, near Salisbury. She is survived by three sons and three daughters.

MAJOR CHARLES THOMAS COOK BEECROFT, D.S.O., died suddenly in the Muthaiga Country Club, Nairobi, last week at the age of 82.

Rwanda and Burundi Independent

Fears of Disorder and Chaos

RUANDA-BURUNDI on Sunday became two new African independent States, the Republic of Rwanda and the Kingdom of Burundi. They had been under Belgian trusteeship since 1919.

Independence ceremonies were held in the respective capitals of Kigali and Usumbura. President Grégoire Kayibanda of Rwanda expressed his "sincere gratitude" for Belgium's help in preparing his country for independence. He also thanked Germany for her aid between 1895 and 1915, and the United Kingdom for its advice in recent years. Baron Guillaume, representing King Baudouin of Belgium, promised aid and technical assistance to the new republic.

In Usumbura, Mwami (King) Mwambutsa inspected his small "army" and assumed the new responsibilities of independence. Colonel E. Henniquiau, the Belgian administrator, represented the Belgian Government.

The Mwami is expected to pay an early visit to the United Kingdom, to several Continental countries, perhaps to the United States. Burundi's main official festivities are not to be held until mid-August.

Administration Has Broken Down

Mr. John Ridley, special correspondent of the *Daily Telegraph*, is reported to have been told from Usumbura that even the most optimistic observers had no illusions that the apparent calm would last long.

"The great questions are whether violence will start immediately or within a month, whether tribes will start at once to leap at each other's throats, or whether there will be a decent interval until Belgian troops have gone. It is generally believed that while Rwanda would prefer them to stay, Burundi will press for them to leave immediately.

"Seldom can any countries have become independent under worse circumstances. The economy is almost at a standstill. The administration has to a large extent broken down. With the rapid withdrawal of most of the Belgian civilians, the situation is fast deteriorating."

More than 5,500 of about 7,200 Europeans, mainly Belgians, in both territories had left already for fear of becoming involved in incidents similar to those which occurred when the neighbouring Congo became independent.

Mr. Ronald Lodge telegraphed to the *Sunday Times*—

"The remaining 1,800 whites, about one-third of them women and children, have been asked to gather in the three main towns of Usumbura, Ngozi, and Kitega and remain there. 'We learned our lesson in the Congo. What happened there will not happen again', said the Belgian representative in Burundi, announcing the civilian protection plan.

"If white people are molested or their lives threatened, they could all be airlifted to Brussels or at least to neighbouring Uganda within four days. Colonel Henniquiau added that with the exception of 300 missionaries and nuns and 50 others who had decided to remain on their farms or other places of livelihood in country districts, everyone was now in one of three main towns.

"The evacuation problem in Rwanda is much more difficult as there is no big central airfield like that at Usumbura from which an airlift could be organized. The population is more scattered, and very small—perhaps not more than about 50 people. Rwanda seems far more likely to be a peaceful transition. The immediate take-over proceeds more smoothly than in her former colony because the minority warrior tribe, the Tutsi, and their former feudal subjects, the Hutu, who vastly outnumber them, are violently hostile to each other."

Other United Nations representatives included a French-speaking Indian, and two Negroes, the last two as observers.

Belgian Troops Leaving

It was only on Wednesday of last week that the General Assembly of the United Nations finally agreed, by 93 votes to none (with 10 Communist abstentions and one absent), that Rwanda and Burundi should become independent on Sunday. A clause was added to the motion calling on Belgium to withdraw her forces still in the country, and stipulating that "as of July 1, 1962, the Belgian troops in process of evacuation will no longer have any role to play; the evacuation must be completed by August 1, 1962, and the full independence and sovereign rights of Rwanda and Burundi."

Belgium accepted that clause but Great Britain and the United States abstained from voting on it during the eight-hour session of the Trusteeship Committee which dealt with the text of the final resolution. They objected that the wording could create unrest and alarm among Belgian technicians and others in the countries concerned and might jeopardize effective Belgian assistance, which both territories would require for some time if stability was to be preserved.

The Soviet Union objected to a recommendation that a representative of the Secretary-General should supervise withdrawal of the Belgian troops and assist the two new Governments to train their own internal security forces. It failed to gain support for a demand for the complete evacuation of Belgian troops before the week-end.

Hypocrisy of Soviet Russia

A few days earlier the British representative, Sir Hugh Foot, had told the Trusteeship Committee that it would have to take the blame if either of the two territories went down in disorder and chaos. No African State, he emphasized, had approached independence in so weak and vulnerable a condition.

"The difficulties are financial and economic. The dangers are in public security. There is a backlog of suspicion and bad blood. There is a long history of animosity. There are still thousands of refugees."

"It is not possible for the U.N. to provide all the help needed by these two countries. It is important that we should receive neither ourselves about this nor the new Governments. Belgium alone is in the position, and is ready, to give to these countries the practical aid without which they will be plunged into disorder and suffering and misery."

The Belgian attitude in this committee has been clear, honest and generous. But the poisonous speeches made by the Soviet bloc were in melancholy contrast. The Soviet representative had the effrontery to say that the Soviet Union has no interest in this matter other than to serve the best interests of the people of Rwanda-Burundi. Who believes that? They have the hypocrisy to speak of freedom—which in



The
finest tobacco
perfectly packed

their own countries they so cruelly suppress. They have the hypocrisy to speak in praise of nationalism—which in fact they publicly despise.”

The Soviet delegate interrupted to remark that he was not aware that the internal affairs of his country were on the agenda. He asked the president to rule accordingly.

Sir Hugh concluded by saying that the U.N. could not succeed in giving Rwanda and Burundi a good start “unless we forget old suspicions and enmities, unless we give a positive welcome to the Belgian offers of continuing aid, unless we accept and encourage co-operation from all who can help, unless we give the new countries a start in full confidence.”

M. Paul-Henri Spaak, Foreign Minister of Belgium, speaking in the committee, said that he had found it hard to listen to so many untrue and distortions in the speeches by the 12 Communist delegations, all evidently trying deliberately to create disorder in Rwanda and Burundi.

In the General Assembly he said later that he offered complete and loyal collaboration between Belgium and the two Governments and between Belgium and the U.N. “The basis of operations after independence would depend on such a written arrangement.”

The Assembly authorized the Secretary-General to provide up to £20,000 for any emergency measures needed to maintain central services in the two States.

U.N. Congo Forces Alerted

Mr. Tshombe Denies Breakdown

MR. ROBERT GARDINER, the Canadian who is in charge of the United Nations operation in the Congo, has been recalled to New York for consultations over last week's break-down of the talks which he has been supervising between the Central Congolese Prime Minister, Mr. Adoula, and President Tshombe of Katanga.

The Acting U.N. Secretary-General, U Thant, told his Congo advisory committee on Friday that the abrupt rupture of the talks had created a new critical stage for the U.N.; he would consider convening the Security Council to approve a strengthening of forces in the area in case Katanga resumed its efforts to secede.

“While we were hoping that the Leopoldville talks might end in agreement, we are now prepared for their likely failure. Our people in the Congo have been told to be very much on the alert for any contingency as a consequence of the breakdown of the talks.”

The Katanga Government intended to bring some 1,000 paratroopers into Elisabethville for a “Katanga independence” parade on July 11. U.N. officials had informed the provincial authorities that they were firmly opposed to such a move.

In a speech to mark the Congo's second anniversary of independence, Mr. Adoula claimed that Katanga was holding out because of colonialist interests there and in other secessionist parts of the country.

The Congolese President, Mr. Kasavubu, making his first public appearance for more than a month—he is thought to be more or less bed-ridden—said that the Government would have to “envigage adapting its action” following Mr. Tshombe's withdrawal from the talks. “We desire the return of Katanga in peace,” he said.

In Elisabethville it was stated that the negotiations had not been broken off, but that Mr. Tshombe needed an interval in which to acquaint his Government and people with their progress and to look after his health. He intended to visit Geneva shortly for a complete medical check-up, and had meanwhile delegated his functions to the Foreign Minister, Mr. Kimba.

Money for Leopoldville

Mr. Tshombe said that the talks had been going well, so well that Mr. Adoula had several times offered him the vice-presidency of the Republic. As proof of Katanga's intention to reach a settlement, his Government would send £540,000 to help the Leopoldville Government in its financial difficulties.

The American State Department has announced the offer of a further £3,570,000 grant to assist the Central Government's import programme. The latest budget shows a deficit of about £23m., with military expenses of more than £4m. and interest on the public debt at some £44m. year.

The Congolese Foreign Minister, Mr. Bomboko, and the Minister of the Interior, Mr. Kamitatu, together with the Congolese Chargé d'Affaires in London, Mr. Kanza, were expected in New York over the week-end to put the Congo question before the U.N. once more.

Interviewed in Dublin by a correspondent of the *Daily Telegraph*, the former U.N. chief in Katanga, Dr. Conor O'Brien, said that more force would be necessary before Katanga became part of the Congo.

“Tshombe will make agreements with the Central Government. He has already made two. But they will not be implemented. Tshombe is a gentle and rather timid man who would not himself resort to violence. Munongo, the Minister of the Interior, a different proposition altogether, is the danger man and will never allow Tshombe to go beyond promises or unimplemented agreements. When Tshombe ordered something, Munongo would say: ‘You are not a dictator, only President. I am Minister of the Interior and will do as I think fit.’ The same sort of people who joined the O.A.S. in Algeria are behind Munongo.”

Forcible Control Needed

“Central Government forces are not sufficiently well trained to undertake the forcible control of Katanga by themselves. If the U.N. will not do it, I expect Mr. Adoula will do what he has already said he would do—ask for help from other independent African States. Force will have to be present to implement whatever agreement is reached, otherwise it will fall as the first two did.”

The third time will be most unpleasant if force has to be used again. Dr. O'Brien said that the second attempt was made by the United Nations in 1960, and I am sure will be worse still. What is needed is sufficient force not only to talk Tshombe into a further agreement, but to convince Munongo and his extremist supporters that any suggestion that their cause is hopeless. Once that is done, the U.N. will be in a position to make sure that Munongo can play no part in Congolese affairs for a long time to come.”

Indians to Leave Mozambique

ABOUT 12,000 INDIANS in Mozambique were officially informed last week that they must leave the country in East Africa. Two months ago they were released from imprisonment, except so that they might prepare to depart. Many of them have applied for Portuguese citizenship. All Indian businesses remain closed. A liquidation committee is to be appointed to deal with their assets.

THE REPUBLIC OF THE SUDAN

Applications are invited from those suitably qualified to fill the following vacancies in the Gumud Sugar Factory, Ministry of Commerce, Industry and Supply.

The Gumud Sugar Factory has a daily crushing capacity of 4,000 tons.

- (a) 1 Chief Mechanical Engineer
 - (b) 1 Deputy Chief Mechanical Engineer
 - (c) 1 Chief Chemist Processing (Chief of Fabrication)
 - (d) 1 Senior Chemist Processing
 - (e) 2 Staff Engineers
 - (f) 1 Boiler Engineer
 - (g) 4 Electrical Engineers
 - (h) 1 Civil Engineer
 - (i) 2 Senior Storekeepers (Controllers of Stores each working 12 hours a day)
- Sugar Experience not required.

QUALIFICATIONS

Candidates must be holders of an appropriate University Degree or comparable diploma and must have had necessary experience and a wide practical knowledge of the sugar industry. Only applicants with former industry experience will be considered. A knowledge of English or Arabic is essential. Age: up to 50 years. Candidates should be medically fit for tropical climate.

TERMS OF SERVICE

Appointment will be on contract for a period of three years in the first instance with the possibility of extension to five years according to requirements.

Salary will be as follows, for posts (a) and (b) £5,260.00, post (c) £3,240.00, posts (d) to (h) £3,000.00, £1 — £1 0s. 6d. A pension and living allowance is payable and annual home leave is accorded at the rate of seven days per month.

There is no income tax payable in the Sudan at the present time. Fifty per cent of salary may be transferred to home country if the official.

Applications should be made in writing giving details of age, qualifications and experience to the Sudan Embassy, Appointments Section, 1, Cleveland Row, St. James's, London, S.W.1.

Closing date 15th July, 1962.

Mr. Julius Nyerere Visiting U.K.

MR. JULIUS NYERERE, M.N.A., president of the Tanganyika African National Union, arrived in London by air on Monday morning. He paid courtesy calls on the Prime Minister and the Secretary of State for the Colonies, and lunched with Mr. Sandys, Secretary of State for Commonwealth Relations.

The purpose of his visit is to receive an honorary Doctorate of Law today from Edinburgh University, of which he is a graduate. He left for Scotland on Tuesday. Due back in London on Friday, he will leave a few hours later for Dar es Salaam.

At the airport Mr. Nyerere told the Press that it was for his party to decide whether he should be a candidate for the office of President of Tanganyika, whose decision to become a republic within the Commonwealth would not affect his relationship with the rest of the Commonwealth. He said that changes in Tanganyika's Constitution increased the risk of a deterioration which was, he insisted, an attitude of mind. There was no further step to be taken until African nations such as Uganda had become independent. He declined to comment on the Trade Disputes Act, passed last week, which has been jokingly interpreted as virtually placing trade unions under Government control.

Speaking in the National Assembly last Thursday, Mr. Nyerere said that the ultimate safeguard of freedom was the sense of the nation. The Constitution could be frustrated against a tyrant. It was necessary to build a national ideal which would make the Head of State say: "Under the Constitution I have power to do this, but I cannot do it because it is against my faith." Faith must be placed in some fellow human being, and democracy is a declaration of faith in human nature. Every Government has the coercive means of dictatorship, but the leader of a democracy could never attempt to oppress the people afraid.

Mr. Nyerere sympathized with those who feared the power given to the President to issue directions to the director of public prosecutions, but considered it necessary because there might be circumstances in which a case would have nothing to do with the law but be "a matter of human judgment."

"Forget Past Arrogance": Kenyatta

AT THE WEEK-END the Kenya African National Union held a three-day seminar in Nairobi for its national and branch officials.

The party president, Kenyatta, said that there was a future for any European or Asian who wanted to stay in Kenya: "all we ask is that he should forget the arrogance of the past, accept the new order, and make his contribution like everyone else." He added: "we shall not consider ourselves fully free and sovereign until the British Army base at Kahawa outside Nairobi has been removed."

The general secretary of the party, Mr. T. J. Mboya, told the 250 delegates to spread the word throughout their districts that the party wanted peace and an end to oath-taking. He suggested that the branches should now nominate their candidates for the next elections, and that anyone who defied party rulings should be expelled.

The vice-president, Mr. Oginga Odinga, did not attend. He was in the Somali Republic, whence it is thought that he may travel to Moscow.

Federation and Common Market

WEEK-END PRESS REPORTS that the Common Market countries had told R.M. Government that they did not want the Federation of Rhodesia and Nyasaland to become an associate member of the E.E.C. were dismissed as incorrect by Mr. J. M. Caidicott, Federal Minister with special responsibility for Common Market affairs, when he returned to London on Saturday after spending 10 days in Brussels, Luxembourg, and Bonn. He said that no decision about associate status for African Commonwealth countries had yet been taken, and that negotiations to that end were likely to continue for the remainder of this month.

Shot for Murder of Prime Minister

JEAN KAGEORGIS, a Greek born in Rwanda, was shot at the week-end for the murder last October of Prince Louis Rwagasore, Prime Minister of Burundi.

A United Nations commission investigated the occurrence and reported that Kageorgis, a grocer's assistant, had confessed to the crime, asserting that a Greek trader in Usumbura had a month previously promised him a million francs if he committed the deed. A number of Africans, members of the Front Commun, had, he said, conjointly with the European, asked him to kill Prince Rwagasore. After shooting him with a rifle while he was dining with other Ministers of fresco at a restaurant, Kageorgis escaped with some of the Africans in a car. When it broke down on the road to Astrida a passing motorist—who happened to be the Mwami Mwambutsa, father of the murdered man—gave him a lift back home.

The second Greek and the Africans denied when arrested that they had organized the murder. They said that Kageorgis had told them he had accidentally shot the Prime Minister.

The commission noted various explanations advanced for the assassination: (1) that it was the result of a plot involving several such killings, planned in particular by the Christian Democratic Party within the Front Commun after its overwhelming defeat in the 1957 elections; (2) that it was merely one more episode in a long series of crimes marking the course of the struggle between the two groups competing for power, the one headed by Prince Rwagasore, father, the other by Chief Baranyika, some of whose sons were arrested after the murder; (3) that it was a combination of these political and family motives, intended to settle old scores.

The vice-chairman of the P.D.C. told the commission that the Front Commun members arrested were equally victims with the dead man; if innocent they should be released, but remain permanently marked by their experience of oppression, held up to public obloquy and obliterated not only from the political but also the social life of the country, by the mere fact of having been arrested. He said that more than over victims of the atmosphere of neglect, abandonment and deliberate disregard of opposition rights for which the Administration is responsible and which would end only in disaster.

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Mr. Butler and the Federation Fact-Finding Before Decisions

MR. R. A. BUTLER, Home Secretary and Minister for Central African Affairs, said in the House of Commons last week that he did not intend to reach any definite conclusion about the future of the Federation until he had received and considered the report of a group of advisers who would be led by Sir Roger Stevens, a Deputy Under-Secretary of State in the Foreign Office; he would be assisted by Sir Ralph Hone, a constitutional lawyer, Professor Nur Brown, an economist, and Mr. D. A. Scott, who would be temporarily detached from his duties as Deputy High Commissioner in Salisbury. The advisers resident in the United Kingdom would go to Central Africa about the middle of this month.

MR. THOMAS MOORE: "Do I understand that the Federation is to remain as at present constituted, which I believe to be right, and that the Federation will be continued, possibly with different composition?"

MR. BUTLER: "That depends very much on what my advisers find out and what we decide to do afterwards. My advisers will have as their first charge the task of examining with the Nyasaland Government before any final conclusion is reached the political and financial consequences for Nyasaland of withdrawal from the Federation. They will also have the task of examining possible alternative and acceptable forms of association with the other two territories, and with the Governments of Northern and Southern Rhodesia possible forms in which all three territories might be associated in future, or any alternative form of association, that might be worked out."

MR. CYRIL OSBORNE: "Does not political independence necessarily involve economic self-sufficiency?"

MR. BUTLER: "I think it all depends."

When MR. RUSSELL asked whether some chiefs in Nyasaland had been replaced by the United Party because they favoured Federation, MR. BUTLER asked for notice of the question.

MR. RUSSELL asked if the Nyasaland Amateur Athletic Association had had to abandon its activities because the Minister of Education in Nyasaland had ordered missions and schools to boycott it.

MR. BUTLER: "No such instructions have been issued."

MR. RUSSELL: "Have instructions in that instruction been issued and that the Director of the organization, originally on a two-year contract, is said to go after only 14 months?"

MR. BUTLER asked for such information as the questioner had.

U.N. Flouted Own Rules

MR. P. WILLIAMS asked for a statement on the recent United Nations debate on Southern Rhodesia.

MR. P. THOMAS: "The attitude of H.M. Government, which has been made clear by our representative in New York, is that those proceedings exceed the terms of the Charter and might cause harm in Southern Rhodesia. We regret that the Assembly has not flouted its own rules in order to have the item described on the agenda, and we have pointed out that no situation exists in Southern Rhodesia which could possibly justify the matter being treated as urgent."

MR. JOHN STONEHOUSE: "Will the Minister consult Dr. Banda of his experience in Nyasaland in establishing stability and good administration as a result of democratic elections? Surely he can learn something from this to apply in Rhodesia itself."

MR. BUTLER: "Certainly during my talks with Dr. Banda in Nyasaland itself and this week I have borne in mind the record of the Malawi leaders and administration."

MR. FISHER: "Will my old friend bear in mind the fact that by a really overwhelming majority to a record poll the people of Nyasaland expressed their wish about leaving the Federation in its present form? Would he agree that it is rather difficult for us to allow Jamaica to leave the West Indies Federation by a much smaller majority in a much smaller poll and yet deny the same right to Nyasaland?"

MR. BUTLER: "Yes, but there is no question of denying anything at present. All I have agreed with Dr. Banda at present is that my advisers who will shortly be leaving for Nyasaland and Rhodesia generally will have to look into the consequences of withdrawal before we can come to a final decision. That is what I have told the House and Dr. Banda, and that is the policy we are pursuing before a final decision is taken."

Mr. Butler's Advisers

THE ADVISERS who are to tour the Federation on Mr. Butler's behalf are to be Sir Roger Stevens, who has been a Deputy Under-Secretary in the Foreign Office since 1958, and was formerly British Ambassador in Stockholm and Teheran; Sir Ralph Hone, until his recent retirement one of the legal advisers to the Commonwealth and Colonial Offices, who has paid repeated visits to East and Central Africa on constitutional matters in the past couple of years; Professor A. J. Brown, who holds the chair of economics at Leeds University and visited East Africa two years ago as a member of an economic and financial commission; and Mr. D. A. Scott, one of the secretaries of the Monckton Commission, who went to Salisbury some months ago as Deputy High Commissioner for the United Kingdom.

Tanganyika a Republic

THE NATIONAL ASSEMBLY of Tanganyika unanimously approved last week a Government motion for the proclamation of Tanganyika as a republic on December 9. The Prime Minister, Mr. Kasindi Kawawa, said that republican status within the Commonwealth with an executive President elected by universal adult suffrage would be in keeping with African political thinking. After Mr. Saidi Mataka had suggested that the country should quit the Commonwealth because of British policy towards the Congo, Mr. Kawawa said amidst loud applause: "I may not have any material benefit, the most important thing is that we have friends in the Commonwealth, and I think we need friends."

THE REPUBLIC OF THE SUDAN

Applications are invited from those suitably qualified to fill the following vacancies in the Gumud Sugar Factory, Ministry of Commerce, Industry and Supply.

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Applications should be made in writing giving details of age, qualifications and experience to the Sudan Embassy, Appointments Section, 22 Cleveland Row, St. James's, London, S.W.1.

Closing date: 15th July, 1962.

Communism Gaining in Africa

(Concluded from page 1055)

and elsewhere a pause for thought. This is a statement of uncritical and unquestioning subservience to a foreign dictator whatever course he chooses to follow. In view of the concern which is felt in many quarters, not least in African quarters, about Ghana's megalomaniac ambitions and totalitarian propensities, I am quite sure its significance will not have gone unnoticed.

"It means of course, amongst other things, the willingness to enrol Nyasaland as a vassal State to a political African empire and admit into this part of Africa the full flood of Casablanca ideology, with all its pro-Communist leanings. [The statement was made by Mr. Banda, president of the Malawi Congress Party, and the Minister in Nyasaland.—Ed.]

"I was astonished at the inaccuracy and unwisdom of a recent statement made by a member of the American Administration specifically charged with African affairs. [Mr. Menges Williams.—Ed.] He pronounced that the United States had checked Communist intrusion into Africa. The true position is, unfortunately, rather different, and is reflected in the long list of defeats for the West. I ask Hon. Members to say in honesty whether or not this force has been checked in the Congo, in the Congo, and in the Congo. The American Administration will do its utmost to divide and conquer the Western people.

In the Van of Trouble-Makers

"It is not wrong to say that the dictatorship of Egypt is still in the van of trouble-makers in Africa and still, has close affinity with the Egyptian still among the African nationalists.

"In the same way Guinea is still openly the West Coast of Communist activity. Indeed, Communist subversive activity recently assumed such proportions that the Guinean Government itself was forced to resign. The Soviet Ambassador was replaced, but there have been no indications that Communist influence has decreased.

"Ghana openly makes a mockery of democracy and there is a steady move towards Marxism with Russian aid to help it along. It is true that a number of Opposition M.P.s. have recently been released, but the terms in the relevant legislation have been increased to allow detention without trial for a period of up to a year. Conspiracy of the Fosas continues, and Ghana also takes a lead in paying and stirring up nationalists. Indeed, she now has pretensions towards pan-African military force, pretensions shared with Cairo.

"In the Congo the position of the Central Government continues precarious, and it is quite clear that the only possible alternative to Mr. Kasubu would result in a closer relationship with the Afro-Asian and Soviet blocs. All the money spent in this unhappy country, perhaps most of it money of American citizens, has failed to stabilize its affairs.

"In London in November, I said that Communist embassies were dotted throughout the continent north of the Equator and stood directly behind the disturbances and strife which have bedevilled the political life of so many countries. I delete the words 'north of the Equator', for within six months of Tanganyika's independence diplomatic missions from four Communist countries were opened in Dar es Salaam and the China News Agency was established.

Communist Party in Federation

"In the Federation itself an attempt was made to form a Communist Party, the leaders of which fled following investigations into their activities. The volume of Communist printed propaganda flowing into the country from abroad has greatly increased in recent months.

"Kenya is still teetering on the brink of a disastrous clash amongst her peoples.

"Rwanda and Burundi stand within a few days of independence, with the only measure which could possibly ensure law and order in the territories being strenuously and effectively opposed by a group of Communist and Afro-Asian nations represented in New York.

"The Southern Rhodesian debates in the United Nations were themselves a victory for the Communists and their fellow-travellers. Then it became clearer than ever before what a leading part Russia takes in these matters.

"Without hesitation I say that one look at the United Nations now is sufficient to show that on many issues the African nationalists and Communists are treading the same path to the detriment of Western interests. One look at Africa is enough to show that recent months have brought progress to Communism—not a setback.

"How, is it possible to say that anything substantial has been achieved in pushing back Communism? To do so is a delusion, and whilst the West may be deluded the Russians are certainly not. They know exactly what they are doing. They are working to a blueprint. Their headquarters, at the African Institute in Moscow is firm in its director's belief that the new African States will turn from the West.

"They are flooding African countries with literature, turned out along the lines of Russian thinking. Their radio is effective. They welcome thousands of students to special universities in the Soviet Republics, and men and women are sent back to sabotage established order in their own countries. All this build-up of force has certainly not yet been stemmed.

"Moscow has adapted its creed to suit the African mind, as it did long ago with the Asian when it met him on his ground. It flatters. It accommodates. And the West's weakness in countenancing the dubious state of some of the new countries in Africa and its efforts to bolster their shortcomings are, in terms of results, throwing them right into the Moscow camp. This is what American statesmen should be talking of, not of illusory successes against Communism.

"One further disquieting factor on the African scene to which I am bound to refer, which is part and parcel of the overall plot and plan, is the continuance, despite everything, of intimidation. This too is something Mr. Butler recognized when he said on Saturday that the British Government will brook no intimidation or violence by political extremists.

"Yet the very next day an African leader in Northern Rhodesia chose to throw these words in Mr. Butler's mouth and say that all Northern Rhodesian industries would be paralysed by strikes, and that 'nothing will be left standing' if the British Government refused to break the association between Southern and Northern Rhodesia after Nyasaland had left the West. He said, 'There would be no food for any of this,' he said, 'with the final warning.'

"Again we unreservedly commend Mr. Butler's firmness, expressed through its newly-appointed Secretary of State for Central African Affairs, and unreservedly back him in his determination to stand firm against the Communist threat in this determination.

Mr. Kaunda's Mau Mau Picnic

"I am not impressed by the latest Communist propaganda party leader. [Mr. Kaunda, Party leader] has divulged to the country some other remarks he has made, remarks which shed considerable light on his character.

"In a speech at the F.A.P. Conference in Abuja, Abuja in February he spoke of the irreparable loss he and his fellow delegates had suffered in what he called the 'assassination' of certain people, including Dedan Kimathi and all his colleagues in Kenya. The conference observed a minute's silence in Kimathi's memory. Need I remind Hon. Members that these were notorious Mau Mau rebels, members of probably the foulest and vilest cult that ever appeared on the face of the earth. Need I also remind Hon. Members that in February 1961 Mr. Kaunda said in London that if his party did not get their way they would set about activities in Northern Rhodesia which would make them look like a child's picnic?

"I mention these utterances because some people delude themselves that the leader of U.N.I.P. is a peace-loving, non-violent man overflowing with Christian virtues. Unfortunately, some who suffer this delusion are Members of Parliament in Britain, a country which claims responsibility for the constitutional future of Northern Rhodesia. I hope these people will now revise their ideas about the fitness of Mr. Kaunda and his party to be put in a position of responsibility in Northern Rhodesia.

"I repeat that the Federal Government will do all in its power to assist in the cause of stamping out intimidation. I am bound to issue an added warning that any attempts to instigate in Northern Rhodesia the activities of Dedan Kimathi and his colleagues in Kenya will be ruthlessly suppressed.

"I do not propose to say much about the Congo, Rwanda and Burundi are due to become completely independent in the very near future. I can only pray that this final act of emancipation will not be attended by the bloody chaos and confusion that characterized Congolese independence two years ago.

Cant and Prejudice at United Nations

"Much will depend on the ability of the United Nations Organization to rise in its mind of cant and prejudice when it considers the fit conditions under which the transfer of authority should take place. It would surely be one of the greater ironies of history if Rwanda and Burundi were to disintegrate into a miserable state calling for further vast expenditure of international money and energy, while the General Assembly of the United Nations fiddle inconsequentially with a subject which has no claim to its attention on legal or moral grounds.

"What a triumph it would be for the grand Communist design in Africa! First, the elimination of Western influence, then a relapse into chaos and confusion, with Western aid being poured in to retrieve the situation—Russia and her satellites contributing not one penny, but standing on the sidelines jeering and conserving their resources for a final act of Communist subversion.

"This is the classic pattern of Communist strategy in Africa; and the tragedy is that the West falls for it every time because it is held in thrall by the emotional forces of anti-colonialism; forces which at least one great Western nation has gone out of its way to cultivate.

"When will the West wake up and realize, that if it loses the battle for men's minds in Africa it will have lost it by throwing away the ideals and principles on which Western standards and public administration are founded?

"To the leaders of the Western world I would say: Surely you have learned the lesson that appeasement never pays; dominion of tried and proven principles; that mankind was evolved through centuries of justice and respect for the rights of individuals and above all the continuous striving to improve the environment within which men are free to lead their own lives.

"There is no substitute for sound, honest government; and nothing is gained by giving in to policies based in varying degrees of emotionalism, selfishness, and inexperience. There is a desperate need in the modern world for the older countries to reaffirm their belief in sound standards.

"The welfare of mankind is the concern of all mankind. This should have been the rôle of U.N.O. Few will deny that the world is in part due to the actions of the cold war, but above all to the actions of some of the new countries, but above all to the abandonment of leadership in world affairs by the older countries of the West. I believe the situation world affairs, not only if there is a return to sanity in world affairs, to recognition of the need for respect and restraint by all countries towards the internal problems of other countries, and to firm leadership by some of the United Nations.

"The time for shrugging shoulders and turning a blind eye to what is and unreason has come. It has gained nothing and has cost a great deal. What we need now and have needed most desperately is a re-examination by the West of what it believes in and what it will support.

Federation Determined to Succeed

It should be made clear that countries will be judged, not by what they say, but by what they do; and that Governments which claim the right to intervene in world affairs must first show their desire and ability to act on their own terms in order. Countries which have to rely on guarded fences and walls to keep their unwilling people within closed borders must be told they have no right whatsoever to preach freedom for others. Countries living under the shadow of dictatorship, intimidation and one-party rule must be warned not to plead the rights of democracy outside their borders. There must be an end to hypocrisy.

The Federation is only a small country by world standards, and we are not even a member of U.N.O. But we have shown that we will not recognize a double standard. If we see mistakes being made or wrong being done by those who claim the right to criticize us, we shall say so. We shall refuse to allow outside interference in our affairs, and we shall adhere without deviation to our determination to build the Federation on strong foundations for the benefit of all the peoples whose country it is.

"We know our non-racial policy is the right one for our circumstances, and we shall use every legitimate means at our disposal to develop it. We have the determination to succeed, despite the United Nations, despite the Communists, despite the intimidators, despite faint-hearted friends, and despite those who see in our success a threat to their own selfish and short-sighted ambitions."

"Recalcitrant Europeans" Blamed

THE RECALCITRANCE of European settlers in Southern Rhodesia is causing some of the difficulties in maintaining the Federation of Rhodesia and Nyasaland, Mr. G. Mennen Williams, American Assistant Secretary for African Affairs, told a Detroit audience last week when he spoke on "The Future of the European in Africa".

"I think that Europeans who feel that Africans have an anti-white attitude are misguided. In fact, there is so little animosity among Africans that I am always pleasantly surprised on my visits to Africa.

"There are many problems to be solved in European-African relationships, but I am convinced that on a continent-wide basis there are sufficient indications of progress to permit modest hope to be expressed for the future of such relations.

"The principle of self-determination, which asserts the right of people to determine what kind of Government they want to have, is a principle on which American foreign policy is based. Where this principle is denied in Africa today, where preparations for inevitable change have not yet begun, the hour is dangerously late."

Mr. Kaunda and Mau Mau. Sir Roy Welensky's Challenge

MR. KAUNDA, president of the United National Independence Party of Northern Rhodesia, having said that he objected to Sir Roy Welensky's recent reference to him, Sir Roy telegraphed to him last Friday:—

"The basis of my Parliamentary statement was your own words. I refer you to reports in the daily Press of your recent threat to paralyse all Northern Rhodesian industries. Nothing, you said, would be left standing if the British Government refused to break the association between Southern Rhodesia and Northern Rhodesia after Nyasaland had left the Federation; the whole land would come to a standstill; there would be no food for anyone; that was your final warning."

"I refer you to page 14 of the report of the P.A.F.M.E.C.A. conference in Aden Ababa in February, where you called for a minute's silence in memory of, amongst others, Dedan Kimathi, the Mau Mau murderer, and all his colleagues, whose loss you described as irrevocable."

"I refer you to your statement on February 9, 1961, that the British Government should make it clear that if anyone who you described as a terrorist, such as a African, exercised his right of free speech, it would be a challenge if they want to avoid a mass strike in Northern Rhodesia. I contrast your statement with Mau Mau as a child's picnic."

"You now state that you are disappointed and are merely to prepare for a period of constructive thinking and debate; but there is an obviously a conflict between these words and statements which have already been made."

"I am disappointed that you have not called for an end of intimidation and violence by hundreds of U.N.I.P. members, convicted in courts of law in the past year, that I must ask you, to prove your good faith by publicly condemning Mau Mau for the vile movement it was, and its leaders, to whom you have paid tribute, for the same. I must also ask you to renounce intimidation, and to act on your own behalf and on behalf of your party in the future in contrast to the past deeds of U.N.I.P. leaders, rank and file, who must prove that U.N.I.P. has outlawed violence and intimidation. Only then can it be accepted that your thinking is constructive, and only then can the country get on with constructive matters. I await your reply with interest, knowing that I have not asked too much of any reasonable and civilized man."

Mr. Butler on United Nations Pride in Britain's Colonial Record

MR. R. A. BUTLER, Home Secretary and Minister for Central African Affairs, said at a Conservative rally at Blenheim Palace, Woodstock, Oxford, on Saturday:—

"The cry 'Down With Colonialism' is a popular item at the United Nations, for it provides a theme for the outlet of emotional steam. No attempt is made to distinguish between one colonizing power and another, and no one points a finger at the U.S.S.R., the biggest imperialist of them all.

"For our part, we are proud of our record in applying the principle of self-determination to countries who desire their independence. We have freed 630 million people since the war. We created Southern Rhodesia itself as long ago as 1923, and, since then it has had its own independence."

The United Kingdom had decided not to vote on the General Assembly resolution condemning British policy in Southern Rhodesia because that subject was outside the jurisdiction of the United Nations. An injustice had been done both to Southern Rhodesia and to the real interests of the United Nations.

Southern Rhodesia had many things to its credit, including a move towards non-discrimination between the races; its drive for African education, which now covered about 85% of the African population; and its vast plan for the improvement of Native agriculture and the development of the arable areas in general. Most of the critics of Southern Rhodesia at the United Nations could not vie with such achievements.

Some 2,000 Mashona basket-makers from Korsten, in the Port Elizabeth area of South Africa, have been sent back to Southern Rhodesia, but are asking to be settled in Bechuanaland.

Company Report**THE STANDARD BANK LIMITED****CENTENARY YEAR****SIR EDMUND HALL-PATCH ON ESSENTIALS FOR PROGRESS**

The annual general meeting of The Standard Bank Limited will be held on July 25, at 10 Clements Lane, London, E.C.4.

The following is the statement by the Chairman, Sir Edmund Hall-Patch, G.C.M.G., which has been circulated with the report and accounts.

The year 1962 will be a memorable year for the Bank. For reasons which I will describe later it marks in more ways than one, the beginning of a new stage of development. Because of this I shall confine myself, this year, to matters more of a general than of a territorial nature.

1962—A MILESTONE

1962 is first and foremost a special year because, on the 15th October next, this Bank will celebrate the Centenary of its foundation.

The year 1962, however, already marks a new stage in the life of the Bank. As a result of the changes which were put into effect on the 1st March last, the Bank's name was shortened, and our business in South and South West Africa transferred to a wholly-owned subsidiary company.

These changes are the logical outcome of the economic development of the areas served by the Bank, and of the expansion of the Bank itself, since 1945. The post-war upsurge of commercial and industrial activity in East, Central and South Africa, although perhaps temporarily obscured by events of a more political nature, is nevertheless a very real fact. The Bank, in turn, has enlarged its organization considerably in order to deal with a greater volume of business, as the following table illustrates:—

	31st March	
	1945	1962
Paid-up capital and published reserves	£6 million	£22 million
Total assets	£197 million	£408 million
Number of branches and agencies	394	902
Number of staff	5,544	11,507

CHANGING STRUCTURE

Against this background your Board have given constant thought to the shape of the Bank's structure in the light of changing circumstances. We have now over two hundred branches and agencies in Africa outside the Republic and South West Africa, and these are responsible for a considerable part of our activities. So far as this section of our business is concerned, the abbreviated name "Standard Bank", by which the Bank has for so long been familiarly known, is more appropriate. It is equally appropriate that the Bank's former name should be retained in the case of our business in the Republic. It was clear some years ago that the Bank's organization in that country should move gradually towards complete local control which would be the ultimate objective. In 1953 a South African Board was appointed. In the ensuing years, as it gained

greater experience, this board has enjoyed an increasing measure of local autonomy. By the beginning of 1962 it was clear that the objective, which the Bank's policy had set out to achieve in 1953, was within reach.

It was gratifying to have received such overwhelming support when the proposals to change the name of the Bank, and to form a subsidiary to carry on our business in South and South West Africa under the Bank's old name, were put forward at our first meeting at the extraordinary general meeting held on the 21st March. Apart from certain matters of administrative detail, the operation has now been completed. I am sure you will wish to join me in thanking all those whose efforts have enabled these changes to be made so promptly and so successfully.

The fact that these changes have taken place in the year of the Bank's Centenary is fortuitous, but nevertheless a happy coincidence. As the Bank enters the second century of its life a history of the first hundred years dominating in these developments is being prepared, and will, it is hoped, be published early in 1963.

BALANCE-SHEET

As a result of the transfer at 31st March, 1962, of the business of the Bank carried on in the Republic of South Africa and in South West Africa to a wholly owned subsidiary company the form in which the accounts have been presented this year has been changed so that the relevant information provided now comprises:

- A consolidated balance-sheet setting out the combined assets and liabilities of the Bank at 31st March, 1962, and its wholly-owned subsidiary companies, the Standard Bank of South Africa Limited and the Standard Bank Finance and Development Corporation Limited.
- A balance-sheet of the Bank at 31st March, 1962, setting out the assets and liabilities of the Bank, including its investment in its wholly-owned subsidiary companies.

In previous years the accounts of the Standard Bank Finance and Development Corporation Limited have been presented separately, but in view of the other changes in presentation necessary your board of directors considered it opportune to include this company in the consolidated accounts. For ease of comparison the figures for the year ended 31st March, 1961, are presented in the same form.

It will be seen from the consolidated balance-sheet that, although business conditions in Africa have not been altogether favourable, the Bank's position as a whole has been well maintained. Needless to say, this is largely due to the continuing efforts and devotion to duty of the staff, for whom local stresses and strains have by no means diminished. I am sure, therefore, that shareholders will wish to join me in expressing once more our sincere thanks to the staff for all their work during the past year.

To deal now with various items in the consolidated balance-sheet. A rather less favourable trading situation in Africa and a continuing outflow of capital from some

areas are reflected in a fall of some £3 million in the Bank's liabilities in respect of current, deposit and other accounts. As regards current assets, the total of cash in hand, at call and short notice, Treasury bills, and trade and other bills is some £13 million higher than last year. Advances, on the other hand, are about £6 million lower. The total of investments has remained almost unchanged at a little under £50 million, a figure which is below cost and below market values on the 31st March, 1962.

PROFIT AND LOSS

A consolidated profit and loss account sets out the combined profits of the Bank and its wholly-owned subsidiary company, Standard Bank Finance and Development Corporation Limited for the year ended 31st March, 1962, and shows how these profits have been dealt with in the accounts of the parent company.

The balance of profit to be dealt with in the account of The Standard Bank Limited is £1,300,380, compared with £1,338,862 last year. Profits are lower by some £38,000 since the rather less favourable trading conditions encountered in Africa were not completely offset by higher earnings in London. The balance brought forward from the previous year is £569,115 and the total to be dealt with is therefore £1,896,295.

Four directors propose the allocation of £150,000 to the reserve fund, which will then be increased to £1,000,000 and equal the amount of issued capital. After allocating a further £50,000 to write down bank premises, a final dividend of 10% is again recommended, making a total distribution for the year of 15%. To mark the occasion of the Bank's Centenary, your directors have also considered it appropriate to recommend this year the payment of a special Centenary Bonus of 2% per cent. This will leave £517,233 to be carried forward to the next account.

LOOKING INTO THE FUTURE

As it completes its one hundredth year of business, the Bank is able to look back on a history of steady growth. At this point in time, further economic advance in East and Central Africa is hampered by political uncertainties and unrest. The situation is made more difficult by the division of responsibilities between the local administrations and Whitehall. In South Africa there are now signs of recovery from recent economic setbacks, and foreign exchange reserves have risen strongly. Indeed, at the end of May these reserves were higher than ever for over a decade. Nevertheless, up to the present, the authorities there have felt it necessary to retain control over imports and the outward movement of capital with only minor relaxations.

"In a technically shrinking world there is little room for absolute political or economic independence"

These are the words of S. H. Frankel, a distinguished Oxford professor with great knowledge of Africa. They are apposite at the present juncture, and not only in an African context. If political unrest and economic crises are to be avoided in the present rapidly changing world, it would seem wise for statesmen and businessmen alike to recognize the inevitability of inter-dependence, and to seek its advantages. This course may well prove speedier and better solutions to the pressing problems which beset us than attempts in clinging to concepts of sovereignty and self-sufficiency now increasingly difficult to reconcile with the facts of modern life.

PRIVATE CAPITAL A PRIME NEED

A prime need of East, Central and South Africa is a sufficient inflow of private capital. Neither present levels of internal savings, nor such efforts as national or international organizations are able to make, can provide a substitute. Development of natural resources and of secondary industry, rising levels of employment and of material welfare, orderly social progress—all depend upon the attraction of sufficient private capital from overseas.

Such capital assistance will be forthcoming provided internal policies take sufficient account of certain conditions. These are: that the maintenance of law and order remains beyond doubt; that investments from overseas can be operated with due regard to efficiency; that a reasonable profit can be earned and remitted; and that the investment can be repatriated in need. In addition, until comparable indigenous skills are available and can keep pace with constantly improving methods and techniques, the skills of technicians from other countries will continue to be required locally. These thoughts are not new, but they have not been fully appreciated by many of those now actively concerned with the political future of large parts of Africa who have conducted our business.

Investment is but one aspect of the dependence of the less-developed countries on those generally more advanced. Another is trade. In the case of the Rhodesias and Nyasaland, for example, about three-quarters and, in the case of East Africa, about one-third of exports go to Western Europe. The United Kingdom is now in the course of negotiating entry into the European Economic Community (the Common Market). At the same time, deliberations are proceeding amongst Common Market members in order to decide whether to renew the preferential arrangements for their Associated Territories which expire at the end of this year. The United Kingdom, if it joins the Common Market, will presumably seek the same privileges in regard to certain products for its "Associated Territories" in Africa as will be enjoyed under any new arrangements by the Associated Territories of the original members.

FEDERATION AND EAST AFRICA

For the Federation, the risks involved are lessened insofar as about three-quarters of its exports to Europe are minerals strongly in demand. In the case of East Africa, however, existing Commonwealth Preferences granted by the United Kingdom are in some cases important. Coffee, tea and vegetable oils are the principal products affected by the E.E.C.'s existing arrangements for its Overseas Territories. It is to be expected that efforts will be made to place East Africa on an equal footing with them, should the United Kingdom join the Common Market. Neither the Rhodesias, nor Nyasaland, nor those East African territories for which the Government of the United Kingdom still have responsibility are themselves in a strong bargaining position. In any negotiations with the Common Market the United Kingdom is their only advocate.

But what of South Africa, now, regrettably no longer a member of the Commonwealth, should Britain join the Common Market? Gold provides roughly one-third of South Africa's export revenue and, in other respects, South Africa's position, fortunately, is relatively strong. As with the Federation, an important section of her exports comprises base minerals, which are likely to find a growing market in an integrated Western Europe. However, South Africa has a considerable potential for miscellaneous agricultural and industrial products, which constitute a rising proportion of her exports. Wider outlets for these products may have to be found

as the British market, for which South Africa has catered in particular, may no longer be accessible. On the other hand, South Africa has provided one of the most important markets for British exports, and so long as this remains the case, the United Kingdom will almost certainly wish to maintain a large reciprocal trade with South Africa.

Should the United Kingdom join the Common Market, Associate Membership for South Africa does not seem to be a practical possibility. It follows, therefore, that existing South African trade arrangements not only with the United Kingdom but also with other Commonwealth territories could be affected. For example, South African manufacturing industry finds an important outlet in Rhodesia.

AFRICAN TRADE WITH EUROPE

It is encouraging that arrangements being made by the South African Government to probe in detail the likely shape of the Republic's future trade with Europe and the territories now or in the future associated with it. There is need for sound guidance on the best means which the Republic can employ in order to protect her important trade links with Europe and the Commonwealth. Although, in many respects, the economy of South Africa has great inherent strength, it is likely to have to rely to an increasing extent on export earnings to finance foreign exchange expenditure. It augurs well, therefore, that the problems for South Africa which may arise should the United Kingdom join the Common Market, are now being faced with realism.

In relation to East, Central and South Africa, one particular section of the Treaty establishing the European Economic Community should be borne in mind. This section states that the activities of the E.E.C. shall include associating overseas countries and territories with the Community with a view to increasing trade and in pursuing jointly their efforts towards economic and social development. Such a statement of purpose may well be thought to embrace not only territories now associated with the Common Market and, if the United Kingdom joins with the Commonwealth, but other countries too.

It is also to be hoped that, in any deliberations now taking place in Brussels, thought is being given to the time when it will be necessary to ensure that the markets of Western Europe, and not only of the United Kingdom, are made accessible both to the primary products and, as they are developed, to industrial exports of the less advanced countries of Africa. Otherwise, the process of industrialization of these areas will be held back and with it the improvement of living standards.

We should not forget that, much as Europe has now to offer Africa, there is much, too, that Africa can provide, of which Europe and the rest of the industrialized world may find itself increasingly in need.

CONCLUSION

It seems clear that, in this year 1962, two main factors are dominant—the present political readjustments of Africa, the shape of which will only emerge with time, and the changing trade and financial patterns of the countries of Western Europe. There is need, on the one hand, for closer understanding of the problems involved by all those concerned with Africa, and, on the other, for a capacity for adaptation to changing circumstances, which will affect Governments, businesses and people alike.

By the changes already made in its structure, the Standard Bank has shown that it recognizes these facts. During the first century of its activities the Bank has

faced and overcome many difficulties arising from unpredictable changes in the social, political and economic climate of the territories in which it conducts its business. The second century of its history opens with some dark clouds on the African horizon. Nevertheless, your directors are confident that the Bank will continue to make a fruitful contribution to the orderly economic evolution of East, Central and South Africa upon which its own fortunes so much depend.

CHANGES IN BOARD

It is with regret that I have to report that Mr. J. N. Hogg, who joined the board in 1946 and was elected Deputy Chairman in 1953, resigned at the end of September last year. We miss his wise counsel and the long experience he had of the Bank's affairs.

We have been fortunate in obtaining the services of Sir Cyril Hawker who joined the board in March of this year on relinquishing his appointment with the Bank of England. His wide knowledge and long experience of international finance is already proving most valuable. Sir Cyril is at present Deputy Chairman. Owing to ill-health I am obliged to give up the chairmanship, and arrangements have therefore been made for him to replace me in the chair in the near future. I am sure that under his capable guidance the Bank will solve with success any difficulties which may lie ahead in these uncertain times.

The mandate of Mr. Robert Ansell expires this year and he does not propose to seek re-election. Mr. Ansell, who is president of Consolidated Gold Fields of South Africa Limited and a director of the British South Africa Company, joined the board in 1956. He has been a most helpful colleague, and his departure leaves a gap which it will be hard to fill.

I am pleased to report that Sir Keith Courtney Acutt has joined the board. He is deputy chairman of Anglo American Corporation, a director of the British South Africa Company, and of many other companies with interests in the various territories in which our Bank conducts its business. He was deputy chairman of our Rhodesian Board before joining the board of the Central Bank in the Federation of Rhodesia and Nyasaland when it was formed in 1956. With his knowledge of Africa he will be able to make an invaluable contribution to our deliberations. Sir Keith was knighted in the New Year's Honours List, and I do not doubt that you will wish to take this opportunity of congratulating him on this honour.

In accordance with the provisions of the articles of association, Sir Cyril Hawker and Sir Keith Acutt retire at the annual general meeting and you will be asked to re-elect them to office.

LOCAL BOARDS

Changes have taken place during the year in the constitutions of our local boards. I mentioned in my statement in 1960 that Mr. Ralph Gibson, after 50 years of service in the Bank, had decided to take life a little more easily, and in February this year he resigned from the South African Board. I would like to pay a special tribute to the lifelong service which Mr. Gibson has rendered to the Bank. After working in South and East Africa, and later in New York, he served for 25 years in London, first as a member of the management and then on the London Board. In 1953, when the local board was inaugurated, he agreed to take up residence in South Africa, and since then he has successfully guided the development of that board first as chairman and latterly as deputy chairman. No one who has served in the Bank ever had greater detailed knowledge than Mr. Gibson of its affairs in Africa, in London and

New York, and his experience has been invaluable. We all wish him many years of health and happiness in his retirement.

Others who have retired are Mr. J. T. Jürgens and Mr. J. N. Mackenzie from the South African Board and Mr. T. Graeme Duncan from the Cape Board. All these gentlemen have served with distinction on the local boards since their inception in 1953.

I also have to report with regret that Sir Robert Hudson, chairman of the Rhodesian Board, and Sir Ferdinand Cavendish-Bentinck, a member of our East African Board, have decided to retire from these boards. We are fortunate, however, in that Mr. R. M. Taylor accepted the chairmanship of the Rhodesian Board. Mr. Taylor was a member of the Monckton Commission and before that was Permanent Secretary to

the Treasury of the Federation of Rhodesia and Nyasaland.

Mr. H. W. Jeffreys, our general manager in the Federation before his appointment in 1958 as Minister representing the Federation in Washington, returned to Rhodesia last year, and I am pleased to report, accepted an invitation to join our Rhodesian Board. The knowledge and special experience of these two gentlemen will be of the greatest value to us.

Sir Robert Hudson, Sir Ferdinand Cavendish-Bentinck and Mr. Graeme Duncan have all indicated their willingness to serve in a consultative capacity. In this way we shall continue to have the benefit of their advice.

We also welcome warmly the new appointments to the board of the subsidiary company, The Standard Bank of South Africa Limited, of Dr. A. J. Norval and Mr. A. M. Rosholt.

Company Report

The Forestal Land, Timber & Railways Co., Ltd

Results Dominated by International Price War in Tanning Extract Industry

Mr. G. F. Taylor looks to an Early Return to More Stable Conditions

THE SIXTY-SIXTH ANNUAL GENERAL MEETING OF THE FORESTAL LAND, TIMBER & RAILWAYS COMPANY, LIMITED, was held on June 27 at The Chartered Insurance Institute, 20 Aldermanbury London, E.C.2.

MR. G. F. TAYLOR, C.B.E., chairman and managing director of the company, presided.

The following are extracts from his review, which had been circulated with the report and accounts for the year ended December 31, 1961.

The consolidated profit for the year, before United Kingdom taxation, represents broadly the results of the Group's trading in tanning extract, and particularly its trading in wattle extract, since the total includes only a token dividend of £23,522 from La Forestal Argentina.

The further decline in profits of £133,246 from the level of 1960—which itself showed a sharp deterioration of £246,558 in comparison with 1959—reflects the continuation throughout the year of the price war in the tanning extract industry, the origins and consequences of which were fully explained in last year's review.

The chairman then gave a brief summary of the course of price movements for quebracho and wattle extract through the years 1957 and 1961, and continued—

The operating subsidiaries of the Group engaged in tanning extract trading, namely, our two Argentine companies, the three wattle extract companies in Africa, our German company in Karlsruhe, and the Calder and Mersey Extract Company in Liverpool, were all still able to operate at a profit in 1961 in spite of the low prices prevailing, but a fall in the level of the Group's profits from 1960 was clearly inevitable.

Since the end of the year the tide would appear to have turned. Markets are relatively stable, and the prospect of improved profit margins would seem to be good.

Africa

Our subsidiaries in Africa and Argentina have fully maintained their traditional shares in the wattle and quebracho markets respectively.

The hopes expressed last year for the achievement within the following twelve months of savings in production costs have unhappily not been realised.

In Africa our companies have managed to hold costs substantially at their 1960 levels but the anticipated economies on both the production and selling sides, the achievement of which depends primarily upon the co-operation of all the producers concerned, have still to be finally effected.

The activities of the African subsidiaries outside the tanning extract industry have not materially affected the results for the year. These activities are of only marginal significance, representing in the main ancillary uses of our lands. Results have also been affected in 1961 by generally unfavourable conditions. The depressed state of the sugar industry, involving a reduction of quotas in South Africa, has curtailed the programme of the Natal Tanning Extract Company in this field.

Our Southern Rhodesian Company had a disappointing year with its tobacco crop. The results of our Kenya subsidiary were adversely affected by the drought, which completely wiped out natural feed, and by the subsequent heavy rains, which ruined the crops of maize, wheat and pyrethrum. Nevertheless, our Kenya subsidiary is developing satisfactorily. The company took the prize for the best Boran cow at the Royal Agricultural Show, Nairobi, in September 1961.

Prospects

As regards the current year, on the extract side of the business, the price increases which came into force in February, 1962, represent a much-needed widening of profit margins. There are so far no indications of any decline in consumption in the world tanning market which would significantly reduce 1962 turnover, and with the present strong undertone it is quite possible that prices may firm further in the course of the year.

Forestal Industries (U.K.) Limited, should do better than in 1961, and, under reasonably favourable conditions, will start to make some contribution to the profits of the parent company.

Taking everything into account, 1962 should be appreciably better than 1961.

ciably more profitable than 1961 for the Group as a whole.

On the longer term outlook a more optimistic view than was taken in this review last year would seem to be justified. The basic questions, of course, remain the same. How soon will the world tanning extract industry achieve the securely based balance between production and consumption which will enable it to operate with reasonable stability at profit margins representing a fair return on capital employed?

Problem of Potential Over-Production

When, towards the end of 1955, the industry realized that, for a variety of reasons, of which the impact of substitutes upon the use of heavy leather was the most important, the expanding post-war market, on which it had reckoned and to which its production and selling programmes were geared, had turned into a contracting one, it was confronted with an acute problem of compression, voluntary or involuntary.

The wattle industry in Africa, whose rapid post-war expansion was undertaken in order to fill what was then believed to be the impending gap in tanning material supplies, had committed itself to a bark production programme on plantations in the Union of South Africa, Rhodesia, Kenya and Tanganyika which, on maturity, would have resulted in an output of about 182,000 tons of wattle extract per annum and the industry had already in existence, or was committed by orders placed with manufacturers, to a total factory capacity of over 400,000 tons.

The quebracho industry, with total shipments in the year 1955 of 176,000 tons of extract, had an effective factory capacity of about 320,000 tons and unlimited raw material from standing forests. The chestnut industry, similarly, with annual shipments of between 80,000 and 90,000 tons, had a factory capacity of twice that figure. At the same time the true level of consumption in the quebracho wattle-chestnut market at that moment had probably already fallen below 400,000 tons per annum and was clearly liable to decline still further.

The wattle extract industry, since it was the expanding sector, and because its plans were based upon man-made plantations which had to be felled and stripped on a ten-year cycle, presented both the most urgent and the most intractable problem. It appeared to merit the highest priority and was accordingly the first to be tackled.

By the middle of 1959, as a result of a quite remarkable degree of self-discipline, and by means of a complex of measures involving action by nine companies and four Governments and representing important sacrifices by individual producers in reduction of plantations and closing of factories, virtually the maximum possible rationalization of the industry had been secured and its necessary minimum economic output reduced to about 127,000 tons of extract and 30,000 tons of chopped bark (the equivalent of 15,000 tons of extract).

The Prey of Chronic Instability

During these years the quebracho industry had been the prey of chronic instability, which had kept profit margins low and done the industry much harm but had not impinged seriously upon the world price structure. It was unfortunate that, almost immediately after the rationalization of the wattle industry had been achieved, the complete and chaotic collapse of quebracho prices led to the two years of price war, with its disastrous results upon profits.

The painful experience of these two years, however, has had its compensations. Supported by the legislative

measures taken by the South African Government to control the industry in the Union, the organization of the wattle industry has withstood this severe test and its stability has been maintained; whilst the basic problem of over-production has at last been faced by the quebracho industry in Argentina, as it had already been faced by wattle in Africa. It is in this context that the significance of the Argentine quebracho rationalization scheme, with its elimination of surplus capacity, must be viewed.

Emergence of Reorganized and Stabilized Industry

All in all, it looks as if the major part of the radical adjustment forced upon the vegetable tanning extract industry by the dramatic change in its fortunes between 1948 and 1955 is well on the way to completion, and that we can look forward with some confidence to an early return to stable and profitable trading conditions.

One factor which could upset these calculations would be a further serious slump in the world market. It is really impossible to be dogmatic about the future of vegetable tanning materials, but our considered opinion, based on all the evidence at our disposal, is that if there is a further decline, it would be likely to be of the general character which could be handled without too much disturbance by the reorganized and stabilized industry which at last seems to be emerging.

Justification for Dividend

Taking everything into account, your board have felt that the prospects of the company, both immediate and on longer term, are now such as would justify them in recommending to you the declaration of a final and total dividend of 3%, even though this rate is not covered by the profits for the year.

The Kenya Coffee Co., Ltd., will on October 1 change its name to Kenco Coffee Co., Ltd.

Wembley Collieries Co. Ltd. sold 274,229 tons of coal and 117 tons of coke in June, compared with 224,221 and 110 tons respectively in May.

The copper companies in Northern Rhodesia have decided to cut their output or sales by another 5%. This raises the cutback to 15% of present capacity.

Power Securities Corporation, Ltd. is to raise £2m. by a rights issue of 1m. ordinary shares of £1 at a price of £2 each on a one-for-two basis to ordinary holders.

Rail Brothers and Cooney, Ltd., has been registered as a private company with a nominal capital of £400,000 in £1 shares to operate as cotton merchants, brokers, and agents.

Blantyre and East Africa, Ltd. has rejected an offer from a Rhodesian company to take it over on a share exchange basis. The board does not consider the proposals sufficiently attractive to place them before the shareholders.

East African Power & Lighting Co., Ltd. reports profits for 1961 at £1,154,332 (£1,169,922 after depreciation of £72,536, £747,875). Tax of £94,385 has to be deducted. The final dividend of 6% makes 10% for the year (the same).

Columbus Metallum (Rhodesia) (Pvt), Ltd., registered with an initial capital of £200,000, to manufacture in Salisbury chains for the mining, agricultural, and other industries of the Federation and for export, will start production next month.

Seven African directors are to control a new company called African Savings, Ltd., whose founder and managing director, Mr. J. E. Drundie, has said that it will operate all over Nyasaland and that among its ventures will be cattle farming and encouragement of the production of cash crops. The headquarters are in Blantyre.

The strike of workers of Unisa, Ltd., called by the Kenya Distributive and Commercial Workers' Union, ended last week. Matters concerning housing allowances and rents went to arbitration; there is to be an independent inquiry into extension of the incentive bonus scheme, and a joint negotiating committee is to consider arising questions.

Columbus Steamers, Ltd., a subsidiary of British & Commonwealth Shipping Co., Ltd., is offering to acquire the 162,260 participating £1 preferred and the 887,805 ordinary 3s shares in Hector Whaling, Ltd., which are not already owned by Clan Line or its nominees. The cash purchase prices are 25s. 6d. and 10s. 6d. per share respectively.

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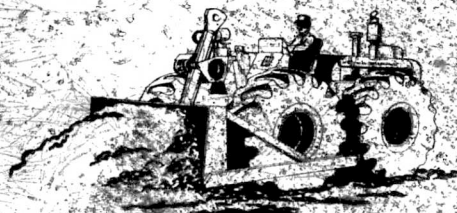
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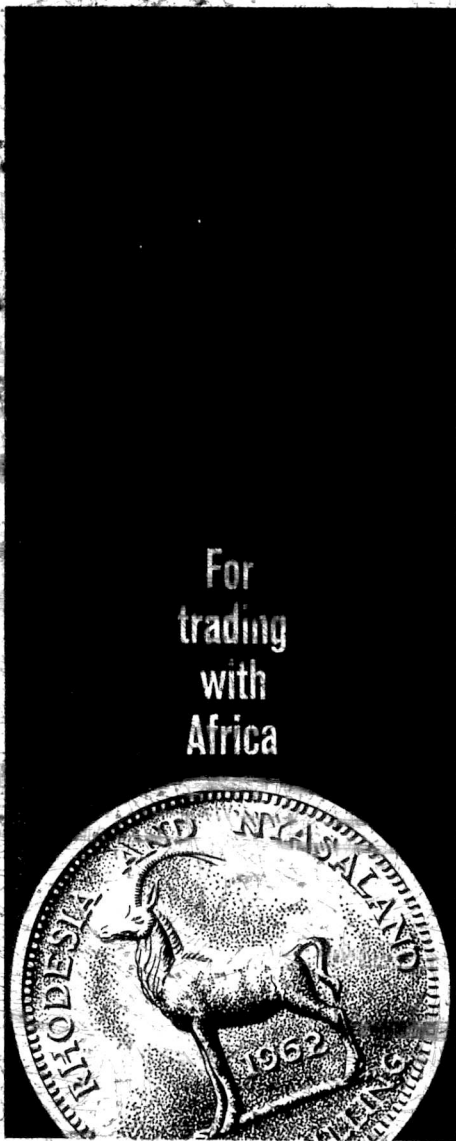
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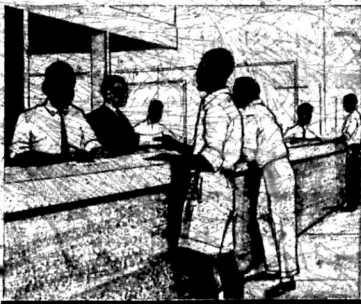
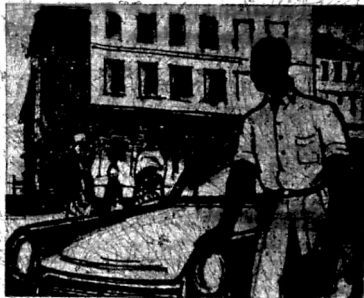
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MATTERS OF MOMENT

POLITICAL PETULANCE has caused the United National Independence Party of Northern Rhodesia to declare its antipathy to continued use of the Rhodesia Railways system and its determination that the produce of the country sold on world markets shall reach the sea through Tanganyika. Economic lunacy could scarcely go further. Northern Rhodesia's wealth is derived overwhelmingly from copper, which is normally railed to Beira, an excellent port on the Indian Ocean, but it can equally well travel by rail to Lobito, on the Atlantic coast. Simply because he and his party are peeved with a Federal Government which does not take them at their own extravagant valuation, Mr. Kaunda dreams of disregarding the existing adequate facilities, provided at immense cost in effort, money, and lives, and of building a new line running north-eastwards from the Copperbelt to Dar es Salaam—unless the conception, which has been mentioned only in the vaguest terms, is to use the port of Mtwara, near the Tanganyika border with Mozambique, a magnificent natural anchorage within which wharves were built at heavy cost for the shipment of the great groundnut traffic which existed only in the imagination of the Attlee Government, the incredible incompetence of whose chosen agents wasted scores of millions of pounds without producing even one cargo for loading at Mtwara. Whether that port or Dar es Salaam be the place of shipment in Mr. Kaunda's imagination, hundreds of miles of railway would have to be built, not less than about eight hundred if the capital were to be used, and quite half as much again in the case of the more southerly route.

If the latter choice were made, it would provide access to great coalfields and iron ore

deposits in the Songea area, on the prospect of which very large sums have been spent, but which it has been impossible to exploit because money

Capital Too Scarce For Extravagance.

bring in a railway from the coast. If that remained the situation while Britain administered Tanganyika, what prospect can there now be of money becoming available for such a project in the calculable future? National, international, and private enterprise funds are so eagerly sought by a capital-hungry world that potential lenders in all three categories would certainly give economically attractive proposals priority over an idea which is merely the product of political aversion. Why should scarce capital be wasted on a long line through sparsely populated areas of Northern Rhodesia which, even if there were an agricultural revolution among now backward African peoples, are so remote from the sea that the transport charges could be borne only by exceptionally highly priced crops, and when not even one such crop has been tried successfully on an experimental scale, let alone commercially? Mr. Kaunda's notion is, in short, politically puerile, economically nonsensical, and financially fantastic. That, unhappily, does not mean that more will not be heard of this eccentric notion. Dr. Banda's obstinate hostility to the Federation is likewise absurd politically, economically and financially from Nyasaland's standpoint, but he nevertheless persists in his determination to withdraw his country from a union which has brought immense benefits to the smallest, weakest, and least developed of the three constituent States. The obsession of African leaders with politics has done and is doing great damage economically and socially.

Notes By The Way

Amende Honorable

THOSE WHO HAD DEALINGS with Mr. John Hare, now Minister of Labour, while he was Minister of State for Colonial Affairs, will not be taken unduly seriously the sharp attacks upon him last week by some politicians and newspapers for an incautious remark uttered at a small village gathering in his constituency. Neither will they have been surprised that, instead of complaining of having been misunderstood or misrepresented, he made an honest admission of his mistake and candidly expressed his regret. A questioner at his meeting having suggested that a majority vote at the Commonwealth Prime Ministers' Conference in September should decide whether the United Kingdom should, or should not, continue in the Economic Community, Mr. Hare replied that the Government had undertaken to secure terms which safeguarded the essential interests of the Commonwealth of home agriculture, and of the other members of the European Free Trade Area, but that the duty of decision must rest upon H.M. Government. Using the analogy of the Commonwealth as a family of nations, he said on the spur of the moment that in present discussions some Commonwealth countries seemed to be behaving like children. Those words, he has since told Parliament, have been interpreted in a sense which he had certainly not intended. "I would never wish either to seem patronizing or to say anything wounding to any Commonwealth country. As a member of this House and as a private citizen I have always endeavoured to promote the interests of the Commonwealth." Having known Mr. Hare for some years, I am convinced of the truth of that claim.

Politicians and the Press

FAR MORE FUSS has been made over his few words to a small audience than over really important sins of commission and omission by more senior members of the Government who lack Mr. Hare's sincerity. If the Press had been one-hundredth part as vigilant in the cases of, say, Mr. Macmillan and Mr. Macleod, East and Central Africa would have been far less seriously damaged. Part of the reason for Fleet Street complacency towards them is assuredly that those two senior Ministers have taken exceptional trouble to lobby newspaper proprietors and senior staff. So far as I know, Mr. Hare has done nothing of the sort at any time, being modestly content to be judged by his actions. They have won him general esteem, which is not likely to be diminished by this little episode. The need in Commonwealth relations is more plain speaking, not less, more realism and fewer meaningless clichés.

Swedes Helping Kaunda

THREE STOCKHOLM NEWSPAPERS, the leader of the Liberal Party in Sweden, and some prominent Social Democrats in that country have issued an appeal for £20,000 for the United National Independence Party of Northern Rhodesia, which is said by the Swedish Press to have told the organizers that unless U.N.I.P. obtains a majority in the new Legislature Mr. Kaunda will not be able to restrain his followers and that a "blood bath" would ensue. This money-raising campaign for a political party, more than two thousand of whose members were jailed last year for crimes of violence, is a gross interference in the internal affairs of Northern Rhodesia, and it is therefore certain to be strongly resented in many circles. What would the Swedes concerned in

this affair think if British, American, or other foreign groups were to send tens of thousands of pounds to a political organization in their country which was so irresponsibly conducted that large numbers of its officials and followers had been tried by the courts and imprisoned on charges ranging from intimidation and assault to petrol-bombing of dormitories and the murder of opponents? Swedes have long boasted of their neutrality. This cynical breach of it is made worse by a virulent campaign in the Press against "the sabre-rattling Welenaky". Mr. Kaunda is said to have appealed simultaneously to several Continental countries for funds. So far as I know, only Sweden alone has responded.

African National Congress

ALTHOUGH having already received substantial sums from other quarters outside the country, it is satisfactory to learn that the opposing African political party, the African National Congress, has recently been provided with funds to enable it to campaign for the general election likely to be held in the near future. It has been able to acquire printing machinery, and other and other necessary equipment, and it is reported, somewhat surprisingly, to have made gifts of money to schools. I wonder whether any have gone to schools which were burnt down by U.N.I.P. gangs rather less than a year ago. One London newspaper has suggested that the A.N.C. has lately received £60,000 from a large financial group in the Federation, and another reported a gift of £40,000 from President Tshombe of Katanga, a statement promptly denied by Mr. Nkumbula. That statement may have originated in a U.N.I.P. rumour, for U.N.I.P.—which regarded the late Prime Minister Patrice Lumumba as a great African leader—has for two years and more seized every opportunity of attacking Mr. Tshombe.

Ngwazi

FULSOME FLATTERY of Dr. Banda, Minister of Natural Resources and Surveys in Nyasaland, and president of the Malawi Congress Party, continues to count proceedings in the Legislative Council, in which members of his party, including holders of portfolios, vie with one another in abject adulation. Mr. Chiume, Minister of Education and Social Development, who is prominent among the sycophants, is recorded in the latest *Herald* to reach London as saying: "Long live Ngwazi, Ngwazi Kamuzu Banda! People from the North Pole to the South Pole, from the East to the West, will realize and appreciate that under his dynamic leadership this country at least is now on the verge of freedom. As Minister of Education, when the Malawi University is established I shall not hesitate to offer the honorary Professorship of History to Dr. the Honourable Kamuzu Banda".

Messiah

THE MEMBER for Zomba, Mr. Kuntumanji, had spoken a little earlier of "the founder and father of the nation, Messiah Ngwazi Kamuzu", and the Parliamentary Secretary to the Ministry of Justice, Mr. O. E. C. Chirwa, had said that while "the Minister Ngwazi" was speaking tears were to be seen in the eyes of nearly everyone in the House. The Minister without Portfolio, Mr. M. Mkwandawire, called his leader "the great historian, the father and founder of Malawi". Mr. M. Q. Y. Chibambo, having spoken of "our great Ngwazi" and

"our Messiah", descended to bathe with an expression of thanks to "our daddy". As usual, "the Great Kamuzu" had emphasized his role as dictator by saying that in his well-disciplined party "what Kamuzu says goes". The parallel with Ghana is close—and portentous.

Excellent Choice

THIS IS, I THINK, the best statement in the Press that Dr. Davidson Nicol, the African principal of the University College of Sierra Leone, is to preside over a commission which will visit East Africa in a few weeks to consider the needs and priorities of the university institutions in Uganda, Tanganyika, and Kenya. A better choice for this delicate but very necessary task could not have been made. No African born in Sierra Leone or, for that matter, anywhere else in

English-speaking West, East, or Central Africa — has, so far as I know, had so distinguished an academic and practical career. He did brilliantly at Cambridge University and at the London Hospital; he became a Beit Memorial fellow in medical research and then a fellow of his own college; at which he taught for some years; and he lectured for shorter periods in three other universities, two of them in the United States. Before being appointed the first African head of the University College of Sierra Leone, he was senior pathologist to the Government of that country. He has served on the executive committee of the Association of Universities of the Commonwealth; some years ago he won the Margaret Wrong prize for literature; he is a vice-president of the Church Missionary Society and a director of the Selection Trust; and he is an excellent and witty speaker and broadcaster. East Africa is fortunate to have him.

Commonwealth in Grave Danger, Says Professor Carrington

United Kingdom Should Not Enter the European Common Market

PROFESSOR C. E. CARRINGTON has sharply attacked the plan to take the United Kingdom into the European Common Market, a step which must, he is convinced, break up sterling-Commonwealth trade.

By his courtesy EAST AFRICA AND RHODESIA is able to give the following extensive extracts from an address which he delivered recently to an influential private audience in London:—

"The European Powers are determined to destroy the Commonwealth right of free entry to the United Kingdom Market, and H.M. Government are willing to use it as a bargaining counter.

"The Ottawa system, if it deserves the name of system, is quite misunderstood by those Continental Europeans who equate it with the customs union which bound the trade of the French dependencies to France, by many enthusiasts for Empire both in Britain and the Dominions who supposed it a step towards Empire free trade, and now by some who have switched their allegiance from Commonwealth to Common Market and regard the industrial preferences as a more serious obstacle than they actually are. They have at all times aroused the envious hostility of foreign nations.

Commonwealth Must be the Loser

"Yet they still possess some significance. They are, and are felt to be, a Commonwealth link, and since they are the only concessions we can offer in our humble appeal for admission to Europe, the mutual advantage of the preferences and the good will they provide must be sacrificed. To this extent the Commonwealth must be the loser if we join the Common Market.

"It is the general pattern of Commonwealth-sterling trade which is endangered. For every 20s. we earn in the United Kingdom by selling goods overseas we earn something over 7s. by selling services. Of 92m. tons of shipping which entered U.K. ports in 1961 about half was Commonwealth (or Irish) tonnage and half foreign, but of the trade with Commonwealth countries more than three-fifths was carried in Commonwealth ships, while of the trade with foreign countries nearly three-fifths was carried in foreign ships. Which branch of the trade is more likely to increase if we join the Common Market?

"Taking our invisible earnings in 1961 at £1,359m., a very low estimate, we observe a gain of £398m. on our invisible trade with the sterling area and a loss of £191m. with the non-sterling area. And there would be a more pronounced discrepancy if we could include Canada and analyze the total into its Commonwealth and non-Commonwealth elements. More visible trade with Europe and less with the Commonwealth inevitably means more invisible trade passing into European hands and greater financial subservience, less in-

visible trade with the Commonwealth, and less significance for the Commonwealth in the world.

"It is astonishing that persons who are so concerned about the Commonwealth sterling trade should be allowed to pass unchallenged in this great commercial city, which has prospered on it for five or six generations and which has paid for its present prosperity to its continuation, such phrases as 'the decline of Commonwealth trade' are used daily in the press, though there is no decline.

Commonwealth and Continental Trade Contrasted

"In volume intra-Commonwealth trade is remarkably steady. In value it has been slowly growing over 50 years. In percentage it constitutes a large fraction of the whole than it did 30 years ago at the time of the Ottawa Conference.

1961 was a bad year for U.K. Commonwealth trade, but a good year for U.K. European trade, even though we were not members of the Common Market. Three years ago our exports to Commonwealth countries usually averaged about three times the value of our exports to the Six countries of the European Economic Community. It is gratifying to a trading nation that our exports to these countries, notably Germany and Italy, should have increased very rapidly. It is not gratifying that our trade with Australia, our second-best customer in the world, has passed through a disappointing phase. Nevertheless, our exports to the 10m. people of Australia in a bad year are much greater than our exports to the 50m. people of Western Germany in a good year. The Australian trade has been steadily growing for as long as any of us can remember with fluctuations caused only by changes in the world markets.

"The trade with Germany is on a quite different footing. During the 50 years of Australia's steady growth, Germany has three times achieved the status of a first-class Power, but has twice destroyed itself by an act of national suicide. No wonder, then, that such an industrious nation should make a rapid and dramatic recovery when the survivors come to their senses. German trade has climbed laboriously back to the position it held in 1912, and Germany is again our fourth best customer, after the U.S.A., Australia, and Canada. Thanks largely to the German recovery, our trade with the Commonwealth is just now only two and a half times as great and important as our trade with the Six.

Westminster Has Never Understood

"The Commonwealth is not and is not likely to be a self-contained unit like the European Economic Union, entrenched behind a protective tariff. The long history of the change from Empire to Commonwealth can be presented as a movement away from the eclectic theories of Joseph Chamberlain, Milner, and the early Round Table group and towards the decentralized system of Laurier and Smuts, a Commonwealth devised by men from the countries overseas, not by men from the Establishment at Westminster.

"It may be doubted whether the world of Westminster has ever understood the real nature of this institution, though here and there one may find an enlightened civil servant, M.P. or political journalist to whom these structures do not apply. The economics of the Commonwealth derive from Adam

Smith, who taught the lesson in 'The Wealth of Nations', which some of our financial journalists seem hardly to have yet learned, that the most advantageous trade is with the richest countries, that it would pay us to make our colonies rich and free, and that independent America would be a better customer for British goods than the Thirteen Colonies. So it has proved. The United States, the most highly industrialized country in the world and our oldest ex-Colony, buys more British goods even than Australia or Canada, almost as much as France and Germany added together, and this in spite of its highly liberal tariff.

No other nation than Britain has yet learned the simple lesson that a liberal import policy promotes exports. By making ourselves the world market for so many primary commodities brought from the remotest countries we have created the infrastructure of finance and transportation which enables us to export to those countries; and no other country — unless perhaps Japan, certainly not Russia, Germany, or the United States — possesses the instruments of such an infrastructure.

Of British trade with the ex-French territories of the sterling area, it is long as the mere inter-continental providing some of the raw material for the British market. In which the ex-French territories have remained, their rate of development was limited by the British demand. It was in Britain's interest that they should expand into other markets, thus enlarging their economies for their own benefit and finding new openings for British transportation.

The classic Commonwealth trades — West Indian sugar, Canadian timber, Malaysian tin, West African coffee — have all been currency earners, selling a large part of the product into the sterling area as a whole.

But much more than the other Commonwealth territories which had fiscal independence long before they had political independence, built up their own secondary industries behind protective tariffs (for which an allowance was made in the Ottawa agreements) and thus became good customers for a wide range of British goods.

Seven Year's Notice to Quit

Nothing could be more unlike the policy of the former French Union, or of the United States, or of the European Economic Union where the intention is to secure the home market against external competition and to sell your marginal surplus to the world outside for a quick net profit. In tariff negotiations with the signatories of Article III of the Treaty of Rome, 'Member States aim at securing uniformity between themselves at as high a level as possible'. The sterling trade looks the other way. One must not suppose that because it is flexible, expansive and wide-open, it does not exist. A mere 46% of British visible exports went to the Commonwealth in the bad year 1961, a trade worth £1,464m.

If we sign the Treaty of Rome we shall be let into the Customs Union *Zollverein* in respect of 17% of our trade at the price of discriminating against 40% of it. The intention of the European enthusiasts is to wean Britain away from the Commonwealth trade. Every speech of Dr. Adenauer and every *communiqué* put out by the Commission in Brussels makes it plain: The Commonwealth is to make all the concessions and, as Dr. Adenauer assures us, Europe is to make none.

Why should the Europeans give away the prize for which they are contending, the greatest import market in the world, the British market of which the Commonwealth countries now enjoy so much larger a share than they do? The bureaucrats in Brussels are obliging enough to say that they do not demand the instant destruction of the sterling-Commonwealth system.

The African Commonwealth countries may be permitted to accept client status like the ex-French Colonies; something can be done by way of charity to New Zealand, Ceylon, and other States which are not too large to be patronized; the greater countries are given seven years notice to quit. By 1970 all is to be over and instead of discriminating in favour of Canada, Australia and India, we are to discriminate against them.

Anti-Commonwealth Policy

I am astonished that this piecemeal disposition against which every overseas country, great or small, with the exception of Cyprus, has protested, should be regarded by H.M. Government as a Commonwealth policy. It is an anti-Commonwealth policy dictated to us by men whose avowed intention is to break up the sterling-Commonwealth trade.

Mr. Heath said on a television programme that 'the objectives of the common agricultural policy of the Six are the same as our own agricultural policies'. The Lord Privy Seal underestimated the intelligence of his audience. The agricul-

tural policy of France, Germany, and Italy is that they should develop their own backward agriculture by capturing the British market from the efficient agriculture of Canada, Australia and New Zealand, and, as a corollary, knock down the system of price support to the British farmer.

The real problem of the European negotiations is not to prepare the terms of Britain's entry but to cope with the simultaneous applications of Greece and Turkey on a special footing, the applications of three non-aligned countries whose foreign policy cannot be integrated with that of the N.A.T.O. members, of Ireland which is non-aligned in strategy but included in the economic system of the sterling area, and of Britain with her Commonwealth encumbrance, which, as Dr. Adenauer assures us, is wholly indigestible.

Orthodoxy in Brussels has taken fright at the prospect of a diffused community of 10 or 12 members with a range of associates on various terms. The rigid frame of the Treaty of Rome, with its innumerable padlocks, its vetoes and unanimity rules, its decisions by qualified majority, its powers entrusted to an irresponsible commission, its penal clauses, and its tribunal, might indeed be clamped down upon a group of six contiguous countries. The infrastructure of finance and transportation, with centuries of law, centralized administrative systems, and with no very long happy experience of parliamentary democracy, makes an honourable exception in favour of the States. The Europeans who accept the constitutional provisions of the Treaty have now realized that they would be unworkable in an enlarged and variegated community, be much the better. The larger the community the less distasteful its political implications. Make it large enough and they can be dissipated into hot air.

Reactionary Political Implications

It opposes the political implications of the Treaty of Rome as reactionary. The genius of the Commonwealth since the Durham Report has led towards the progressive decentralization of power and towards substituting functional co-operation for imperial sovereignty. That is the contribution made by the Commonwealth to the art and science of politics. Like all techniques, it has often failed, and may now fail disastrously, yet before turning to a technique which is altogether alien to our history and tradition, let us subject it to analysis.

During the last 20 years the Commonwealth has developed the method of dismantling the political super-structure while attempting to maintain and even extend its social infrastructure. The cultural Commonwealth, based upon the use of English as the language of external affairs and higher education, is strongly secured by the ever-growing contacts between schools and universities, and it is highly advantageous that the other great English-speaking community should have been brought into closer association with the Commonwealth in this work. This is the true international, the form of functional co-operation which transcends race, nation and religion.

Cultural co-operation would soon languish if it were not related to an actual network of communications — the postal, telegraphic, radio, and Press links, the air and shipping lines of the Commonwealth, which constitute a world-wide complex which is unique, which is at the service of all mankind, and without which a large part of international relations would wither away. It is managed by consultation, not by the imposition of sovereign authority.

Light-Hearted Bargaining With Sovereignty

This country will be obliged to derogate sovereignty if we underwrite the political obligations of the Treaty of Rome. What is to be deplored is the light-hearted gamble by which we are to bargain away our sovereignty irrevocably to a haphazard group of neighbours on their terms, only because they are enjoying a wave of prosperity which, like all waves of prosperity in recorded history, must come to an end in a few years. When bad times come the economic arguments for our union with Europe will lose half their force. When the sun goes down our strategic involvement in Europe ought to be brought to a close. But our policies would still be at the mercy of a qualified majority in the Council of the European Union.

No nation has a greater experience of federalism than the British. Since the federation of Canada in 1867 — a far more difficult problem than the federation of the United States and far more effectively solved — the British have been the begetters of federations in country after country with many successes (Canada, Australia, Malaya, and dare I say Nigeria?) and several deplorable failures (South Africa, India, the West Indies). There are limits to what can be achieved in politics by the federal principle, and long ago Britain and her Dominions unahimously decided not to convert the British

Empire into a federation. Let us make it quite clear to our European friends that we shall never sacrifice the sovereignty of the British Parliament in order to take part in a European federation or confederation. We have found a better way.

"Can we think of any single case in our long history when either France or Germany ever acted with disinterested benevolence towards us? Why should they? And why should anyone suppose that the policy of the Six towards Britain today is guided by any other motive than self-interest?"

Resounding defeat for Britain

"No one could pretend that our relation with Commonwealth-Africa is directly comparable to our Canadian or Australian relation. The revolutions which have overturned the Colonial system throughout the African continent in the short period of five years could not be expected to bring the new countries at once into a state of tranquility.

"British characteristic, which might be described as optimism or as complacency, is not in its intention. So at a time when it is involved in the value of the free government as an article for export.

"The withdrawal of South Africa from the Commonwealth was a resounding defeat for Britain. We had staked all on the liberalizing effect of our parliamentary system, and we had lost. The imperialist appeared in South African affairs, who formed the Union, which healed the old racial feuds—they were fully explicit 50 years ago. It was the same group of men who propagated the doctrine of forming Empire into Commonwealth. They were at the head of the Union, which became increasingly obscurantist and the Commonwealth drew away from their grasp. If the non-racial, non-regional Commonwealth could not bring South Africa into a harmonious relation, where was the line to be drawn? How like-minded must the associated countries be?"

"At this stage the British parliamentary system began to break down in country after country. Surely the Commonwealth is to be a group of free countries with constitutional liberties, it is said. But who is to define the terms? Some sections of the Press now suggest that Ghana is to be exposed to the same pressures as South Africa because its form of government approaches dictatorship. But a plebiscitary dictatorship is a legitimate democratic form; and I find it odd that some of the persons who object to our continued association with Dr. Nkrumah are enthusiastic for our entry into association with the plebiscitary dictator Charles de Gaulle."

Economic and Social Revolution

"The situation in Africa is so complex and urgent that the African Commonwealth countries will not be overlooked in the Common Market negotiations. It seems unlikely that they will accept associated status under Article 131 of the Treaty of Rome unless the form of association is revised more fundamentally than anything suggested in the *communiqué* of the Brussels meeting held on April 9 and 10 last. There is still time to prepare a new form of association with an enlarged community under terms which could not merely be dismissed as 'humiliating', the epithet applied to associated status in Accra last year.

"The British public are not yet aware of the economic and social revolution to which they are to be committed if we accept the political implications of the Treaty of Rome. I believe that H.M. Government—no doubt in good faith—has made a tactical blunder in their approach to the Common Market problem. Their repeated assurances that the Commonwealth still has priority should have led to negotiations with the Commonwealth countries before negotiations were opened with the Six. Not a word from Germany, France, or the Commission in Brussels suggests that their terms for admitting Britain will allow us to maintain the Commonwealth priority. I believe the Commonwealth is in grave danger.

"This does not imply mistrust of the Six. Their prosperity can only be to our advantage, whether we are in or whether we are out. Their preparation for a political union is a domestic matter with which we need not be concerned. Obviously we must come to terms with them on specific questions. So long as the cold war persists we must be associated with them in N.A.T.O., the more trade we do with them, the better (but the more trade we do with anyone the better). Let us by all means extend all forms of cultural co-operation. But let us do it in the Commonwealth way, not by the rigid legalism of the Treaty of Rome.

"We have lost the initiative. Whether we can regain it I shall not venture to guess. We began to negotiate with Europe too late, and omitted to negotiate with our Commonwealth partners, as we ought to have done."

Flouncing Out of Empire into Europe

Sir Jock Campbell Says "Wait"

SIR JOCK CAMPBELL, chairman of the Rooker group of companies, which has large interests in the Federation, wrote in Sunday's *Observer*:

"The treaty of Rome and the British Government's assurances to the Commonwealth and to British agriculture seem mutually exclusive.

"Moreover, there is a strong presumption that the Government is not only failing to tell us the truth about the implications of entry and about the realities of the negotiations, but is anyway trying to enter for the wrong reasons and at the wrong time.

"For the wrong reasons: first, because our position in the world having been established as the centre of an Empire which evolved, with the comparatively rich white Dominions into the concept of a Commonwealth, I suspect that the Government lacks the vision and imagination to take the final step towards applying that concept to the coloured and the newly independent. So if we can't partition their peoples and control their resources, we must withdraw from them into Europe.

"Second, because the Government seems to think that entering the E.E.C. will be a solution to the 'inefficiency' of British trade unions and the 'inefficiency' of British industrialists. In practice, because British workmen and trade unionists and businessmen have British votes, the Government is most likely to stand up to the consequences of this line of thought."

Government's Logic Back to Front

"The wrong time, because it would be impossible to conceive a worse strategic and tactical time to negotiate than the very point at which the present Six are on the crest of their economic wave, when they have just crystallized their own arrangements after great difficulty, and when two strong-minded and elderly gentlemen are dictating their affair."

"As time goes by, and leadership and the economic fortunes of the Six change, conflicts between them are bound to develop. In my view, the longer we wait the better the terms on which we can negotiate entry; and perhaps the less important it will be for us to enter.

"Finally, there could have been a good and positive reason for trying to negotiate entry: to try to join the main stream of the historical process of the new world. But we have been offered no information, and certainly no inspiration, which could lead us to conclude that this is the Government's policy.

"I am afraid that towards the world in general, and the Commonwealth in particular, its attitude is 'to look back in languor'."

Sir Donald Macintyre's Last Budget

SIR DONALD MACINTYRE, Federal Minister of Finance, said in concluding his budget speech, of which a report appeared in our last issue:

"This is the last budget which I shall introduce. I have now been concerned with public finance in one capacity or another, in local government and in national government, for 28 years.

"It is my experience that problems often seem worse than they are. Half the solution to a problem is a sound statement of what it is. From then on the application of reason, wit, and wisdom usually points not only to one but to several possible solutions. Trouble starts when people state the problem in a certain way because they are already determined to get the solution they want to have happen. I hope that what is done here will always be done after fair and reasonable consideration.

"In the nine years during which I have been Minister of Finance for the Federation I have often had hard arguments with my colleagues; sometimes I have had to give way to them, and sometimes they have given way to me. But after the arguments were over I have always been able to count on their sympathy and support. I am grateful to all of them.

"The support, the sympathy, even the criticism which I have received from Members of the House, has been of the greatest help. A Minister of Finance shares with his colleagues responsibility for the good management of the Government's finances; and the question whether this responsibility is discharged well or badly is submitted under our system to the judgement of Parliament. This system is being eroded in many other countries. We must see that it flourishes here."

U.N.O. Congo Operation Wrongfully Criticized

Vested Interests Blamed But Secretary-General Admits Mistakes Were Made

SERIOUS MISUNDERSTANDINGS of the position of the United Nations in the Congo and of the nature of the situation there have led to criticisms of the world organization for the wrong reasons, U Thant, the Acting Secretary-General, said in a luncheon given in his honour in London last week by the U.N. Association of the United Kingdom.

The U.N. was supposed to advise and assist the Government of the Congo, not usurp its power or authority, he said, but the public tended to limit its responsibility for the situation without regard to the limited nature of its authority, resources and powers *vis-à-vis* the Congolese authorities.

"Of the many practical challenges facing the U.N.", he continued, "the situation in the Congo is perhaps the most complex and has been one of the most urgent. The complexity and difficulty of the Congo situation and of the efforts to alleviate or control it are in proportion to the number and variety of the interests involved in that large and fascinating country."

Opposed Interests

"In the Congo one finds conflicting interests and opinions at every level: at the levels of world power politics, high finance and the political interests of emerging Africa, and internally, at the level of national political competition and tribal rivalry. Also competing on this crowded stage are adventures of various kinds attracted by the haphazard wealth of the country, by the possibility of making a quick gain from confusion and disorder, or even by the exotic and exciting nature of the scene.

"The rôle of the policeman, protector and adviser is not always a happy one, as a distinguished English song-writer has pointed out. It is small wonder, therefore, that many harsh things have been said over the past two years—sometimes, perhaps, even with a certain justification—about the U.N. operation in the Congo. But when I think of these strictures and criticisms I take courage from two considerations. One is that they have come from many opposing sides, and especially from people of extreme views or with special interests. This gives me the feeling that U.N. efforts at objectivity and impartiality have been, on the whole, successful. Secondly, the enormous interest in the Congo illustrates very clearly both the vital nature of that work and the unique problems which have to be faced, and can only be faced, by the world organization.

"I do not for a moment suggest that mistakes have not been made, and that, especially in the light of hindsight, some parts of the operation could not have been better conducted. But I must also say that the nature of the situation in the Congo and of the problems and the position of the U.N. there have more often than not been seriously misunderstood, and therefore criticized for the wrong reasons.

"U.N.O. is in the Congo to advise and assist the Government of the Congo, but not to usurp its power or authority. Nonetheless, its eminence as an organization and the essential rôle it plays at present in the affairs of the Congo give it in the public mind a responsibility for whatever happens, which is quite out of proportion to the limited nature of its authority, resources and powers *vis-à-vis* the Congolese authorities. Thus, the U.N. is liable to be blamed for whatever happens, and to be asked to take responsibility for many eventualities which are in fact within the domain of the Government of the Congo.

No Alternative to U.N. Rôle

"One of the most important rôles of the U.N. in conflicts or difficulties is that of a lightning-conductor or of an Aunt Sally—the large and conspicuous figure at which things can be thrown both with impunity and with an almost complete certainty of hitting the target.

"In this strange and unprecedented operation the U.N. has from time to time been justified or abused, or found itself in an undignified position. Lives have been lost, including that of my great predecessor, Dag Hammarskjöld. There has been violence, and from time to time remarks and accusations have been made in various quarters, including some with strong vested interests in the Congo, which have hardly been suitable either to the dignity of the world organization or to the gravity of the task it faces in the Congo. But when this situation has attracted so much attention, perhaps primarily

because it constitutes the most striking current example of the problems of rapid consequences, it must inevitably accept the risks and insults involved.

"It is hard to think of a working alternative to the U.N. operation in the Congo. In 1960 the world faced in that vast and newly independent country a desperate danger, compounded of internal chaos and potential external intervention. It faced an almost classic example of rapid change overtaking all those concerned and leaving them helpless and confused—Africans and Europeans alike.

"I therefore feel impelled to list some of the successes which the Government of the Congo and the U.N. have together achieved. Despite the initial mutiny of the Army and the nation-wide breakdown of confidence, law and order now exist again in the Congo. The country may be disturbed occasionally in some areas by political and racial differences. Despite the departure in July 1960 of many key Congolese workers, essential public and private services have been preserved and kept working, even though sometimes on a reduced scale; and in recent months the Europeans have

Despite the extreme confusion of the political situation in the early days of independence, the Parliament was finally reconvened in July 1961 through U.N. effort and its protection, and approved the Constitution of a Central Government generally recognized and now gaining skills in strength and experience.

"In spite of various sectional tensions or dissensions there is now a steady trend towards national reconciliation. Especially the vexed question of East-West, which has caused much honest though not always well-informed concern and indignation in this country, has been discussed intensively and practically by Prime Minister Adoula and Mr. Tshombe in Leopoldville. Although the talks are now suspended, great efforts are being made for their resumption.

"In this effort at conciliation we are also beginning to see at last a new comprehension by the outside interests involved of the great issues at stake and a new willingness on their part to use every influence in the direction of a united and stable Congo. This is indeed an encouraging development.

"The famine of 500,000 Bahutu refugees at Kasai in the winter of 1960-1961 was dealt with successfully by an international humanitarian effort. The U.N. and its affiliate agencies are also wrestling with the economic and fiscal problems of the Congo.

Death of Personnel

"Finally, the great basic problems of lack of training, experience and qualifications is being tackled. It is a long and arduous job to equip a country, roughly the same area as India, with all the public and private professional people and know-how which it requires to secure its future. Two years ago such people and training scarcely existed at all among the Congolese population. Political tension and pressure from outside have not made the task any easier, but nonetheless the first results are now beginning to show, and the programme of training and assistance, essential to the successful future of the Congo, has, under U.N. auspices, gathered considerable momentum.

"I ask you to view the United Nations rôle as the agent and moderator of historic change in the world in general, and in the Congo in particular, in the light of some of the things I have said. The English way of thought and your tradition of administration and the bringing of peoples to self-government provide the inhabitants of this country with an inherited basis for a sound judgment in such matters. Despite the revolutionary changes that have taken place and are still taking place in this world, I believe this basis for judgment, and the talents that go with it, can be immensely valuable both to the United Kingdom and to the world community, always provided that it is turned towards the future and not towards the past.

Later U Thant said at a Mansion House luncheon given by the Lord Mayor that it would be a mistake to assume that the political institutions and forms of democracy in most of the newly independent countries of Africa and Asia would be similar to those prevailing in Britain. "For the notion that democracy requires the existence of an organized opposition to the Government of the day is not valid." It was most unlikely that a two-party system would come into being in many of the new States for many years to come.

Perhaps the most conspicuous feature of the post-war period has been the awakening of national consciousness on the part of peoples under Colonial rule. Immediately after the war a profound change took place—a change which has affected the political landscape of the whole world, though it has been mainly centred in Asia and Africa.

One great European Colonial Power has long seen the imperative need to respond to this new awakening. At the end of World War II Britain, with vision and magnanimity, fixed a definite date for the ending of her power in India, Pakistan, and Burma. At once a catalytic element was introduced into Anglo-Asian relations to which all else has to react. The day of liberation was a challenge and an inspiration. Hostility and bitterness between the ruler and the ruled melted away, and now a warm friendship between Britain and her former Asian Colonies has taken the place of the resentment of the past.

Little Advance in Africa

The impact of Western civilization on the rest of the world has been a mixture of blessing and curse. One of the blessings brought to the world after the war is education in parliamentary democracy. In your country Parliament has had a recorded history for more than six centuries. Its origin springs from traditions of far greater antiquity. It has changed much and is always changing. It has reached its present powerful and independent position after a long series of struggles, setbacks and sometimes open violence.

It is not perhaps surprising that little advance has so far been made in parliamentary democracy in many Asian and African countries. The popular theory that every community has a struggling towards political independence must immediately assume the form of parliamentary democracy when it has exploded in many parts of the world. One traditional belief in the universal applicability of representative government is likely to be put to severe strain for some time to come.

It is a mistake to assume that the political institutions and forms of democracy in most of the newly-independent countries will be of the same type as those prevailing in Britain, or that there will necessarily be two main parties competing against each other for the votes of the people. The notion that democracy requires the existence of an organized opposition to the Government of the day is not valid. Democracy requires only freedom for opposition, not necessarily its organized existence.

In many newly independent countries it is most unlikely that there will be a two-party system for many years to come. The nationalist movements are powerful indeed. They will control Governments without there being any effective challenge to them from within, and any challenge from outside would only strengthen them. As was the case in many European countries, it might take some time before it would be possible for political opposition to be expressed in constitutional forms. Moreover, it is worth bearing in mind that the democratic system of government, though most desirable, is perhaps the most difficult form of government to operate.

It is most important that countries like Britain, which have successfully developed this form of government, and which have done so much to establish it in other lands, should show patience and understanding over the difficulties which the newly emerging countries will undoubtedly encounter in developing their political systems along democratic lines.

The transformation of an Empire into a Commonwealth of free nations has been one of the most inspiring developments in human history. But the world's need for inspiration is not exhausted, and I do not doubt that the world-wide family of free nations which must come into being if we are not to perish will owe much to the political wisdom, to the creative imaginations, and to the practical helpfulness of the British people.

No Force Against Katanga

BECAUSE THE SECURITY COUNCIL resolutions on the Congo do not authorize him to prevent secession or to impose any political solutions, the Acting U.N. Secretary-General of the United Nations does not intend to use any military initiative there, he told a Press conference at the end of his three-day London visit for talks with the Prime Minister and the Foreign Secretary.

U.N. forces had, however, authority to enforce the need for territorial integrity and unity throughout the whole area. He felt strongly that he should report on the Congo situation to the Security Council within a month. That body might then consider it necessary to

clarify its previous resolutions or give him a new mandate.

"The problem of the Congo is the problem of Katanga. The problem of Katanga is the problem of finance. The problem of finance is the Union Minière: so the Union Minière is in a very important position to contribute to a speedy solution of the Congo problem.

"In 1961 the Government of Mr. Tshombe received about £23m., of which £14m. came from the Union Minière alone. This is the crux of the problem. Under the agreement on the distribution of revenues between Belgium and the Central Congolese Government at independence, the 15% export duty from Katanga was to go to Leopoldville, which up to now has not received a single dollar. I have been discussing with the Belgian and British Governments how we can achieve a more just and equitable distribution of revenue in the context of the existing agreements. If this problem can be solved the problem of the Congo will be solved."

On U.N.O.'s financial position, U Thant admitted that it was in "bad shape". There were heavy debts. Some 40 nations had pledged to help. The bond issue total of \$1,400,000, the United States had provided £8,928,000 worth and to add the amount pledged by other countries, an expenditure of about \$100 million, some £58,900,000 altogether. That sum would be just enough to finance the Congo operation until the end of the year at current expenditure, or for a few months longer if economies were achieved.

£90m. Congo Deficit

In the first three months of this year the revenue of the Central Congolese Government was 4,807m. francs and the expenditure 4,897m., leaving a deficit of approximately £23m. at the official rate of exchange. The budget estimates the deficit for the current year at £90m. In reporting these figures to Parliament the Finance Minister, Mr. Pinz, said that he had no information about the finances of seven provincial governments, those with headquarters in Leopoldville, Elisabethville, Stanleyville, Coquilhatville, Luluabourg, Bakwanga, and Bukavu. Military expenditure in the three months totalled 561m. francs, the emoluments of the National Army having been increased by about 45% since independence. The pay of military and civil servants now takes 85% of all expenditure.

More Fighting in Katanga

PRESIDENT TSHOMBE claimed on Friday that Congolese Army troops had attacked Katangan soldiers at Kapeya, near Kongolo, killing one and wounding 15. Leopoldville said the Katangese gendarmes had attacked first, led by a "mercenary" who was killed and brought to the capital for identification. A U.N. pipe band played outside President Tshombe's palace in Elisabethville a few nights ago while he entertained in C. General Moke and Indian officers of the U.N., ostensibly to show the populace that good relations still exist on both sides.

Rwanda Skirmishes

ON WEDNESDAY LAST week reports reached Brussels and Kampala that hundreds of Tutsi had crossed the border into Rwanda at Mutara, Nyakatale and Kinyi in the north-east, including a band of the terrorist Inyenzi ("cockroaches") group armed with rifles and automatic pistols as well as spears. About 600 Hutu were said to have attacked the Tutsi near Nyakatale, and three tribesmen were reported killed before the Rwanda National Guard arrived to disperse the combatants. There has been no later news of trouble.

"If I had not been an administrator, I should have liked to have been a forester."—Sir Patrick Reardon, Governor of Kenya, opening a Commonwealth Forestry Conference in Nairobi.

Kenya Elections Next Year Purchase of 1m. Acres from Europeans

DEPENDENT SOLELY on the delimitation of regional and constituency boundaries and the registration of voters, regional elections followed with the minimum delay by general elections for a Lower and Upper House will be held "as soon as is physically possible" in Kenya next year, the Colonial Secretary, Mr. Reginald Maudling, announced in Nairobi on Tuesday evening before returning to London after a five-day series of meetings with the Coalition Council of Ministers to review constitutional progress.

"It is desirable in the interests of public order and for the sake of the economy to hold elections as soon as possible. Arrangements have been reached on all the points necessary for their organization, and the money will be provided solely by the practical work required. Franchises for central, regional and local government have been agreed. The boundary commissions should begin work early next month. It is not possible to make all the necessary preparations in time to hold elections this year, but they will take place as soon as it is physically possible to arrange them in 1963."

The task ahead is to complete the drafting of the new constitution, based on the framework agreed at Lancaster House, which will take effect as soon as the elections have been held. The only variations will be those required to provide a period of self-government during which control of external affairs, defence and internal security will be reserved to the Governor. A further conference will be held before independence to work out the remaining details.

Education, Health and Labour

"A great deal has already been done, and enough decisions have been taken to enable drafting to proceed. On certain particular points discussed during my visit, there has not been complete agreement. I explained my desire to see agreement reached on all outstanding points but where this could not be done, H.M. Government would have to take the necessary decisions to enable constitutional drafting to be completed. In the absence therefore of agreement on several points, I propose the following:

"There is no objection to administrative objection to giving responsibility for secondary education to the regions. Educational standards and certain educational institutions must remain under national control and these are other details to be worked out, but subject to this, secondary education should be the responsibility of the regions.

"In health there clearly must be a division. Public health in general and the control of epidemics must clearly be a central responsibility and the Central Government must retain overall responsibility for general policy and the means of ensuring that this is effectively discharged. On the other hand there are a number of functions, such as clinics, that should be the responsibility of the regions. The outstanding point is the administration of the provincial and district hospitals. In principle, this should be the function of the regions, but in view of the importance of maintaining efficiency in the medical services, I explained I could not make my mind finally without further consideration of the problems involved. These must be seen against a background of considerable administrative difficulties that are in any case bound to arise with the implementation of the new Constitution. If it appears that the health needs of the people demand this, I should consider that any transfer of provincial and district hospitals to regional control should be deferred either temporarily or permanently.

"It is essential that the registration and control of labour should be a Central Government responsibility. The basic rights of association for trade unions will be safeguarded in the Constitution. Decisions on trade union registration are taken by the Registrar and can be challenged in the courts. Employment offices throughout the country will be better run and less liable to accusations of partiality if run uniformly by the Central Government.

Public Servants' Pool

I put forward a scheme designed to meet the Lancaster House agreement that the public service should be independent of political control, and arrangements must be made to meet the staffing needs both of the Central Government and the regional authorities. In the interests of maintaining efficient administration, which is of vital importance, there must be a single career structure for the public service with uniform standards and agreed pension arrangements open to all recruits. At the same time, the Central and regional

governments must have servants who owe allegiance entirely to them. I propose to examine the practical possibility of a pool of public servants who will be posted either to the Central Government or the regional government and who will be transferable between one and the other. Recruitment to this pool, discipline, control over conditions of employment and, in particular, protection of the public service against political interference, will be in the hands of an independent Public Service Commission, the chairman of which might be appointed by a council of judges of the Supreme Court.

Minority Representation

"It had been proposed that arrangements should be made for communal representation in the Legislature during the period of self-government until independence. This proposal was unacceptable to the Council of Ministers. In these circumstances I do not think it can be pressed, but propose to safeguard the particularly important question of the representation of special communities at the independence conference by reserving the right to invite representatives from them to the conference, in addition to members of the parties who will be chosen to represent the parties therein in

The special position of Nairobi under the new Constitution has to be worked out in more detail. On the only point of detail raised, I propose that a representative for Nairobi should attend all meetings of the National Security Council, but should not be a member.

"The Commission on the Northern Frontier will be soon be appointed. The purpose of this commission is not to recommend any particular course of action but to inform H.M. Government about the current state of public opinion and the wishes of the people in the six districts concerned.

"The problem of landlessness is one of the most serious and urgent facing Kenya. H.M. Government consider a substantial expansion of the present high density settlement scheme is required. I told the Kenya Government we would be prepared to finance such an extension if they would put forward to us practicable schemes for settling 1m. acres of land in the scheduled areas, predominantly mixed farming land, at an annual rate of 200,000 acres. These figures would include acres already settled. In the last year of operation of such a scheme, we would review it and if satisfied that a further scheme on these lines was necessary and desirable, would be prepared in principle to participate in such an extension. As it is essential to maintain continuity and certainty of payment, such a scheme will be the first charge on development monies made available to Kenya over the period when the scheme is operating."

U.N. Coffee Conference Opened

OVER-PRODUCTION OF COFFEE, which has pushed prices down to their lowest levels since 1950, is now being discussed in New York at an international conference under United Nations auspices which may last six weeks. The aim is to obtain an agreement on supply and demand by which consuming countries will undertake not to buy coffee at reduced rates from any producing countries not abiding by the agreement.

The 1961-62 world coffee crop is expected to be the second highest on record.

Removal of some trade barriers, particularly the revenue taxes imposed on domestic consumers in Europe, and an agreement to a fair quota of exports from each producing country, are on the agenda.

The 28 coffee exporting countries which signed the International Coffee Agreement of 1959 (which is due to expire in September), include the British East African territories. They have already prepared a draft agreement which provides for a combination of export quotas and price arrangements to replace the current agreement. The 28 countries represent 92.4% of the world's production.

An international coffee fund to finance agricultural diversification in coffee producing countries has been proposed

Charter for Industrial Relations

AN INDUSTRIAL RELATIONS CHARTER for Kenya is expected to result from the conclusions of two committees comprising an equal number of representatives of the Federation of Kenya Employers and the Kenya Federation of Labour under the chairmanship of senior Ministry of Labour officials. Mr. T. J. Mboya, the Labour Minister, declared last week after a joint meeting with the two groups to discuss the current rash of strikes.

One committee, with five members each side, is examining recognition and recognition agreements; access in off-duty periods to workers who reside on private estates; joint F.K.E.-K.F.L. disputes commissions and acceptance of their recommendations; redundancy; recruitment of overseas employees and localisation; unofficial strikes and strike procedure; the use of essential services and boards of inquiry; and other essential services during strikes; joint consultation committees and the role of management.

The second committee, with three members each side, is dealing with the system in which trade unions should represent a particular industry.

Mr. Mboya said that the meeting had shown that both sides appreciated that serious strike action could do nothing but injury to the country as a whole, apart from the difficulties and sufferings inflicted on individuals and their dependants.

"I feel that the charter which comes out of this conference will permanently replace the need for compulsory legislation in the areas of safeguarding freedom, trade union rights, and good industrial relations. Both sides will get all the assistance they need from my Ministry for a cooperative effort."

External Temptations

The conference discussed the need to make the trade union movement independent of outside financial temptations, and the F.K.E. has agreed to reconsider the subject. Government and the K.F.L. very strongly urged the institution of a check-off system.

"A great deal was said about Africanization, or localisation. It was generally accepted that anyone, irrespective of race, sex or creed, who accepts Kenya as his or her mother country should be given equality of treatment when seeking employment."

Not only should workers join and actively support their appropriate trade unions and the K.F.L., but employers who do not join their appropriate industrial group in the F.K.E. are neglecting the economic well-being of the country by jeopardizing the use of normal industrial relations procedures. The Government expresses its concern that any employer has found fit to remain outside the organized employers' association. Industrial peace is possible only if both sides are organized.

The F.K.E., recognizing the need to develop the personnel side of management, intends to sponsor courses of management in industrial relations for its members. Government is prepared to consider courses on industrial relations where those attending would be drawn jointly from the K.F.L. and F.K.E.

Emphasis was laid on the need to maintain essential services during strikes. The Government cannot tolerate strike action which endangers or disregards human life by the interruption of hospital and similar services, or the lives of animals.

It was made known that Government has reviewed the formula for fixing statutory minimum wages and departed from that set out in the Carpenter report on African wages in 1954, and adopted a more realistic approach related to the Nairobi wage earners' index. It was agreed to refer the subject of weekly pay to the Labour Advisory Board for special examination by a sub-committee.

Speke Centenary Stamps

A DRAWING OF THE RIPON FALLS made by Captain Grant from a description given by Speke forms the design for four stamps which are to be issued in East Africa on July 28 to mark the centenary of Speke's discovery of the Nile. The values and colours of the special issue are: 30 cents, red and black; 50 cents, slate violet and black; 1.30s., green and black; 2.50s., blue and black. All post offices in Uganda and some in Kenya and Tanganyika will sell the stamps for two months. Official first-day covers will be available in Uganda only. A special post office using the date-stamp "Ripon Falls, Uganda" will operate in Raja as part of the centenary celebrations.

More Violence in Kenya Strikes

STRIKERS ARMED with sticks and stones tried last Friday to prevent workers from entering a metal window factory in Nairobi, while some lay in the road others pulled people from cars. Police made 113 arrests.

About 25% of the city council's employees obeyed a strike call from the Kenya Local Government Workers' Union to support council drivers who had stopped work over the suspension of a bus driver charged with throwing stones at a council vehicle.

Eye-witnesses told how a non-striker was beaten with sticks, stoned, knocked down, and trampled on. Employees defying the strike call went in muff to avoid intimidation. Calling the strike, the union secretary, Mr. Gordon Nyawade, admitted that it would affect clinics, the Pumwani maternity home, and child welfare centres. He said that he had dismissed four branch officials who had failed to comply with his orders. They retorted that he had no authority to suspend them.

Strike action also spread to the Dyers, Cleaners and Laundry Workers' Union because 15% of their members stopped after reported losses of clothing sent for cleaning, and by the Shoe and Leather Workers' Union because of working conditions.

Kenya Bus Services and East African Road Services have postponed the agreement of the Kenya Transport and Allied Workers' Union to postpone for three months the consideration of its grievance over redundancy in the hope that business will improve.

On Saturday some 3,000 tea plantation workers at Sotik came out on a lightning strike. They threw stones over a crowd throwing stones. One constable was injured. Thirty-two arrests were made.

Brave New World

A HUGE NEW WORLD POWER, the United States of Africa, might emerge before the end of this century and even surpass Western European standards, despite Africa's enormous problems of over-population, health, climate and education, the Aga Khan suggested recently in Cambridge when speaking on the Commonwealth. "Africa is awakening from the slumber of centuries. Two hundred million people, speaking at least 700 different languages and divided into thousands of different tribal entities, are grasping for a brave new world, into which they are being launched at breathtaking speed as sovereign members of the United Nations. What the shape of this world will be, even the most sophisticated African has yet only the haziest idea. But certainly it will be a world where old indignities can be forgotten and where the deadweight of poverty, hunger and ignorance can be lifted."

Adult Suffrage

"IT IS DIFFICULT for the uneducated to decide what the country needs, who will best pursue their interests if elected, and to sift the claims of rival politicians who seek to obtain their votes", Kenya's Minister of Education, Mr. L. G. Sagini, said when he opened the new St. James's Catholic Boys' Secondary School at Mosochi in his own constituency of Kisii. "As Kenya approaches independence and the people come to achieve universal suffrage, the need for education becomes daily more important, for it will be the man in the street and the men and women in the villages who will elect their own Government. It is impossible to over-emphasize in these days of change and doubt the importance of bringing up our young men and women in an atmosphere of religious conviction and devotion which will guide them through the whole of their lives."

Compensation for Kenya Settlers Government's "Inescapable Obligation"

COMPENSATION for the Europeans in Kenya who have been so injuriously affected by the Macmillan-MacLeod-Blundell policy has been urged by Mrs. Elspeth Huxley and Miss Mervyn Perham in a joint letter to *The Times*, reading:

"Having often disagreed over Kenya's affairs, we now find ourselves in harmony about one issue—the claims of the European farmers for compensation. Why have these Europeans already begun an exodus which, with independence, may become a mass retreat? Because the British Government has broken the conditions under which its predecessors invited settlers to commit their lives, their families and their capital, when they had any, to the pioneering development of Kenya's land.

"The Government, we believe, now has an inescapable obligation to see that many of these families are not reduced to the destitution of displaced persons and refugees. The issue is not affected by saying that African majority rule is inevitable; this we accept. Nor can the claim be evaded by stating that such promises should never have been made.

"From 1903, when the first Protectorate Government sent its agent to South Africa to attract settlers, down to the Lancaster House Conference of 1960, official policy has actively encouraged Europeans to settle on the land in Kenya and has helped to finance them. An officer was attached to East Africa House for this purpose right down to, and indeed after, this decisive conference. In a long series of pronouncements, Secretaries of State for the Colonies and other responsible persons have praised the achievements of the settlers, and calmed their recurrent fears with promises of support and safety.

"There is no space here to analyse various schemes which link the purchase of land in the erstwhile White Highlands with compensation for displaced farmers. Such land as the Kenya Government is at present buying lies mainly on the borders of existing African areas, or is selected to tidy up a confused land pattern, not to give equitable treatment to European farmers' claims. Nor is it possible to discuss here what could be done to retain as many as possible of a community which has been producing about 80% of Kenya's exports, although an intelligent, phased scheme of compensation might well hold back the impulse to abandon ship which Sir Michael Blundell's recent realistic speech will do nothing to check.

"Professional people are in a special category, and it might be helpful if the Government set up special machinery for helping them to find new careers in Britain or elsewhere. We cannot discuss here the special position of Asians.

"Compensation is bound to be expensive and complex to administer. But while Colonial officials, displaced by Africanization, are being awarded full and proper compensation, the farmers, many of whom stand to lose not only their careers but also their homes, property and investments, may be forced to leave without so much as their passage money, and spread about the world a bitter sense of betrayal by their own countrymen.

"The depth of the bitterness which can be felt by people in their position can be measured by the reaction of the colonists in Algeria. It is foolish to think that for the Africans in Kenya, that the Europeans there have neither the strength nor the inclination to express their feelings in this way."

MR. R. T. PAGE, M.P., writes:

"Acceptance by H.M. Government of an obligation towards the Kenya farmers is both just and politic.

"Compensation should be moderate. It should not on the one hand be based upon the value which the land would bear if there were an indefinite prospect of white supremacy and cheap black labour, nor on the other hand be the price for which land could be bought in the present panic conditions, but should provide for a return of capital invested and a moderate remuneration for invested labour.

"The offer of compensation once made should remain open indefinitely. With this assurance, should things come to the worst, many, probably the great majority, of Kenya farmers will stay on and see how things turn out. Without these assurances a great many will feel obliged to pull out before independence.

MR. H. W. ORD, of Nairobi, wrote from Edinburgh:

"Although the number of non-African farms has increased from about 2,000 in 1938 to 3,000 in 1952 and 3,600 by 1960, there are only some 2,500 mixed farms or ranches of over 200 acres. Including their European employees, there are probably fewer than 4,000 families involved. The present written-down value of fixed capital employed in European mixed farms and ranches might well be put as low as £20m., excluding a value for unimproved land, livestock, and inventories which can be sold off over a relatively short period.

"Compensation should be confined to paying for capital losses resulting from the direct effects of recent political developments rather than compensating for the fall in the market value of farms from the peak prices ruling in the past few years. Many of the settlers attracted to Kenya during the past decade purchased farms with Government assistance on mortgages held by the Settlement Board, and the number of outright purchases is probably small enough to be considered on an individual basis.

"Some form of Government purchase of mixed farms would appear to be desirable both to meet minimum requirements for compensation and to encourage farmers to stay on their farms as tenants or managers."

MR. MAXWELL WEBB took the line that to ask for compensation now was "surely to jump the gun", saying:

"How can compensation be paid when no one has been hurt? So far all that has happened is that the settlers' land has depreciated sharply in value, but then so have the few stocks and shares that I hold, and I'm not screaming for compensation because I failed to sell them when prospects and share values were brighter.

"In view of past promises, the British Government have a responsibility towards the settlers that they would be foolish to deny when the final negotiations for Kenya's independence begin, but to call for compensation at this stage can serve only to undermine what little confidence remains between the races. If settlers choose to desert now, what they regard as a sinking ship, they can have little claim to our Government's generosity. It is for those who remain to face the uncertainty of the future, that adequate safeguards and if necessary compensation must be provided."

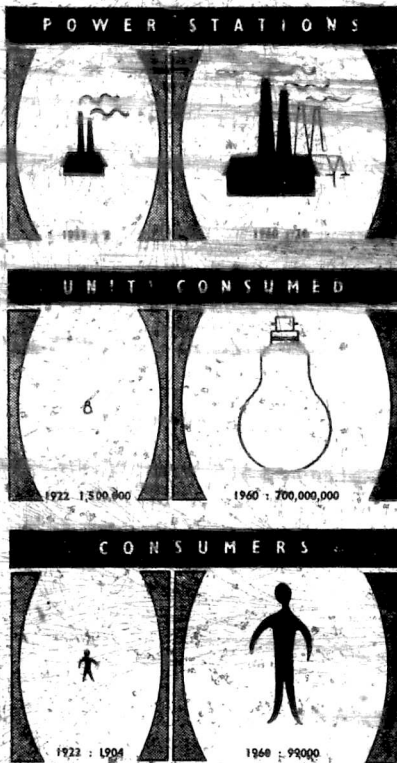
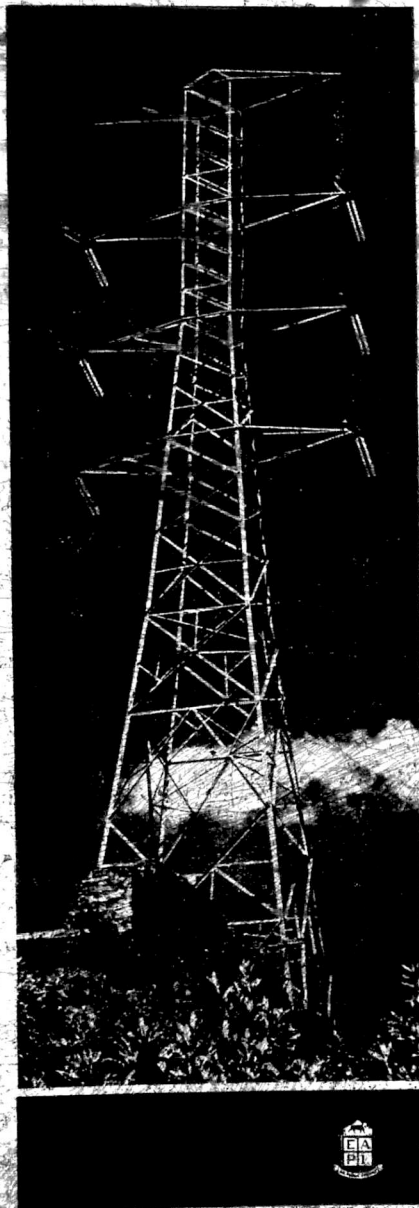


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PERSONALIA

MR. JAMES MCKILLOP, of Sotik, has left London for Kenya.

MR. G. RIVERS-THOMAS, who was in London a few days ago from Kenya.

MR. E. I. G. UNSWORTH, Chief Justice in Nyasaland, has sailed in the TRANSVAAL CASTLE.

SIR ERIC GRIFFITH-JONES, Deputy Governor of Kenya, arrives here today for a holiday.

MR. MARK F. K. LLOYD has been elected vice-chairman of Messrs. Green & Co., Ltd.

MISS BOYD of Messrs. has been appointed to the court of directors of the Royal Exchange Assurance.

MAJOR GENERAL HASSAN BESHIR NASR, Sudanese Army Chief of Staff, is on a fortnight's visit to Russia.

MR. R. A. BUTLER is to be the guest at luncheon of the Commonwealth Writers of British on Wednesday, July 18.

MR. C. G. KAHAMA, Minister for Commerce and Industry in Tanganyika, arrived in London on Tuesday on a four-day visit.

MR. JAMES MURRAY, Consul-General for Britain in Rwanda-Burundi, has been appointed ambassador to the two new States.

LORD CHANDOS, a former Secretary of State for the Colonies, has been appointed chairman of the new National Theatre Board.

MR. H. JERVIS JOURDAIN has been appointed managing director of Blyth, Greene, Jourdain & Co., Ltd. He succeeds the late R. M. CURRIE.

MR. C. G. W. ROBSON, representative in Dar es Salaam of the Tanganyika Association, and MRS. ROBSON will be in London throughout July.

MR. CHRISTOPHER CHASELEY has been appointed to the Northern Rhodesian Farmers' Debt Adjustment Board, with MR. J. E. BAKER as alternate.

MR. NICHOL HUTTON is to become news editor of the Kenya Broadcasting Corporation when MR. MICHAEL SUMNER returns to the United Kingdom later this year.

MR. R. J. HILLARD, president of Nairobi Chamber of Commerce, has had a completely successful eye operation in London. He is now recuperating in the country.

MR. JOHN MSONTHI, Minister of Trade and Industry in Nyasaland, is about to visit Denmark, West Germany, and Italy for business discussions and talks on tourism.

PROFESSOR ARTHUR HAZELWOOD, of Oxford University, has been invited by DR. BANDA to advise him in the discussions with the four-member team of advisers appointed by MR. BUTLER.

MR. JOSEPH YINZA, Director of Information Services in Tanganyika, flew to Geneva last week from Dar es Salaam to attend a United Nations conference on information problems.

COLONEL V. C. THOMPSON, managing director of Up-lands Bacon Factory, Ltd., and MRS. THOMPSON were homeward passengers in the KENYA, as were MR. JUSTICE and MRS. MAYERS.

SIR JAMES ROBERTSON, sometime Governor-General of the Federation of Nigeria and Civil Secretary in the Sudan, has succeeded SIR ANGUS GILDIAN as chairman of the Royal Over-Sea League.

DR. COLIN WARELOW and MR. HENRY WILLIAMS have been appointed to Fort Rosebery Management Board, Northern Rhodesia, in place of DR. J. S. B. PREECE and MR. D. J. ARCHER, who have resigned.

COLONEL G. E. WELLS, Clerk of the Federal Parliament, is about to retire. He first went to Southern Rhodesia in 1918, and for the last 26 years has been in the service of the Parliaments of Southern Rhodesia and the Federation.

Business men from the Federation now in London include MR. C. J. HARTRIDGE, MR. M. M. GALWIN, MR. R. B. FORBES, MR. A. J. FISCHER, MR. H. S. PEARSON, MR. R. A. FORREST, and MR. G. LUBNER.

SIR MAURICE DORMAN, who was for some years in the Colonial Service in East Africa, was sworn in on Monday as Governor and Commander-in-Chief of Malta. He succeeds ADMIRAL SIR GUY GRANTHAM.

MR. W. F. B. PRICE, British Trade Commissioner in Tanganyika, MR. R. F. JOHNSON, retiring regional commissioner of income tax, and MR. W. D. SLOAN, administrator-general of that country, are recent arrivals in the United Kingdom.

MISS MARY DAVIS, S.R.N., who has served in the Colonial Nursing Service in Northern Rhodesia, Nigeria and Cyprus, has taken over the direction of Victoria General Hospital, Seychelles, in succession to MISS M. B. CAHILL who is retiring.

DR. T. J. WEHRS, a leading authority on mental disorders, who has been lecturing in the Federation of the Highlands Trust has rated Southern Rhodesia third in the world, after Britain and America, in care for the mentally handicapped.

MR. EDWARD BARONGO, regional commissioner for the Northern Region of Tanganyika, has proposed that prize-winners in schools should be taken to the national parks, so that they might come to know their attraction and value to the country.

MR. EDWARD G. ROBINSON, the actor, who had a heart attack last month while filming in East Africa, arrived at London Airport on Monday and was taken by ambulance to a London clinic. He told reporters: "I feel fine. I shall be up in a few days."

MR. C. F. H. GOUGH, Conservative M.P. for Hortham, who has visited Kenya, was taken ill in the House of Commons on Monday last week after speaking in a debate. He was moved by ambulance to Westminster Hospital, which he has since left.

MR. R. A. BUTLER, Minister for Central African Affairs, and MRS. BUTLER were guests at dinner on Tuesday evening of the Rhodesia and Nyasaland Club in London. The Federal High Commissioner, SIR ALBERT ROBINSON, presided. A report will appear next week.

MR. KENNETH BRADLEY, director of the Commonwealth Institute, has been elected chairman of the League of the British Commonwealth and Empire, which is concerned with the exchange of teachers between the United Kingdom and other Commonwealth countries.

MR. S. P. PATTISON has relinquished his executive responsibilities as deputy chairman of Hogg Robinson & Capel-Care, Ltd., a group with an East African subsidiary, but will remain on the board. The new deputy chairman is MR. J. T. L. DOVE. MR. F. PERKINS has been elected a director.

MR. P. S. ROLLER, who farms near Nakuru, has been elected to the board of Kenya Co-operative Creameries, Ltd. He is chairman of the Naivasha Agricultural Committee and vice-chairman of the East African Stud Book. The vacancy was created by the resignation of LIEUT. COLONEL GORDON.

THE RT. REV. AMBROSE REEVES, a former Bishop of Johannesburg, has been appointed general secretary of the Student Christian Movement of Great Britain and Ireland, and will take up his duties in September. He has also been invited to accept the title of Assistant Bishop in the London diocese.

When EMPEROR HAILE SELASSIE of Ethiopia visited Eritrea last week he complained that some of his subjects there were willing to become instruments of foreign propaganda against the federation, despite the £2m. spent on Eritrea's development by Ethiopia since the two countries federated.

MR. CECIL C. C. BELL has joined the board of Consolidated Tea and Lands Co. Ltd., a company with substantial interests in tea growing in Kenya.

MR. A. W. HEMPHILL, of Mau Summit, Kenya, and Holywell House, Bally, Dublin, left estate in England of £40,429, on which duty of £12,658 has been paid.

MR. LANCE JONES, deputy social welfare officer with Mombasa Municipal Council, has been installed as the first African chairman of Freretown African District Council. It is the smallest in Kenya.

MR. CHARLES RUBIN, who has a business in Nairobi, is the first African to be elected mayor of Nairobi. On the same day last week Mr. DAVID KAYANDA, an employee of an oil company, became mayor of Mombasa.

MR. LEONARD BAKUNAME, who has been promoted Deputy Permanent Secretary in the Ministry of Home Affairs in Tanganyika, attended a local government course in the U.K. in 1957 and three years later took a course in public administration, local government and political science at Balliol College, Oxford.

Professor I. SCHAPERA has been elected president of the Royal Anthropological Society for 1963. Miss G. CATON THOMPSON is one of three vice-presidents; Sir GEORGE BERSFORD-STOOKE is chairman, honorary treasurer; and Dr. G. W. B. HUNTINGFORD and Mr. W. B. FAGO are honorary editors of the journal.

MR. STAFFORD POSTER-SUTTON, sometime Attorney-General in Kenya, has been appointed chairman of two commissions which are to be sent to that Colony by the Colonial Office to delimit the boundaries of the new regions and the Nairobi area and to demarcate constituencies for the Lower House of the Legislature.

SIR LEWIS ROWAN, who has been elected deputy chairman of the British Aircraft Corporation, Ltd., entered the Colonial Office after leaving Cambridge University, but three years later transferred to the Treasury. He has been managing director of the Vickers group. At one time he captained England at hockey.

SIR JOHN MUIR, chairman of James Finlay & Co. Ltd., has been elected to the board of Scottish United Investors, Ltd., in the vacancy created by the death of Sir JAMES JONES. Sir JOHN MUIR is a director of National and Grindlays Bank, the Royal Insurance Company, and tea-growing companies with East African interests.

SIR ROGER STEVENS, SIR RALPH HONE, and PROFESSOR A. J. BROWN will leave London on Saturday for the Federation on behalf of MR. R. A. BUTLER, Home Secretary and Minister for Central African Affairs. They will meet in Salisbury the fourth member of the party, MR. D. A. SCOTT, and go on to Nyasaland to state their inquiries.

MR. ADAM MARSHALL, personnel training officer for Nyasaland Railways, has retired. He arrived in the Protectorate in 1930 as accountant-treasurer to the Church of Scotland mission at Biantyre. MRS. MARSHALL, who has been very active in Nyasaland welfare movements, has written three books for African women on teaching, horsemanship, and cooking.

Visitors to London from the Federation include MR. R. J. BROOKER, MR. T. BUTLIN, MR. & MRS. H. N. CLAGWORTHY, MR. & MRS. W. J. CHAMBERLAIN, MR. L. S. HAWES, MR. R. J. C. HOPE, MR. & MRS. J. H. HUDSON, MR. & MRS. P. M. JONES, MR. & MRS. R. W. I. PRATT, MR. M. RICK, MR. G. A. D. ROBERTS, the Rev. F. K. W. SCRASS, and Mr. R. C. M. WYNNING.

DR. WILLIAM D. LAMONT, a former principal of Makerere College, Uganda, and now lecturer in moral philosophy at Glasgow University, and Mr. G. A. SHEPHERSON, reader in Imperial and American history at Edinburgh University, are to be members of a four-man commission to examine the possibility of establishing a university for Nyasaland. Dr. HASTINGS BANDA announced last week.

MR. NELSON P. MWANZA, a 27-year-old African technical assistant in the Nyasaland Department of Agriculture, has been awarded a Ford International Fellowship so that he may study plant pathology in the United States for a year. He is a B.Sc. of the University College of Rhodesia and Nyasaland. The Ford International Fellow from Rhodesia last year was MR. GEORGE L. LLOYD, of Gwebi Agricultural College, Southern Rhodesia, who is studying poultry genetics.

CAPTAIN HAROLD DELLER, commodore of the Union-Castle fleet, and master of the PENDENNIS CASTLE, which arrived at Southampton last Friday, then relinquished his command, pending retirement next month. He had been at sea for just half a century, and with the Union-Castle Line since 1919, serving in most of the company's ships and commanding the CABERFURN CASTLE and EDMBURGH CASTLE. The new commodore is CAPTAIN JOHN OAKLEY, master of the WINDSOR CASTLE, who has been in the merchant fleet in 1917 and received his first command just 20 years ago.

MR. GEORGE SUNDENSON, reader in history at Edinburgh University; Dr. J. G. MCALPIN, lecturer in pathology at the Institute of Laryngology and Otolaryngology, London; Dr. KRISTINA THOMPSON, assistant lecturer in chemistry at a West German University; and Dr. G. A. SAXTON, M.P., of Harvard University, U.S.A., are about to join the staff of Makerere College, Uganda. Dr. Saxton has been assigned by the Ministry of Health to direct a health centre at Kuumungu for which the African body has made a grant; he has had wide experience in preventive medicine, of which he was associate professor at Harvard for four years.

MR. R. A. BUTLER, Home Secretary, and Minister for Central African Affairs, gave a luncheon at Lancaster House, London, last week in honour of DR. BANDA. Among the guests were VISCOUNT KILMURR, MR. MAUDLING, SIR GLYN JONES, MR. KANYAMA CHUMBE, MR. P. YOUENS, MR. G. C. D. HODGSON, MR. D. HEALY, M.P., MR. PAUL CHANNON, M.P., SIR EDMUND HALL-PATCH, MR. DONALD BROWN, MR. JULIAN CROSSLEY, MR. W. M. CODRINGTON, SIR HILTON POYNTON, SIR ANDREW COHEN, MR. M. D. TENNANT, SIR CHRISTOPHER COX, MR. I. C. MCPETRIE, MR. M. P. METCALF, MR. N. D. WATSON, MR. C. J. HAYES, MR. W. S. BATES, and MR. K. J. NEALE.

East and Central African Lodge

MR. EDWARD L. LARCOMBE was last week installed in the chair of the East and Central Africa Lodge of Freemasons, No. 7446, E.C., by his predecessor, MR. J. SYKES, P.G.D., P.D.G.W. (East Africa).

The officers for the ensuing year are: senior warden, G. S. COX, P.D.G.St. (East Africa); junior warden, J. C. EARL; chaplain, the Rev. J. Gillett, P.A.G.Chap., P.D.D.G.M. (E.A.); treasurer, A. Hornby, P.A.G.D.C. P.D.G. Treas. (E.A.); secretary, F. H. Palmer, P.M.; director of ceremonies, F. S. JOELSON, P.A.G.D.C., L.G.R.; senior deacon, W. Dick, P.M.; junior deacon, W. G. M. LUGTON, P.M.; assistant director of ceremonies, J. W. DEEGAN, P.G. Std.B., P.D.G.W. (E.A.); almoner, R. A. Wade; organist, H. Catlin, P.P.G. Reg. assistant secretary, R. G. Miller, P.M.; inner guard, R. T. Izard; stewards, L. Clough, R. S. Cayzer, G. W. Williams, Cecil H. B. Rose, and S. A. Walden; tyler, T. Thompson, L.G.R.

The lodge, which was consecrated in 1956, meets on the first Tuesday in March, May, July, and September. Freemasons from East and Central Africa coming to the United Kingdom are invited to communicate in advance with the secretary at 73 Moorgate, London, E.C.2, so that they may receive notice of any meetings during their visit.

Obituary

Mr. A. W. M. S. ("Chile") Griffin

MR. ARTHUR WILFRID MICHAEL STEWART ("CHILE") GRIFFIN, M.C., who was for 24 years in the administrative service of the British South Africa Company in Northern Rhodesia, has died in the United Kingdom.

His nickname "Chile" came in the land of his birth. He was educated at Harrow and Trinity College, Cambridge. Though he missed his Blue, he played cricket for the university on several occasions and became a Free Forester. He was a member of the M.C.C. and was for many years a member of the committee of Dorset County Cricket Club.

He came to Northern Rhodesia in 1910, spent four years in the Mazabuka district, and on the outbreak of war joined the Northern Rhodesian Rifles as a private. Later he was commissioned in the Northern Rhodesian Police, with which he served in "German East," retiring as a captain and with the Military Cross.

Called to the Bar in 1919, he twice acted as assistant legal adviser to the Government, but he preferred district work, and after being stationed in Livingstone and Kamukoko as assistant magistrate he became provincial commissioner in Fort James.

In the last war he served as quartering commandant for East Devon, with the local rank of Lieut.-Colonel. (C.C.F. writes:—)

Griffin was one of the best of the team of administrative officers who from 1900 to 1924 laid the foundations under the British South Africa Company of as fine a Colonial Service as any in Africa. In no African territory during the first half this century was there such consistently peaceful government and freedom from any racial trouble, and this was due in the main to men like Griffin.

Served in East African Campaign

"Chile" was an aristocrat in the best sense of the term, loved and respected by Europeans and Africans alike. I first got to know him well during the East African Campaign of 1915-1918, when we were seconded with some other members of the district staff to the Service Battalion of the Northern Rhodesian Police. He served with distinction in that campaign in charge of the machine-guns, and was awarded the M.C.

When he was an administrative officer in Livingstone, then the capital of Northern Rhodesia, Griffin, who had bowled for Harrow and Middlesex, did much to raise the standard of cricket, as he did again at Fort Jameson, where he was provincial commissioner from 1928 to 1934.

Soon after the war he married Florence Pearson, and after his retirement his wife and he were regular attendants until his health began to fail two years ago at the annual reunions of a few of his closest friends from Northern Rhodesia. He is the first of this little group to go, and we shall miss him sadly.

It was nice to think that he was able to be present at the wedding of their son John on May 1 this year to Miss Henrietta Montagu Douglas Scott, an occasion which Her Majesty the Queen Mother honoured by her presence. "Chile" Griffin told me that day that he had "come to the end of the road", and commented that he had had a good life and had no complaints. His marriage was a very happy one, and the sympathy of all their many friends will go out to his widow.

THE MARQUESS OF WINCHESTER, premier marquis of England, who has died in Monte Carlo, aged 99, met Cecil Rhodes in South Africa soon after the Pioneer had entered what is now Southern Rhodesia, which he later visited with Mr. Rhodes.

LADY LYLE, wife of SIR IAN LYLE, chairman of Tate and Lyle, Ltd., has died. She was a South African. They were married in 1935.

MR. J. JOUBERT, a 30-year-old European farmer, was trampled to death near Solal last week by a bull elephant which he had wounded after killing another. They had been raiding growing crops.

SIR SAID bin ALI el MUGHERY, of Pemba, who had been a member of the Zanzibar Legislative Council for more than 25 years, died recently. Because of his championship of causes in which he believed he was called by a former British Resident "the fighting cock of Pemba". He had served on many boards and committees, and was a close personal friend of the late Sultan.

CAPTAIN CLAUD ("PADDY") O'HAGAN, whose death in Kenya is reported at the age of 84, was severely wounded in the South African War and invalided out of the Regular Army. He was a lieutenant at Nyeri shortly before the 1914-18 war, in which he served at G.H.Q. in Nairobi and Dar es Salaam. Later he started dairy farming near Naro Moru. He was a war-time warden, an honorary game warden, and a keen angler, polo player, and gardener.

CHEVALIER F. J. MACKEN, an advocate who had lived in Uganda since 1920, collapsed and died recently while walking to Rubaga Cathedral, Kampala, to attend Mass, as was his daily custom. After 20 years in Uganda Police, he was called to the Bar. He had previously served in the police in Rhodesia and Kenya. He was unmarried and in his 70s. For his services to the Catholic Church he had been made a Knight of St. Gregory and later a Knight Commander of that order. He had also been appointed a Privy Chamberlain of Sword and Cape. He started the first English newspaper in Uganda, selling it later to Mr. Michael Moses for incorporation in the *Uganda Herald*.

THE REPUBLIC OF THE SUDAN

Applications are invited from those suitably qualified to fill the following vacancies in the Guneid Sugar Factory, Ministry of Commerce, Industry and Supply.

- (a) 4 Electricians (Sugar experience not required)
- (b) 4 Mill Mechanic
- (c) 4 Supervisors for Juice Purification
- (d) 4 Supervisors for Evaporation
- (e) 4 Supervisors for Heaters
- (f) 1 Head Pan-Boiler
- (g) 12 Pan-Men
- (h) 6 Centrifugal Mates

Candidates must possess adequate experience and a wide practical knowledge of the sugar industry. Knowledge of English and Arabic is essential. Ages up to 30 years. Candidates should be medically fit for tropical climate.

TERMS OF SERVICE

Appointment will be on contract for a period of three years with the possibility of extension to five years according to requirements.

Salary open to negotiation according to age, qualifications and experience. A variable cost-of-living allowance is payable and annual leave accrues at the rate of seven days per month.

There is no income tax payable in the Sudan at the present time. Fifty per cent of salary may be transferred to home country of the official.

Applications should be made in writing giving details of age, qualifications and experience to the Sudan Embassy, Appointments Section, 3, Cleveland Row, St. James's, London, S.W.1.

Closing date 15th July, 1962.

Nationalism Driving Out Competent Men

Falsity and Chicanery at United Nations

COUNTRY AFTER COUNTRY has lost the services of good brains and skilled hands because of the new creed of nationalism. Sir Roy Welensky, the Federal Prime Minister, said a few days ago when he laid the foundation-stone of the Elia Salzman Rhodesian Tobacco Science Institute in Salisbury.

"Recent years have proved how dangerous any substitute for knowledge and science can be. These are commodities in which the cheaper product is never satisfactory, though the label may be attractive. In the end, any sham is bound to show up. This has become tragically true in recent times in many countries and many walks of life.

Competent men have been driven out of office to make way for incompetents who are members of new establishments. Country after country has lost services of good brains and skilled hands because of the new creed of nationalism. They haven't a hope of replacing them in years and are settling for fill the gap with the best, half-qualified substitutes. The loss to the peoples of these countries will be severe.

When the Western world never wake up to how false a position is being assumed, if it is false in the hopes it allows to rise in the minds of simple but ambitious people. It is false in the new values being set up. It is false also in the belief that stability is being created and allegiance assured to Western ideals.

"We have just had evidence of the insincerity of it all in the rejection of the device in the United Nations of a progressive step in Southern Rhodesia's constitutional history. The members of that international body who perpetuated that act of chicanery have not the slightest care for the people of Southern Rhodesia.

"There will be an awakening in time. Then the road back to sanity will be harder than many realize. There is no easy solution to problems of Africa, which are problems of backwardness and poverty. The only solution lies in the growth and spread of knowledge, skill, and wealth. Extremes in Africa and the New World in Manhattan are daily making these more difficult to secure.

"For a country of its size and resources, the Federation has already achieved a great deal in education and training, but there was still a long way to go to bring the benefits of a full and enlightened education to everyone.

"We are straining our resources to do it. It is very largely an effort of this country, though I am the first to express the deepest gratitude for the support we are getting from such friends as Elia Salzman who see the wisdom of our purpose. It is the ever-growing rôle and responsibility of educational and research institutes to improve the day-to-day lot of the individual and his work and to help to put knowledge to its proper use."

Dr. Banda Returns

A CROWD ESTIMATED at about 20,000 gathered at Chilaka airport near Blantyre on Sunday to greet Dr. Banda on his return from London. Nyasaland might, he declared, become independent next year, and in a rather ambiguous phrase he indicated that the Chief Secretary and the Ministers of Finance and Justice, the only three European officials still in the Executive Council, would soon disappear from it. African policemen from Nyasaland were, he announced, to be trained in Britain and Ghana. At about the same time Sir Glyn Jones, Governor of Nyasaland, said in Salisbury that the discussions in London between Mr. Buller, Dr. Banda, and himself had been cordial.

"The East African Government intend to spend nearly £150m. in the next few years on development programmes. Taking a view of about five years, I expect considerable expansion in industry and commerce."

—Mr. J. H. Gaunt, president of the Association of Chambers of Commerce and Industry of Eastern Africa.

The British South

Africa Company

Industrial Expansion in the Federation

The President of The British South Africa Company has recently stated that the Group's policy is unchanged; the development of the Federation of Rhodesia and Nyasaland is the primary field for employing its financial resources.

The establishment of the railway system in the period 1898 to 1910 was the first major task of The British South Africa Company in the commercial field. Nearly 2,500 miles of lines stretching from Mafeking and Beira to the Caprivi were built in an undeveloped country with the Company's money or by debentures guaranteed by the Company. The railways played a fundamental part in the development of the Rhodesias.

The British South Africa Company Group has contributed £4 million in loans towards the financing of the Kariba Hydro Electric Scheme, which provides power for the copper mining companies and other industrial concerns both north and south of the Zambesi. When the loans are repaid the money will be lent to the Federal Government for development projects.

The Group has taken a large stake in the £9 million development scheme of The Rhodesian Iron and Steel Company Limited. That Company is expanding its works at Redcliff and when the programme is completed it will be able to supply the Federation's steel requirements and add to the country's exports.

The British South Africa Company Group subscribed for a substantial part of the share capital of Chilanga Cement Limited. The Chilanga Company, which has a factory near Lusaka, supplied more than 400,000 tons of cement for the Kariba project.

A Subsidiary provided a substantial part of the initial share capital of Rhodesian Alloys which has its headquarters at Gwelo. After a very testing formative period this refinery for ferro-chrome and allied products is now well established. That Company provides a valuable outlet for Rhodesia's raw materials such as chrome ore, limestone and coal and it is one of the main consumers of electric power in the Federation. Its products are exported to markets all over the world.

The British South Africa Company Group has contributed substantially to the industrial expansion of the Federation, and it is a policy it will continue to pursue.

No New Taxes in Northern Rhodesia

Points from Mr. T. C. Gardner's Budget Speech

MR. T. C. GARDNER, Northern Rhodesia's Minister of Finance, said last Thursday when presenting his budget, that it "reflects our belief in our future". He did not propose any increase in taxation because of the confidence which the people of the Territory had shown and were continuing to show in the future. That confidence had enabled him to budget on the trust that whatever temporary setback we may encounter, the economy, and hence the fiscus, will continue to be strong and expand. Last year's budget speech had contained a warning that increased taxation was likely this year.

Announcing a surplus of £830,000 for the year ended on June 30, the Minister said that the budget was "substantially better than we had cause to expect a year ago". The improvement resulted partly from income tax revenue being £375,000 over the estimates, following special action by the Federal authorities to expedite the assessment and collection of tax.

Northern Rhodesia's revenue would be about £10.5 million in 1962-63, nearly £900,000 over the estimate for 1961-62 and £1,000,000 more than the actual revenue in that year. The income tax mainly from income tax, interest on investments, and reimbursements under the British Government's Overseas Service Aid Scheme, though satisfactory, nevertheless left a deficit of £395,000.

The level of taxation would remain unaltered because to increase it in order to balance the budget would depress an economy which needed to be stimulated.

Earlier in the year he had said that the existing fiscal arrangements in the Federation were inadequate. Revision was essential, but it could be brought about only by an investigating body empowered to consider the wider aspects of the problem. There should be a system which would give each Government reasonable autonomy in the field of taxation and a wide range of taxes from which to draw the revenues which it needed.

"Each Government must have an effective choice between systems of direct and indirect taxation, the right to decide the

level of Government expenditure necessary to fulfil its obligations to the people for whom it is responsible, and power to raise from the people of its own area the corresponding revenue without being restricted by the yield of taxation over the whole Federal area at rates fixed by a Government which is not answerable to the level of services the territorial Governments must provide.

"A fiscal review commission at this stage, limited by the Federal Constitution to making recommendations for the division of income tax and prohibited from dealing with a redistribution of taxing functions, could not help us solve our difficulties. If at all we were to recommend anything at all it could only be to help one at the expense of another, a procedure which would hardly lead to an amicable relationship". As to the European Common Market negotiations, it would be in the best interests of Northern Rhodesia if associated territory status were negotiated for the Federation, particularly when regard is paid to the marketing of our expanding agricultural produce, including tobacco.

Mineral Production Confidence

Northern Rhodesia's mineral production was worth about £13.5 million in the first 4 months of 1962. Due mainly to the lower price of copper, it has caused the general price of minerals to fall in 1962, but these falling prices are nearly as large as the profits over the whole of the year. In 1961 and 1962, the total mineral profits were larger.

"In the first four months of this year mineral production was worth £13m. more than in the same period in 1961 and the price stayed at about £274 per ton for the whole of the first half of the year. The three months from July to September below this level, reflect market conditions in the immediate future, and for the year ahead might well be typical of the European and American economies. The mineral companies has shown their confidence by investing £10 million in development in 1961, a figure only once exceeded in 1950.

Agricultural produce in the cash economy increased by £1.7m. during the financial year to a record cash figure of £8.4m. The principal crops were tobacco, maize, cattle and dairy products among non-African farmers, while maize, groundnuts and cattle provided most of the income of the African farmers. The coming year should show a continuation of that improvement, and would certainly provide evidence of further diversification in African agriculture, where groundnuts might over maize as the chief cash crop.

The present indications African growers are producing crops of Turkish and Burley tobacco exceeding 100,000 lb. weight, an increase of 60%, and for the first time cotton production would be significant.

Gross profits of manufacturing companies rose by £200,000 in 1961 to £3.7m., or two and a half times the profits made by manufacturing companies in 1954.

Unemployment

The Minister described unemployment as one of the most difficult problems, which must be aggravated by the pressures on employers to rationalize their labour forces.

Government expenditure for the coming year, though conceived on austere lines, would total £1,000,659, a rise of £1.3m. public debt charges accounting for £345,000 of that increase. Included in the estimates was provision for 400 teachers who were completing their training courses and for salary grants to additional grant-aided expatriate mission teachers required for new secondary school and teacher training classes. The Community Development Departments and the extension and research services of the Fisheries Department would be considerably expanded. £522,000 had been set aside for Government staff training.

The capital fund started the 1962-63 year with a credit balance of £3,245,000, and receipts, without drawing on the Exchequer loan from H.M. Government, were estimated at £4,962,000. As expenditure would be £8,357,000 the fund would be slightly overdrawn at the end of the year.

Capital expenditure on the African education programme was estimated at £1m; £212,000 would be spent on roads; £150,000 on community development and Native authorities; and £80,000 on the development of fisheries and game management.

The largest item in the capital expenditure estimates was £3,112,000 for loans and investments; £2,345,000 being for loans to local authorities, which would spend half on African housing; £109,000 was earmarked for rural credit schemes; and £150,000 for the Industrial Development Corporation.

"There are thousands of African poachers in large, highly organized gangs, but only 36 guards to patrol the 5,000 square miles of Tanganyika's Serengeti National Park. — From an F.A.O. report

THE REPUBLIC OF THE SUDAN

Applications are invited from those suitably qualified to fill the following vacancies in the Guseid Sugar Factory, Ministry of Commerce, Industry and Supply.

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- (f) 1 Boiler Engineer
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- (h) 1 Civil Engineer
- (i) 2 Senior Storekeepers (Controllers of Stores, each working 12 hours a day)

* Sugar Experience not required.

QUALIFICATIONS

Candidates must be holders of an appropriate University Degree or comparable diploma and must have had necessary experience and a wide practical knowledge of the sugar industry. Only applicants with sugar industry experience will be considered. A knowledge of English or Arabic is essential. Age: up to 30 years. Candidates should be medically fit for tropical climate.

TERMS OF SERVICE

Appointments will be on contract for a period of three years in the first instance with the possibility of extension to five years according to requirements.

Salary will be as follows, for posts (a) and (b) ES.2600, post (c) ES.2400, posts (d) to (h) ES.2000, ES.1—£1 0s. 6d. A variable cost-of-living allowance is payable and annual home leave is accorded at the rate of seven days per month.

There is no income tax payable in the Sudan at the present time. Fifty per cent. of salary may be transferred to home country of the official.

Applications should be made in writing giving details of age, qualifications and experience to the Sudan Embassy, Appointments Section, 3 Cleveland Row, London, S.W.1.

Closing date 15th July, 1962.

Nyasaland Conference in November

Title of Chief Minister Declined by Dr. Banda

FURTHER CONSTITUTIONAL ADVANCE in Nyasaland will be discussed at a conference to be convened in November by H.M. Government, the Central African Office stated last week at the conclusion of a series of meetings between the Minister, Mr. R. A. Butler, and the Malawi Congress Party leader, Dr. Hastings Banda, who is also Minister in Nyasaland of Local Government and Natural Resources and Surveys. The Governor of Nyasaland, Sir Glyn Jones, attended the talks.

The *communiqué* stated that Dr. Banda had repeated his determination that Nyasaland must secede from the Federation "at an early date". Mr. Butler reaffirmed the British position as he had stated it to Parliament on May 8, that an inquiry should first take place before any final conditions could be reached. His remarks were repeated last week and will be worked in the Federation in a few days.

Dr. Banda told a Press conference that he hoped Mr. Butler would attend the funeral of the Rhodesian Federation. "My main business is to get the burial certificate". He would not discuss Nyasaland's association with the Rhodesias or an East African Federation until the conclusion.

"I Am Not Interested in Titles"

He would not say what further advance he would require at the conference, but he mentioned that he had twice refused an offer to become Nyasaland's first Chief Minister. "I am not interested in titles. I am now called 'Ngwazi', which means 'conqueror'; that is all I am interested in."

Mr. Kenneth Chiume, the Education Minister, who was with Dr. Banda, interjected: "We want him to be Prime Minister."

Dr. Banda claimed that the morale of expatriate civil servants in Nyasaland was very high and that most of them accepted the present state of affairs.

"I have nothing against British civil servants; but they must be civil servants and carry out their instructions. I have given strict instructions to my Ministers that they must not be liable to strike to civil servants. I welcome them in Nyasaland. They can stay until they resign. People say that I and my Government are against the British, but we want friendship with them, if they accept that Nyasaland is a black man's country in a black man's continent. If that is xenophobia, then hang me, hang me!"

He declined to comment on what had been discussed during a brief visit to Lisbon, save to remark that Beira, an Mozambique, had been used by Nyasaland as a port long before Federation and would still be used after secession.

Dr. Banda flew to Geneva last Thursday to meet President Tubman of Liberia.

Bunyoro Dissatisfied

BUNYORO WILL NOT PARTICIPATE in independence celebrations for Uganda on October 9, the Katikiro (Chief Minister) of the kingdom, Mr. L. H. Kyabwama, said last week in London before returning home with Dr. I. K. Mijago, chairman of the Bunyoro constitutional committee. They were criticizing the Colonial Secretary's imposed solution of the "lost counties" dispute with Buganda on the ground that he had said that Central Government control over Buyaga and Bugangazi Counties would take effect from October 10—after independence, which would mean that Mr. Maudling had no power to see to the fulfilment of his solution. Both officials asserted that Bunyoro had shown its willingness to compromise by accepting the Maudling Report's recommendations and giving up its claims to the other four counties concerned. As Buganda had not evinced similar sentiments, they felt that there was every reason to fear that the Kabaka would prevent the holding of the referendum proposed by Mr. Maudling on an unspecified date.



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Standard Bank

THE STANDARD BANK, LTD., reports group profits for the year ended March 31, 1962, after tax and all other necessary allocations at £1,306,899, compared with £1,345,035 in the previous year. Dividends totalling 15% require just over £1m., and there is a centenary bonus of 2½%, taking £168,437; and leaving a carry-forward of £517,233.

The issued capital is £11m., and the reserve fund totals exactly the same figure. The consolidated balance-sheet shows current assets at £25m., holdings of Government securities at nearly £10m., and other investments at £2.8m. Premises and property appear at £17.9m.

The directors are Sir Edmund Hall-Patch (chairman), Sir Cyril Hawker (deputy chairman), Sir Frederick Deith-Ross (vice chairman), Lord De La Warr, Sir Keith Acott, and Messrs. W. A. Acton, Robert Anshun H. C. Drayton, C. H. R. Edmunds, C. R. Hill, L. A. Martin, J. P. Pridoux, W. M. Roberts, and G. W. Whittier.

The general manager is Mr. R. G. B. Roberts, the assistant general manager Messrs. J. P. Roberts, the assistant general manager (staff), Mr. R. P. Wood Witt, and the Secretary Mr. L. W. Cole.

There is a phocean board consisting of Mr. R. M. Taylor (chairman), Lord Acton, Viscount Malvern, Sir Charles Clumington, and Messrs. R. E. P. Campbell, H. W. Jeffreys, D. G. Nicholson, and Lewin Tacker, and an East African Board consisting of Mr. A. A. Lawrie (chairman), Sir Donald MacGillivray, and Messrs. I. S. Ednie, J. L. Riddoch, and J. G. W. Smith.

The general managers in the East and East Africa are respectively Messrs. C. C. Rogers and W. South and the assistant general managers Messrs. J. F. H. Foyles and H. S. Edwards.

East African Power & Lighting Company

EAST AFRICAN POWER AND LIGHTING CO., LTD., reports group profits after tax for 1961 at £1,060,347, compared with £1,075,345 in 1960, £920,270 in 1959, and £769,168 in 1958. Ordinary stockholders receive 10% for the third successive year.

After paying dividends on the preference and ordinary stock, purchasing or redemption of shares of debentures, and increasing the general and investment reserves by £100,000 and £25,000 respectively, there is a carry-forward of £376,714.

The issued capital is just under £11m., outstanding debenture stock amounts to £1.9m. and reserves to £3.9m., so that the total capital employed in the business is just over £14m. A full report on the operations is given in the chairman's statement on other pages.

The board consists of Mr. A. J. Don Small (chairman and managing director) and Messrs. C. B. W. Anderson, A. A. Lawrie, V. A. Maddison, J. C. Mundy, I. S. Smith, and C. M. Taylor.

There is a London board consisting of Sir Andrew MacTearg (chairman), Mr. Donald C. Brook, Sir John Huggins, and Sir Robert Renwick.

Messrs. W. E. Rollo and G. C. Reed are the joint managers and Mr. B. H. Kyle-Bowyer, the secretary in Kenya, and Mr. H. C. Trenoweth is the London secretary.

Williamson Diamonds Ltd.

WILLIAMSON DIAMONDS, LTD., owned as to 50% by the Tanganyika Government and 50% by De Beers, with Mr. Harry Oppenheimer as chairman, reports revenue from diamond sales in 1961 at £4,447,577, compared with £3.8m. in 1960 and £4.2m. in 1959.

Mining costs rose slightly to £1,372,799, but there were sharp increases in payments to the Tanganyika Government by way of royalties (£811,735, compared with £575,468 in the previous year), and taxation (£500,000 against £337,436). Production totalled 667,619 carats (£52,980 and £24,298 in the two previous years). The issued capital remains £600,000, and at the end of the year there was a capital reserve of £9.6m. Fixed assets appear at just under £11.5m., the mining property standing at £4.5m.; equipment at £3.5m., expenditure on outside processing at £1.3m., and interest in a subsidiary mining company at £177,300. Stores were valued at £511,484, diamonds on hand at cost of production were worth £332,563, and current assets less current liabilities amounted to £289,733. Capital expenditure during the year amounted to £764,433 (£498,377 and £476,094 in the two previous years) and totalled £2,210,000.

The directors are Messrs. H. F. Oppenheimer (chairman), I. C. Chopra, C. S. Chetty, R. S. Wambura, A. Wilson, and W. Wood.

Mr. G. F. Hunt is the general manager, Mr. G. J. du Toit technical general manager, Mr. G. M. O'Neil the chief engineer, and Mr. R. Campbell the secretary. Anglo American Corporation are the consulting engineers and geologists.

£100m. Steelwork Proposition

SIR MALCOLM BARROW, Federal Minister of Economic Affairs, told Parliament last week that the companies concerned in negotiations for an integrated steelworks costing about £100m. at Bukwe, Southern Rhodesia, were the Pan American International group of companies and the National Rhodesian Steel Corporation, Ltd.

The ore deposit at Bukwe was held by the Rhodesian Iron and Steel Company, whose chairman had said that towards the end of last year the National Rhodesian Steel Corporation had asked for a guarantee that up to 2½m. tons of iron ore annually would be supplied for 10 years, saying that if that guarantee were received it intended to examine the practicability of establishing another steel plant in Southern Rhodesia, with output initially of about 1m. tons of steel rising later to about 2½m. tons, mainly for export.

Assurances were also asked from the Federal and Southern Rhodesian Governments in regard to rail facilities, roads, water, power, etc.

Technicians who made a preliminary examination estimated that a thorough geological and mining examination of the area would take a year and cost perhaps £250,000, an expenditure which the directors of R.I.S.C.O. did not feel justified in incurring.

The Kaiser Steel Corporation of America, the Ministry had made a preliminary appraisal of the possibilities but had not submitted any proposition.



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Nyasaland Railways Ltd.

NYASALAND RAILWAYS, LTD., report working profit for 1961 of £116,700, compared with £110,381 in the previous year. After adding interest and dividends and deducting debenture and loan charges, taxation of £12,207, and reserving £55,000 for the increased cost of replacement of fixed assets, the carry-forward is £44,341 (£50,206). The directors do not consider payment of a dividend justified.

The issued capital is £418,375 in £1 ordinary shares and £54,084 in A ordinary shares of 1s. Debenture stocks outstanding total £4.8m. Fixed assets stand in the books at just over £5½m. Investments in the Central Africa Railways Company, a subsidiary, at £1.8m., and the Trans Zambia Railway at £399,000. Current assets less current liabilities are just over £1m. Provisions for the renewal of fixed assets and deferred locomotive repairs are rather over £1.6m., and £469,075 is due to a subsidiary.

Mr. W. M. Coddington is chairman and managing director, and the other members of the board are Lieut.-Colonel J. D. Hornung and Messrs F. L. Brown, P. F. Norman, V. L. Oury, J. E. Pike, and W. E. A. Robinson, in the Federation Mr. E. J. A. Short, the local director.

Mr. R. W. Stevens is the general manager in Africa, and Mr. E. A. Short is secretary in London.

Benguela Railway Results

BENGUELA RAILWAYS COMPANY—Companhia do Caminho de Ferro de Benguela—report that receipts in Africa increased by almost 6m. escudos to rather more than 598m., but that working expenses rose 32.4m. to a total of 357.5m.

After making various allocations, the balance carried forward to 1962 is just under 186m. escudos. Expenditure on equipment and building amounted to about £79m., bringing the total for development of the railway since 1950 to £295m. Of the net profit of £727m. were paid to the Angola Government in its proportion of profit.

At 1,18m. ton-kilometres commercial traffic reached a new record. So did receipts at 598m. escudos.

Dr. Alexandre Pinto Basto is chairman, Dr. Ruy Ennes Ulrich (vice-president), Dr. Manuel Fernandes (managing director), and Dr. Antonio de Almeida Correa de Sa (assistant managing director). The other directors are the Earl of Selborne, Lord Clitheroe, Sir Ulick Alexander, Mr. M. T. W. Easby, Colonel Artur Mendes de Magalhães, Vice-admiral Jose de Brito, and a nominee of Tanganyika Concessions, Ltd.

Nchanga Copper's Higher Profits

NCHANGA CONSOLIDATED COPPER MINES, LTD., report operating profit for the year ended March 31 at £20,694,522, against £20,077,940 for 1960-61, and after deduction of tax of almost £8m., against £7.8m., the net profit is £12,929,845 (£12,450,128).

Dividends totalling 7s. net of tax; the rate also paid in the two previous years, require £9.8m., the general reserve is increased by £1m. (the same), and £2½m. is allocated for capital expenditure (£1½m.).

The increased profit surprised the London Stock Exchange because the average price of copper for the 12 months to March 31 had been about £232 per ton, compared with £237 over the previous year. Moreover, the 10% sales cutback operated throughout the company's year, whereas it had been in force for only half of the previous year. The rate of reduction was raised last week to 15%.

Mr. Harry Oppenheimer is chairman of the company.

Common Market Aid to Africa

FINANCIAL AID of some £278,600,000 between 1963 and 1967 has been provisionally agreed by the European Economic Community for its 16 African associated States and Madagascar, subject to prompt acceptance by those countries, who had asked for about \$1,500m. within the period.

France and West Germany would provide £86m. each; Italy, £35,700,000; Belgium, £24,600,000; Holland, £23,600,000; Luxembourg, £700,000; and the European Investment Bank £17,850,000. It is suggested that \$380m. of the total should be allocated for development funds and a price stabilization fund for tropical products, and the remaining \$200m. for diversification of the economies of the beneficiaries. The money might be made available wholly in grants or partly by loan.

Common tariff reductions of 40% have been agreed in principle for coffee (16%), cocoa (9%), and tea (18%), and it is thought that Britain's proposal for a tariff truce on tea might be accepted later. Reductions on most other major items are expected to be at the rate of 10% with the possibility of a further 5% in 1964. It is also Britain's recommendation. Other duty-free products suggested include vanilla, cloves, nutmegs and fresh pineapples. Bananas, currently bearing a 10% tariff, are excluded.

The 16 associated African countries comprise 14 former French colonies, the former Belgian Congo, and ex-Italian Somaliland. It would also include the 10 States now added to the list, making a total of 18 associated territories.

But a meeting in Brussels last week with Ministers of the African associated countries broke up in complete disagreement over these terms. Seven of them wanted France to continue paying more than the agreed 40% on agricultural products for a further two years, and to continue with price supports within the proposed five-year period, while the other five, taken in conjunction with the offer of the three-quarters of the aid they are seeking.

The talks are expected to be resumed in September or October, after the African representatives have referred the matter back to their respective Governments. Renewal of the convention of association is due on January 1.

The Six have stated that discussion of association for Commonwealth countries must wait until they have reached agreement with their own partners, and they propose attaching a protocol to Britain's entry which would express the E.E.C.'s willingness to consider favourably applications for admission of an agreed list of possible Commonwealth associates. The associated territories are opposed to any Commonwealth countries until they have "become members of the club", and they want to be consulted, without the right of a veto, on their admission.

Steel Brothers and Company

STEEL BROTHERS & CO., LTD., of which A. Baumann & Co., Ltd. is an associated company in East Africa, report net profit after tax for 1961 at £626,111, compared with £544,079 in the previous year. Dividends on the deferred ordinary shares total 2s. 6d. per 10s. share, 1s. out of the year's profits and 1s. 6d. from capital profits account. The total is £1.8m. in cumulative preference stock, £750,000 in a non-cumulative preferred stock, and £250,000 in deferred ordinary shares.

Investment in subsidiaries appears at just under £1½m. and in associated companies at slightly less than £1m. Current assets less current liabilities total £866,155, and fixed assets stand at £346,985. A. Baumann & Company is reported to have had a "reasonably satisfactory year", and considerable progress has been made in winding up Steel Brothers (Tanganyika Forests), Ltd.

Mr. J. K. Michie, who has been a director for 35 years, including 20 years as chairman, has decided to retire. The other members of the board are Mr. P. G. G. Salkeld (chairman and managing director), Sir John Tait, and Messrs. G. S. Nicol and Arthur McGillivray (managing directors) and Kenneth Lockley, W. F. G. Salkeld and C. H. Elliott (director managers).

De Beers Consolidated Mines, Ltd., announce that sales of diamonds, including those from Tanganyika, made through the Central Selling Organization in the April-June quarter amounted to rather more than £35m. compared with £23.8m. in the first quarter of the year and with £21.7m. in the second quarter of last year.

NORTHERN RHODESIA



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Company Report

The East African Power & Lighting Co., Ltd.

Satisfactory Results

Record Gross Electricity Revenue

MR. A. J. DON SMALL'S STATEMENT

THE FORTY-THIRD ANNUAL GENERAL MEETING OF THE EAST AFRICAN POWER & LIGHTING COMPANY, LIMITED, will be held at the Head Office, Nairobi, on July 31.

The following is the statement by the chairman and managing director, MR. A. J. DON SMALL, F.I.C.E.E., M.I.E.C.E., for the year 1961, and also an addendum thereto:—

In presenting to you over several years past a steady, if increasing report of progress in sales and profit margins, I may have erred in not emphasizing that we operate in the tropics. During the year 1961 the forces of nature in the form of drought and flood, with which I shall deal later, have combined with man-made political uncertainties to call a temporary halt to that record of progress and for the first time I have to record a slight decline in our overall profits.

None the less when everything has been taken into account the year's results are undoubtedly satisfactory, and indicate the ability of the company to withstand such reverses. In Kenya the rate of increase of electricity sales over the previous year, which last year was 13.49 per cent, has declined to 8.1 per cent, the number of units sold being 357 million. In Tanganyika we sold 119.7 million units to local consumers, compared with 111.3 million, an increase of 7.5 per cent, against 9.01 in the previous year. Gross electricity revenue for the Group was a record at £5.02 million, compared with £4.81 million in 1960.

Ineffective Political Manoeuvring

In my statement to you last year I made reference to the disastrous effects on the outlook of the Kenya farmer and the economy of the country, of the policies initiated in 1960 by Her Majesty's Government in the United Kingdom. Since then we have had a period of ineffective political manoeuvring both in Westminster and in Kenya, now we hope, terminated by the agreements reached at the recent Conference. As a result, and in spite of the small increase in agricultural output, the forward view is far from satisfactory.

The energetic and competent men and women who provide the backbone of our essentially agricultural economy are, with a few exceptions, disheartened and disillusioned. Schools which were far from sufficient two years ago are in some cases half empty, whilst hospital wards have been closed. In the Administration there is a marked deterioration in spirit. In the basic economy of the country there is however some justification for confidence in the future if only the maintenance and development of that economy is guided by those who understand and can make full use of its potential. To this end reliable guarantees of security of titles, of capital and of personal security must be forthcoming.

Although agricultural exports are still encouraging, the gross value is being held steady only from £30.39 million in 1960 to £30.72 million in 1961, there is a positive recession in other sectors of the economy. The virtual cessation of building has affected adversely the cement and timber industries, together with the many other enterprises, smaller individually but considerable in aggregate, which cater for constructional works of all types.

Equally serious in its effect on the economy would be any suggestion of withdrawal by the Government of the units of Her Majesty's Forces stationed in the Colony, but only are we concerned directly at the possible loss of valuable consumers of electricity, but more so over the effect on the general business interests of the loss of significant spending power, reliably estimated at no less than £10 million per annum.

Change in Pattern of Living Standards

A further matter of particular concern to us is the probable change in the pattern of living standards. The high-standard sector appears likely to diminish in numbers, at least temporarily, to be replaced from a sector unused to Western standards of electrical usage.

While all this is disquieting, it is unlikely that the basic plantation industries should be disturbed or their contribution to the economy diminished. At the same time the expansion of new cash crops in the African areas is proceeding apace, and accordingly a sizeable element of the agricultural economy should be maintained.

Furthermore, the general pattern apparent from the already independent African States indicates that substantial capital assistance for development may be forthcoming from sources previously denied to us, although it must be recognized that the States receiving such assistance had not attained independence at the price of disruption of certain important sections of their economies.

Need to Restore Economic Vitality

This review of conditions in Kenya must of necessity be brief, but it is sufficient to indicate the magnitude of the task which lies ahead in restoring to the economy the vitality obtaining before 1960. However important the political issue may be, the solution and the future prosperity of Kenya, and, incidentally, of this company, lie in the immediate planning of the future economic structure.

A strong commission to this end has been promised. It must come quickly; it must co-ordinate all the means of development of the country with such financial assistance as may be available from international and other

FINANCIAL INFORMATION

31st December 1961

Issued Preference Stock	£2,150,000
Issued Ordinary Stock	£6,074,755
Issued Debenture Stock	£1,921,309
	£10,146,064
Capital Reserves	£1,848,525
Revenue Reserves	£1,501,714
Stocks	£841,012
Cash	£438,977

Ordinary Dividends

1956	1957	1958	1959	1960	1961
7½%	8%	8%	10%	10%	10%

Under our agreement with Power Securities Corporation, Limited, covering the investigation of the site and the design of the works, we have recently acquired from that corporation the development rights and designs at the net cost of the work done to date.

Kenya Power Company Limited—Bulk Supply

The hydro-electric power stations at Wanji and Tana experienced a year of extremes. In the early months sustained drought and low river flows reduced the continuous output to some 40 per cent. of capacity. Later in October and November out-of-season floods occurred which substantially exceeded all previous records and estimates of catastrophic conditions. Road and rail communications were disrupted throughout the whole of the country, causing much hardship to many of its inhabitants.

Severe, if temporary, damage was caused to the Tana Station and minor damage at Wanji, causing a complete interruption to supply from these sources. I am happy to report that all plants were back in commission within a remarkably brief space of time. In the result, the hydro plants provided 101 million kWh compared with 113 million kWh in 1960.

The bulk supply from Tororo suffered ten interruptions, none exceeding 45 minutes, and at 26 M.W. of maximum demand provided 137 million kWh against 149 million kWh in 1960. Technical supply arrangements between the company and the Kenya Power Company continued on a satisfactory basis.

Agreement With Uganda Electricity Board

As members are aware, the agreement for an inter-territorial bulk supply of electricity from Uganda was entered into on 15th June, 1955, between the Uganda Electricity Board and the Kenya Power Company at a fixed price per kilowatt for a period of 10 years. This agreement was made with the approval of both the Governments of Kenya and Uganda, particularly having regard both to the period and the fixed price arrangement. On these bases the Kenya Power Company raised £7½ million of debenture stock and entered into a bulk supply agreement with your company.

The Uganda Electricity Board now appears to be dissatisfied with the arrangements, and in particular with the price, which, as it was fixed for the term of this agreement, was deliberately excluded from the arbitration provisions in the Kenya-Uganda Bulk Supply Agreement. During discussions on the possibilities of some future form of co-ordination of generating-plant development between Kenya and Uganda, endeavours have been made by the Uganda Board, which your company rejected, to introduce as part of any new arrangement an alteration in the fixed bulk supply price.

Meetings were held at the close of 1960, and again in September, 1961, but these have failed to achieve results, due to what we consider to be inflated, excessive and largely unsubstantiated demands by that Board.

Following the 1960 meetings, in order to replace peak supplies generated thermally by the East African Power and Lighting Company, Limited, the Kenya Power Company, Limited, agreed to a fringe arrangement to take spill units from the Uganda Electricity Board at a price attractive to both parties, and which enabled the Uganda Electricity Board to employ profitably some of its excess hydro-electric generating capacity. This arrangement has worked well, but for some obscure reason the Uganda Electricity Board has given notice of discontinuance as from 30th April, 1962.

sources so that a positive economic policy for the future may be established and pursued relentlessly.

Even so, in the light of the foregoing and all the attendant circumstances, it is inevitable that we must anticipate two or three difficult years of transition, when, if anything, there may be some recession in the demand for our services. Thereafter, given stable conditions of government, I have full faith that we shall recover any lost ground and see a gradual return to our steady rate of past expansion.

Fortunately we have at the moment no commitment on capital account other than those likely to show a steady return, and, without deterioration of our properties, we could face a temporary reduction in the recurrent expenditure. We are, none the less, continuing with our investigations and designs on major projects such as Seven Forks, so that we shall be ready to meet the renewed upward trend when it comes.

Construction Progress in Kenya

At Kipevu Power Station, Mombasa, the new No. 3 steam turbine alternator and boiler of 5 M.W. were commissioned in October and have since given satisfactory service. Erection of No. 4 set of 12.5 M.W. capacity with its boiler was well advanced by the end of the year, and opportunity was taken with the contractor's heavy plant on site to begin the civil engineering works for the projected No. 5 set to the same design. Although the provision of No. 5 turbine may be delayed, the corresponding boiler will be required at an early date, and overall this additional work must show a substantial saving in the ultimate cost.

Concurrently with the generating plant contract, work has progressed well on the new 33 kV. distribution system covering Mombasa Island, Mainland West and Mainland North, which should make certain for many years to come of uninterrupted supplies to the key points on the 11 kV. reticulation, while also providing supply to the new oil refinery which is expected to be completed in 1963.

The 132 kV. substation at Lanet was provided with an additional step-down transformer unit, while the 33 kV. line to Thomson's Falls district was commissioned in February. Several minor extensions were built to tea factories in the Nandi area.

Seven Forks Hydro-Electric Scheme

Although in prevailing circumstances it is obvious that finance for the Seven Forks project will be difficult to arrange for some time, we are continuing with the assistance of the Kenya Government towards completing all necessary preliminary works.

TANGANYIKA

Tanganyika attained independence within the Commonwealth in December. I was privileged to attend several of the impressive ceremonies and functions which marked the occasion, and I gained a favourable impression of the realism and enthusiasm with which the members of the new Government of the country were approaching the many problems arising from the new status.

It is our hope and belief that Tanganyika Electric Supply Company, Limited, will continue to enjoy under the new Government the same encouragement which it has received in the past.

In 1961 the Tanganyika Electric Supply Company, Limited, had a satisfactory year. The gross operating surplus being £72,646 compared with £664,072 at the end of 1960. Gross revenue from electricity sales rose by £20,228 to £1,118,222. Operating costs, however, rose also by approximately £83,617, due in part to increased fuel consumption corresponding to the increased sales of electricity, but principally to increases in salaries and wages.

In the Tanga area the company suffered considerably from the effect of drought. The demand from the tea plantations, however, continued to increase, and the last remaining tea plantation in the Eastern Usambaras, Mwakulu, was connected at the year end. We were also successful in persuading a further tea plantation in the Western Usambaras to become a consumer.

Hale Hydro-Electric Development

I am pleased to report that the financial negotiations with the Government of Tanganyika, the Colonial Development Corporation, the East African Power and Lighting Company and the Tanganyika Electric Supply Company, Limited, for the provision of finance for the Hale Project, which I explained in detail last year, were successfully concluded by the signing of the finance agreement on the 21st September, 1961. The construction agreement with our Engineers, Balfour, Beatty and Company, Limited, was signed on the 28th September, 1961, and work started immediately on the Hale site.

The scheme was inaugurated officially on the 20th November, 1961, by the Minister for Power and Communications, Mr. Amir Jamal, who fired the first charge in the access shaft. Work, despite bad weather in the initial stages, is progressing satisfactorily and good progress has been made on the main 132 kV. transmission line connecting Hale with Dar es Salaam.

Accounts

The revenue account for the year ended 31st December, 1961, shows a yield from operating surplus, dividends and investment income of £1,796,792, a reduction of £87,754 compared with £1,884,546 in the previous year.

The reduction is due to the cost of extra thermal units at various branches during periods of drought and flood, to extra maintenance costs occasioned thereby, and to a further rise in wages and salaries.

The dividend from the Tanganyika subsidiary company has been reduced from the previous figure of 10 per cent. to 7 per cent. in order to provide an annual sum of £100,000 for this year and the next two years towards the cost of the Hale contract in accordance with the finance agreement between the company, the Tanganyika Government, and the Colonial Development Corporation. The increase in income from other investments reflects the favourable rates obtained on short-term investments in London and Kenya.

Administration expenses have required an additional £12,457, while full provision has been made for depre-

ciation. Debenture interest is reduced by interest on the stock purchased for redemption. In the result £1,003,239 is carried to the net revenue account, compared with £1,118,722 in the year 1960.

Turning to the net revenue account, sufficient provision has been made for income tax in Kenya and in the United Kingdom. We have thought it prudent to allocate a further £25,000 to the development reserve so that the essential studies of future projects which I mentioned above need not be interrupted and we have appropriated £100,000 to general reserve.

After payment of dividends on preference stock and the interim dividend of 4 per cent. on the ordinary stock there remains a balance of £363,150 from which your directors recommend the payment of a final dividend of 6 per cent. on the ordinary stock, requiring £364,485. These various appropriations leave a balance of £2,665 which, added to the amount brought in of £374,049 provides a total of £2,669,214 to be carried to the balance sheet.

Balance-Sheet

Looking now at the balance-sheet of the company you will find that the authorized and issued capital remains as before. Under capital reserves the debenture redemption account has been increased by £127,591 representing the nominal amount of stock redeemed during the year. Revenue reserves totaling £1,118,222 reflect the appropriations mentioned earlier, while the reserve for future East African taxation has been increased by £24,987 to a total of £598,666. The amount of 5 per cent. convertible debenture stock outstanding is £1,921,309.

On the assets side of the account additions to fixed assets during the year amount to £976,315, representing the cost of generating plant extensions at Mombasa with reinforcement of the main transmission systems in Nairobi, Mombasa and the Rift Valley areas.

The investment in subsidiary companies remains unchanged, but advances show a satisfactory reduction of £453,242, accounted for by the repayment of a loan of £487,000 to the Tanganyika Electric Supply Company, Limited, which company has obtained bank accommodation guaranteed by the Government of Tanganyika to a maximum of £500,000 for the three years of the Hale construction project.

Stocks and stores less the reserve created for obsolescence appear at £841,012, an increase of £35,604 over the 1960 figures. This increase is a normal fluctuation related to delivery dates for supplies, and the store-holding is being maintained at the minimum level.

The quoted investment represents £215,550 nominal of Kenya Power Company 54 per cent. debenture stock which is showing a satisfactory return and which that company will purchase at cost for redemption. Short-term deposits reflect further investment of funds held in London. Cash balances are reduced by £612,789 in consequence of extensions to fixed assets and the purchase of additional investments and of our 5 per cent. debenture stock for redemption during the year under review.

Current Year's Outlook

Indications so far available tend to show that in Kenya neither maximum demand on our systems nor unit sales are likely to exceed those for 1961. Indeed, in certain areas and in several industries supplied there may well be a slight reduction. Costs continue to rise and this rise can only be countered to a certain extent by strict economies. For the same reason and for efficiency the administration of certain individual undertakings is being further centralized.

The results for the current year seem, therefore, likely to be somewhat less favourable than those for 1961.

I am satisfied that any substantial increase in the price of electricity could at this juncture only result in loss of business through consumer resistance, although we have under consideration at the moment several minor adjustments both in Kenya and in Tanganyika which should assist the revenue position.

Looking to the longer term, we have applied for extensions of twenty-five years each to our distributing licences for Nairobi, due to expire in 1972, and for Mombasa, due to expire in 1964. These licences have since been issued by the Government of Kenya, and we are grateful to the council and officers of Nairobi city and Mombasa town for their co-operation in this matter.

We have also requested amending legislation to simplify the procedure in obtaining and retaining wayleaves for our transmission and distribution lines. This legislation is expected to be introduced soon and should be a great boon to the general public as well as ourselves.

Training School and Staff

I am glad to record that the first stage of our new training school in Nairobi became operative on January 1, 1962, work having been delayed by the abnormal weather. The less the school has been built and equipped for just under £45,000, against our estimate of £45,000, and can be doubled in capacity at a further cost of £25,000 once business expansion justifies the increased intake of men for training.

The buildings provide comfortable accommodation of a high standard for eighty-one students, three instructors, and fourteen employees, together with generous messing accommodation, four classrooms, a workshop, rest facilities, and outdoor practical training space. The company's sports grounds are adjacent. An increased training programme is already well under way covering the education in English and the uptraining of older employees as well as regular training in most branches of our business.

It is not our intention to overlap with the excellent facilities for higher technical training provided at the Kenya Polytechnic and the Royal College in Nairobi. It is intended that selected students will pass with assistance from our school to these institutions, which, it is regrettable to note, are not receiving the support to which they are entitled.

Far too many of our young people are being attracted to much less desirable institutions in the East and the West by an unfortunate belief that a poor degree obtained overseas carries more weight than a good degree obtained at home.

Search for Indigenous Staff

We have under constant review the need to satisfy the legitimate ambitions of our indigenous staff for promotion to posts of greater responsibility in our undertakings. Some of the members of our Electrical Power Operators' Union consider that this exercise is being unduly protracted, but they can be assured that just as soon as men of integrity, ability and the necessary qualifications become available—and these qualifications are not entirely academic—so soon will we welcome and assist their promotion.

It is a matter for profound regret that most of those proceeding to higher education in and from East Africa appear to favour professional studies which do not qualify to meet our particular needs in engineering and accountancy. For this reason the need for qualified men from overseas will remain for many years, and attractive opportunities are available to experienced

DIRECTORS

- A. J. Don Small, C.B.E., M.I.Mech.E.,
M.I.E.E. (*Chairman and Managing Director*)
C. B. W. Anderson
A. A. Lawrie
V. A. Maddison, C.M.G.
J. C. Mundy, C.M.G.
E. S. Smith, M.I.E.E.
C. M. Taylor, C.B.E., M.C.

LONDON DIRECTORS

- Sir Andrew M. MacTaggart (*Chairman*)
Donald C. Brook, F.C.A.
Sir John Higgins, G.C.M.G., M.C.
Sir Robert Renwick, Bt., K.B.E.

men who might wish to take employment with us.

During the year all grades of the company's staff were examined on a job evaluation basis. Qualifications and relative pay ratings were established for each grade, and this evaluation provides the yardstick against which our local trainees will be compared for promotion.

Both in Kenya and in Tanganyika we have a sound team of executives, supervisors and workpeople operating under the guidance of Mr. W. E. Rolfo, M.Inst.C.E., and Mr. G. C. Reed, M.B.E., F.C.A. in Nairobi, and of Mr. D. J. Stringer in Dar es Salaam. To them and their staffs we owe thanks for another year of work well done under the stress of prevailing uncertainties. In particular you would wish me to thank those engineers and craftsmen in Nairobi, Nyeri and our head office whose efforts mitigated and quickly restored the damage caused by the unprecedented flood conditions

ADDENDUM TO CHAIRMAN'S STATEMENT

New Taxation Measures

Since the directors' report and accounts and my statement on our operations for the year 1961 were in print, the Governments of Kenya and Tanganyika have announced new company taxation measures. First, a new corporation tax has been introduced at the rate of 2s. in the pound and it will apply to profits of the year of income 1961 (payable on the 31st December, 1961) and so on in subsequent years. This tax is a charge on profits before any appropriations are made or dividends calculated.

The amounts involved in respect of 1961, to be found in 1962, are estimated to be £83,151 and £27,741 respectively for our company and for the Tanganyika Electric Supply Company, Limited. No provision has been made in these accounts for corporation tax, either as regards the company or as regards its subsidiary companies, such tax not yet being law.

The second change is the withdrawal of the arrangements under which dividends not exceeding £800 per annum payable to non-residents suffered income tax at the reduced rate of 2s. in the pound and the substitution therefore of a deduction at the standard rate of five shillings fifty cents against which no East African tax repayment claim can be made by non-resident stockholders. The preference stock dividends paid on the 30th June, 1962, were affected by this alteration in rate.

The third change is the withdrawal of the initial allowances for wear and tear on new works constructed by the companies, which is only partly compensated by accelerated annual wear and tear allowances. The effect of this change will bear harshly on the Tanganyika Electric Supply Company, Limited, in the years of construction of the Hale project, as initial allowances on the whole scheme were taken into account in the financial arrangements.

It seems extraordinary that what is the "engine room" of industry and the first need to industrial development and expansion, are not the investment allow-

ance now to be made to new industrial building projects of a manufacturing nature which must inevitably require the construction by us of new power stations and distribution works to supply the motive power for these new developments.

It is still too early in the current year to forecast the effect which these major alterations to the established tax structure will have on our results for the year. The figures given above for 1961 are, however, probably a fair indication, although results to date are, I am glad to say, running at a slightly higher rate than those for the corresponding period in 1961.

Company Report

Steel Brothers and Company, Limited

MR. P. G. G. SALKELD'S STATEMENT

THE SEVENTY-FIRST ANNUAL GENERAL MEETING OF STEEL BROTHERS AND COMPANY, LIMITED, will be held at the Grosvenor Hotel, London.

The following is an extract from the circulated statement of the chairman and managing director, Mr. P. G. G. SALKELD, C.B.E.:

The profits for the year total £626,111, as against £544,079 for 1960. Provision for taxation is £387,000, leaving a net profit for the year of £239,111.

Dividends have been paid and recommended as set out in the report of the directors.

As is customary, I give a short review of our main activities:—

UNITED KINGDOM.—Profits from trading have again improved on those of previous years.

Carbutt & Co. (1928) Limited.—Throughput for their mills is running at a record figure, but margins have again been too small to produce satisfactory results.

Sondea Place Research Laboratories, Limited.—The improved results which have been attained in recent years have been maintained.

Expanded Felite, Limited.—Expectations for 1961 were fully realized and this company earned a satisfactory profit which enabled it to resume dividend payments.

The future outlook continues to be encouraging.

Steel Brothers and Higgins (Insurance), Limited.—This company continues to make steady progress.

BURMA.—Profits earned were well up on last year and were at a satisfactory level.

Strand Hotels, Limited.—Again earned a satisfactory profit.

INDIA.—Our business in India continued on much the same profitable scale as last year.

Indo-Burma Petroleum Company, Limited.—This subsidiary more than held its own in meeting the increased demand in India for petroleum products during the past year.

PAKISTAN.—Trading was active and continuing basis at both Karachi and Chittagong and I am glad to report with very satisfactory results.

CEYLON.—In spite of considerable labour unrest, mainly in the Port of Colombo, our subsidiaries, especially E. B. Creasy & Company, Limited, had a good year.

MIDDLE EAST.—In Iraq our subsidiary, Rafidain Developments, Limited, I am pleased to be able to report had a successful year, but our other subsidiary, W. J. Coker & Company, Limited, made only a small profit.

Our associated company, Spinney's (1948), Limited, had a reasonably good year and is extending its operations in the Arabian Gulf and Libya.

EAST AFRICA.—We have made considerable progress in winding up Steel Brothers (Tanganyika Forest), Limited, but have still a fair quantity of assets yet to dispose of which we hope to realize within the current year.

A. Baumann & Company, Limited, our associated company, has again had a reasonably satisfactory year.

CANADA.—The general picture does not show any material change, but overall there was some contraction from which we can expect ultimately to benefit.

PROSPECTS.—Our operations cover many countries in those parts of the world in which problems confront us almost daily, and I consider it imprudent to make long-term forecasts, but for the current year to date I can say that our results are fully comparable with those at the same time last year.

The port of Beira handled 1,472,631 tons of inward cargo and 1,816,990 tons of export in 1961.

The capital of Kariba Fisheries (Pvt.) Ltd., of Salisbury, has been raised from £10,800 to £20,000.

In June there was a working profit at Falcon Mines Ltd., Southern Rhodesia, of £22,493, from 4,921 oz. gold produced from milling 22,100 tons of ore.

Charterland and General, Ltd., report net profit after tax for the year to May 31 of £66,565 (£71,434). A dividend of 11% and a bonus of 7% take £58,912, leaving £12,882 to be carried forward.

Zambiar is embarking on a phased five-year farm planning scheme at a cost of £125,000 to introduce cocoa, coffee and lime as alternative crops to cloves and coconuts. Cattle-rearing will also be developed.

Applications to prospect for diamonds in areas of Tanganyika outside those already allocated to Williamson Diamonds, Ltd., and the Belgium concern, Interfac, are invited by the Ministry for Commerce and Industry.

The Exploration Co., Ltd., reports profit after tax for 1961 at £59,779 (£59,646). The issued capital is £200,000 in 4s. shares. Shareholders receive 3% investment standing in the books at £82,038 had a market value of nearly £14m.

April production of minerals in Northern Rhodesia was £835,103 less than in March, but £2,317,379 above the April 1961 figure. Electrolytic copper at 34,865 tons, realized £32,313,346; blister copper, 3,822 tons, £4,271,027; zinc, 3,707 tons, £718,883; cobalt, 2,948 cwt., £365,359; lead, 1,589 tons, £180,215; limestone, 45,941 tons, £152,780; and manganese ore, 2,968 tons, £135,004.

Company Report

Nyasaland Railways, Limited

New Diesel Locomotives to Meet Expanding Traffic

MR. W. M. CODRINGTON'S STATEMENT

THE THIRTY-FIRST ANNUAL GENERAL MEETING OF NYASALAND RAILWAYS, LIMITED, will be held on July 25 in London.

MR. W. M. CODRINGTON, C.M.G., M.C., the chairman and managing director, has circulated the following statement with the annual report and accounts:

In January this year the Company suffered a great loss by the death of Mr. Frank Pope. He joined the Board in December, 1958, as a representative of the Government of the Federation of Rhodesia and Nyasaland. During his career Mr. Pope had held the highest positions in railway administrations in different parts of the world, and his wise counsel will be sadly missed.

In February of this year the Federal Government appointed Mr. J. K. Pike a director of the Company and its representative on the board in succession to Mr. Pope, and we extend to him a warm welcome.

During 1961 the gross operating receipts of the Company were £1,346,752, an increase of £175,113 or 13.0 per cent, compared with last year. Expenditure, including provision for renewals, also increased by £168,794 or 35.9 per cent, to £1,230,852, leaving a net operating surplus of £116,700, compared with £110,381 in 1960, an increase of 5.72 per cent. Standing interest received and after deducting interest paid and making various provisions, the final balance carried forward is £44,341, compared with £50,206 last year.

The directors regret that they have not felt justified in recommending the payment of a dividend in respect of the year 1961.

Increase in Mocimbeque Taxation

It will be remembered that in my review last year I sounded a note of warning about the ability of the Company to maintain the rate of dividend it had been paying on its ordinary shares, and pointed out the extent to which this was dependent on the amount of arrears of interest received on its holding of the debentures of its subsidiary, the Central Africa Railway Company, Limited. The receipts from this source, as you will see, declined from £175,000 to £114,000. The reason for this appreciable decline was a sharp increase in the rate of Mocimbeque taxation levied by the Portuguese authorities on the subsidiary's operations in Mocimbeque. Furthermore, this higher rate of tax had a retrospective effect on the earnings of 1960. Consequently the 1961 earnings of the subsidiary have had to carry the burden of increased Mocimbeque taxation, not only for that year, but also the additional amount payable in respect of 1960. As a result, the subsidiary's overseas taxation brought to charge in 1961 amounted to £158,000 compared with £65,000 in 1960. Moreover, we shall receive no final dividend from the Central Africa Railway for 1961.

Although the net profits earned cannot be regarded as satisfactory, the tonnage handled by the Railway continues to increase, having reached a figure of 602,224, compared with 504,238 in 1960, an increase of 19 per cent. This expanding volume of traffic imposed a severe strain on our motive power.

You will remember that for some years I have been emphasizing the need for new capital to increase our stock of locomotives and to effect a general improvement in the facilities for handling traffic over our lines.

Unfortunately the cloud of political uncertainty which hovers over Africa in general, and over Nyasaland in particular, rendered any major operation in the capital market quite impossible. The board, therefore, felt it necessary to place an order for five diesel locomotives on deferred payment terms in order to cope with the growing traffic demands. Our associated railway, the Trans-Zambesia Railway, has also placed an order for three diesel locomotives.

Heavier Trains at Higher Speed

The locomotives are the latest Swiss A.P.T. diesel electric type with a tractive effort considerably in excess of that of our heaviest steam locomotives. The advantage of the diesel is particularly marked in the difficult hill section, where the line climbs some 3,500 feet in 60 miles. Two of our most modern steam locomotives now haul trains of 520 tons. Two of the new diesels should be able to haul trains of 900 tons over the same section. The employment of these new units will necessarily be confined to the through traffic between Blantyre and Dondo, since the weight of the Northern Extension is too light for them. But on our main line they will be able to haul heavier trains at a higher average speed, and their availability will be far greater than that of our best steam locomotives. They are, however, expensive articles, costing twice as much as we paid for the last steam locomotives. At the present time, to the best of my belief, few, if any, steam locomotives are being built in this country; and I doubt if we should have been able to buy any, even had we wished to do so. We are, however, confident that in spite of their increased unit cost their superior performance and greater availability should enable these new diesels to show us useful economies in operating costs. They will, however, not be in service until next year.

The facts which I have enumerated above have made it impossible to declare any dividend on the ordinary share capital of the Company for the first time for seven years.

To the increased tonnage mentioned above, tea, maize, cassava, peas, and rice contributed welcome increases which were, however, offset by decreases in cotton lint, cotton seed, ground-nuts and tobacco. General merchandise registered a satisfactory increase.

Increased activity imposed a severe strain on our repair facilities: indeed, although eight general repairs were carried out to our locomotives, this did not keep pace with the use made of them, with the result that we have had to increase our provision for deferred locomotive repairs by £10,000.

Lake Nyasa Service

On the Lake we had a bad year. Because the *m.v. HALA* was out of service, due to main engine trouble, for five months until the end of June, she made only 19 voyages as against 33 last year. As a result we could not carry all the passengers who wanted to travel, and there was considerable over-crowding. The receipts in round figures amounted to £58,000, and the expenditure, including provision for renewals, £37,000, against which must be set £32,000 representing the reduction in the rate of interest on the income debenture stock granted to us by the Federal Government to assist us in meeting the cost of operating the Lake Service.

Allowing for this, the Lake Service cost the company—and indirectly its customers on the Railway—some £47,000. The service is a difficult and expensive one to operate. It is undoubtedly of a developmental character, and we should like to see the Government undertake responsibility for it so that it could be managed, and its equipment and charges adjusted, in the manner most likely to secure development in the area surrounding the Lake.

Our new apprentices' school, to which I alluded last year, was officially opened by the Governor of Nyasaland on October 9, 1961. It is already producing a small but growing stream of Africans qualified to undertake more skilled jobs. Seventeen traffic learners completed their course by September 30, 1961, fourteen of whom passed and secured appointments either as station clerks or as guards. Four more Africans qualified as assistant stationmasters, making a total of nine. We are confident, too, that the first two workers in the country to pass the Industrial Trade Test of the Protectorate were employees of our company, one a fitter, and the other a carpenter. At the beginning of 1961 there were 11 apprentices from our locomotive shops attending part-time classes in our school, but by the end of the year this number had shrunk to 10.

Better Staff Relations

Progress was made during the year in the establishment of better staff relations. An improved system of staff voluntary negotiations was established with the Nyasaland Railways African Workers' Union, and also with the Senior Staff Association, and a formal agreement was signed in March, 1961, under which the following bodies were constituted:

- A Joint Industrial Council for the general regulation of conditions of employment.
- A Senior Staff Council for the regulation of wages for Artisans, Craftsmen and Senior Clerical and Supervisory Staff.
- A Junior Staff Council for the regulation of wages for unskilled labour and Junior Clerical and Semi-skilled Artisans.

In addition, the existing departmental works committees were placed on a fully elective basis, with the active co-operation of both the staff organizations concerned.

We hope that as a result of all these measures more and more Africans will qualify for positions of greater responsibility and play their part in establishing not only improved working conditions, but also improved service to the public on which the interest of our staff, our customers and our shareholders alike depend.

Constitutional Advance

During the year Nyasaland made another substantial step forward towards responsible Government, and an Executive Council, led by Dr. Hastings Banda, took over office. The fact that he himself has shouldered the heavy responsibility for agricultural development and has urged on the whole population the necessity for harder work and more intense development of the resources of their country augurs well for the future of the territory.

Increased production—which we would naturally welcome—will, however, seriously strain our resources in equipment and skilled manpower. We need more rolling stock, improved track, and more houses for our staff. All our attempts to raise fresh capital have failed because, in these days, Africa is unpopular with lenders as a field for investment. In this direction help from governmental sources—particularly in regard to housing, the financing of which should surely not be a charge on railway receipts—would be very welcome at the present juncture.

The whole economic future of Nyasaland, and the prosperity of its inhabitants, depends not only on increased production, but on the ability of the railway to provide efficient transport. We have shown our faith in the country's future and in the ability of those who govern it by foregoing our ordinary dividend and pledging to the hilt our probable cash resources to provide some—but only some—of the equipment the railway needs. We trust that those responsible will support us in our efforts and justify our faith in the country's future.

In an agricultural country like Nyasaland it is notoriously difficult to make forecasts. The present indications are that there will be very little maize and very little available for export, with a consequent decrease in the ability of the producers to pay for imports. It is too early to forecast the production of other crops, but it seems unlikely that our results for 1962 will show any material improvement on those of last year.

Managerial Changes

After fourteen years devoted to the service of the company, but also to Nyasaland, our general manager, Mr. H. W. Stevens, C.B.E., will be retiring in a few months' time. His service in many fields of activity has been outstanding. In our own affairs he has improved out of all recognition the standard of our track and the general operating efficiency. He has not only been a keen and devoted servant of the company, but has also earned the respect of all with whom he came in contact, whether employees, colleagues, or Governments. We wish him all happiness in his retirement.

He will be succeeded by the present deputy general manager, Mr. B. M. Strouts, M.P.E. and D., who will bring to the task confronting him a lifetime of railway experience.

As deputy general manager he will be succeeded by Mr. J. K. Dougal, who after distinguished service in Ghana, has been acting as commercial assistant to the general manager.

To them, and to the staff of the Railway in all lands, we owe our thanks for good work done under strenuous conditions during the past year. To Mr. Short and the staff of the London office our thanks are also due for the unfailing efficiency with which they have performed their duties.

"Strike Postponed to Avoid Bloodshed"

A STRIKE CALLED FOR TUESDAY by the African Mine-workers' Union of Northern Rhodesia "as an act of co-operation" has been "postponed to avoid bloodshed in the townships", the union president, Mr. John Chisata, announced on Monday in a letter to the Chamber of Mines. About 35,000 African miners would have been affected.

Negotiations between the miners' representatives and the mining companies broke down 10 days ago. The union wanted a pay rise of 8s. 2d. a shift, while the companies claimed world cost £40m. a year, and longer holidays, but came down to 4s. 6d. The companies offered a 12½% increase, or 1s. 3d. more a shift, which they considered generous and in accord with the Morrison Commission's recommendations, as were their leave differential proposals.

A circular issued by U.M.W.F.—which is thought to have received lately contributions for its election campaign of about £2,000 a week from the African miners—urged the trade union to accept the 12½% offer and gave a warning that a strike would be "suicidal". It alleged that Mr. Chisata and the general secretary, Mr. Matthew Nkoloma, were organizing a stoppage for their own ends. The A.N.C. also condemned the strike call.

But on Tuesday Mr. Nkoloma claimed that the strike was on, supported by 75% of the union members. Only Roan Antelope mine was affected, however. Mr. Chisata said the union had split.

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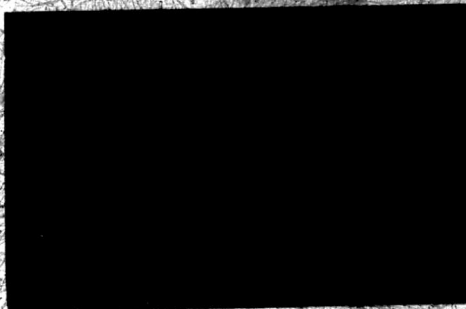
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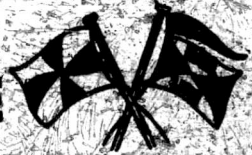
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