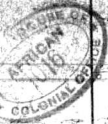


EAST AFR. PROT

27057



27057

Recd
Recd 24 JUL 14

Bert, Wagg & Co;

RAILWAY
NAKURU TO N. KAVIRONDO

1914

and July

last previous Paper.

b.a
26927

Considers that if the financing of the scheme is given to the Crown Agents on any but strictly competitive terms the effect on the future relations of the Prot: with prospective lenders would be very discouraging.

Mr. J. Anderson. See also 1.C.A.
26927

messrs H. W. & Co are not correct in stating in the 2nd para of their letter that when the loan was first discussed the opinion of the Govt was that the money could not be raised through ordinary channels. As Mr. Fisher pointed out in his minute on 23/25 the original idea was that Mr Lloyd's friends being interested in the develop^g of the S.A.P. we put up the money for the R.R. on terms that we kept competition but in messrs H. W. & Co are peddling assuming the position of money lender

next subsequent Paper.

Govt
26982

very unimportant of the loan. It is
therefore essential that, before proceeding
further with the negotiations with
Messrs H. W. & Co, the S. F. R. L. be
satisfied that the money could not
be raised on as good or better terms
in the regular way than the C.A., &
our negotiations with the C.A. have not
proceeded beyond the point of making
these preliminary enquiries - In any case
we cannot now make further progress either
with Messrs H. W. & Co or with the C.A.
until the Loans Bill has been passed &
until we have communicated with the
Treas^r (see latter part of Dr. J. Fisher's
minute on ~~the~~)

We might reply to Messrs H. W. & Co
in the sense of the foregoing, but I fear
that there will be complications if we
negotiate with Messrs H. W. & Co & with
Mr. G. Lloyd at the same time, & I
think that the best plan wd be to
act ~~with~~ of the two & say that it
appears to have been written under some
misapprehension & suggest that Mr Lloyd
sh^d come here & discuss the matter - &
then give him the substance of the
above.

H. J. R.
27/11/14

We are under no obligation to Long & Co. and unless they can do the business in better terms than the C. I. we should not encourage them. So far as we can judge from recent cases the C. I. has done very well for their credit and I do not see how they can be better prepared to find the money at terms better than which we could not have got in the open market from the C. I. or anybody else. Now he has turned the business over to these quackmen who can only get the money in the market and on market terms I have no claim whatever. 281

It must be remembered that the C. I. remuneration for loans is paid by the C. I. and is considerably less than we could get it done at the rate of discount and the inscription or of the loan and in any case have to be done by them. If they are deprived of the commissions on raising the loan their business management will have to be improved so we cannot expect them to work at a loss.

In the event I should be disposed to tell Messrs Long & Co. that no part of

circled, and as the basis on which the
discussions with Dr Lloyd proceeded
appears to have materially altered the
Govt is not prepared to proceed further
with the matter.

As regards annexation, to annex
the Protectorate without the least
strip would add complications and
reconciliate existing difficulties, and
we should write to G.O. with refer-
ence to their letter of 31 Dec. 1911 (10480)
and ask whether it would not be
possible to annex the coast strip on
payment, as was done by Germany
in 1884. We can easily square the
circle of virtue.

Ch 27.714

I don't see why we need cross
out Herbert Hays & Co at once; but
~~that~~ we should make our position
quite clear to them, (1) that we must
do the best we can for the Protectorate
(2) that we cannot proceed at once
for various reasons + (3) explain to
them the misapprehensions they are
under.

It is clear that we must wait for
the E. A. P. Loan Bill & then deal

7
Sir G. Fiddes

See the words

have undertaken

red on p. 2

I think this is reasonable

K

23.7.14

WHITEHALL GARDENS,
S.W.

April 6, 1915

My dear Anderson,
I am sorry to
think that I have
left these papers
relating to Hebert
Wagg and Co. so
long. You will
remember that
I have given them
to you.

was to write
 a memo. for you
 But the war
 broke out and
 the Cox was
 on one side,
 my memo. has
 never been
 finished
 I mentioned the
 matter to Zide,
 at the time, but

unfortunately did
 not return the
 letter. I hope
 that no inconvenience
 has been
 caused by their
 being missing.
 Yours sincerely
 R. J. [Signature]

with the Treas^r (as sugg^d by Sir G.
Fiddes in 23125) before we can
~~proceed~~ proceed further with this matter.

I agree with Sir J. Anderson
about annexation. 235

28.7.14

I must discuss this with Sir J.
Anderson.

28.7.14

See note from Mr. Ambrose

P.S. by

at once

Ch. 64-15

285

27057

C O
27057
Rec^d 24 JUL 14

HELBERT, WAGG & CO
ADDRESS FOR TELEGRAMS
WAGG - STOC - LONDON.

TELEPHONE N^o 5400, LONDON WALL (4 LINES)



South Sea House
37, Threadneedle
London. E.C. 2
July 22nd 1914.

4789-uo

To His Majesty's Secretary of State
for the Colonies

Sir,

British East Africa - Kavirondo Railway

We have the honour to call your attention to certain facts in connection with the contemplated Loan to the Government of British East Africa for the construction of the proposed Kavirondo Railway.

We believe we are correct in stating that at the time when the the said Loan was first discussed, the opinion of the Colonial Office was that money could not be raised for the above purpose through the ordinary channels.

In these circumstances, Mr. George Lloyd M.P., who had recently visited British East Africa, and was very anxious that in the interest of the Protectorate the scheme should be speedily carried through, approached us in the matter. We went to considerable expense and trouble in studying the Kavirondo Railway Scheme, with a view to

551-00000

26

287

BERT WAGG & CO
AGENTS FOR TELEGRAMS,
STOCK, LONDON
101 & 102, LONDON WALL (4 LINES)

South Sea House
37, Threadneedle Street

London
E.C.

- 2 -

entering into an agreement with the Government of British East Africa for financing the same, and in fact sent a Representative out there to report fully on the position of affairs in the country.

We now understand that the Crown Agents, roused by our activities to a sense of the opportunities they were losing, have at last expressed their desire to consider the financing of the scheme. If, after all our pioneer work, the business should be given to the Crown Agents on any but strictly competitive terms, we rather fear that the effect on the future relations of the Protectorate with prospective lenders would be very discouraging.

It will be of vital importance to the Colony to be able to attract capital, but we venture to point out that capital will not be attracted by the prospect of being undercut at the eleventh hour by the Crown Agents.

We are well aware that H.M. Government must seek capital where it is really cheapest. But when private

HELBERT, WAGG & CO

ADDRESS FOR TELEGRAMS.
WAGG. STOCK. LONDON

TELEPHONE NOS 5400, LONDON WALL (4 LINES)

South Sea House,
37, Threadneedle Street,
London.
E.C.

- 3 -

enterprise has embarked upon a scheme at a moment when the official channels are dried up, we do say that it is discouraging if the Crown Agents step in at a later stage and claim the business. For H.M. Government to prefer their claims in such a case would be, we respectfully submit, to achieve what could at best be a doubtful present economy at the sacrifice of the Protectorate's future borrowing powers.

We would add that if the Protectorate should require advances from time to time before it should be advisable to make an issue, we should be pleased to make such advances against Bills of the Protectorate upon the lowest possible terms which the then prevailing conditions of the money market would allow.

We have the honour to be, Sir,

Your obedient Servants,

Helbert Waggs & Co

31235

31235

Hindle, Dr.

QUICK LABORATORY EXPEDITION

1914

18th Aug

Has applied for temporary Commission in the Regular Army but on cessation of hostilities proposes to go on with expedition. The £300 advanced from the T.D.R. Fund is being kept by Professor Nuttall. Hopes this will be approved and that facilities promised will be postponed until return of peace.

Last previous Paper.

B.S.A. 603

29364

Dr. Keith 2 Bank

? Approve his proposal

and send a copy of com to

General, B.S.A., General, & Co.

W.F. v. m. B.S.A. 29364

APR 19 1914

at once
A.S.

20/8/14

21 Aug 14
26 Aug 14
B.S.A. 60
copy copies
E.A.P. 198
Nugent 250
Uga 357
S.E.

Next subsequent Paper.

92

CO
31235

RECEIVED

AUG 19 1914

Aug. 18th / 14

Dear Sir,

I regret to state that owing to the circumstances of the war it will be impossible for me to proceed to Africa as previously arranged. I have applied for a Commission (temporary) in the Regular Army, in order to serve the Country whilst we are actually at War, but on the cessation of hostilities I propose to go on with my Expedition. In the meantime the £300 advanced out of the Tropical Diseases Research Fund towards the cost of defraying my expenses, is being kept by Professor Nuttall.

Under the circumstances I hope that you will approve this decision and postpone the arrangement of the facilities you were kind enough to promise until the return of Peace.

I am, Sir

Your obedient servant



G. Read Esq. C.B.; C.M.S.

Colonial Office

Whitehall

H
31255
14 E. Africa
24

DRAFT.

21 Aug 11.

The Secretary
British South Africa Co

MINUTE.

- Mr. Scott 20. 8/11
- Mr. Macgregor 21 / 11
- Sir G. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott.
- Mr. Harcourt.

With reference to your letter of the 7th inst I am directed by the Secretary to request you to inform the B.S.A.C. what is your view of the international situation, the arrangements for Dr G. W. Huxley's scientific expedition to Central Africa have been postponed indefinitely.

(Signed) H. J. READ,
The Secretary of State

H
31235 2. Office
14

292

21 Aug '14

DRAFT.

J. W. Middle

MINUTE.

Mr. Scott 20. 8. 14

Mr. Read 24

Sir G. Fiddes.

Sir H. Just.

Sir J. Anderson.

Lord Emmott.

Mr. Harcourt.

Sir

I am directed by
Mr. Evelyn Harcourt to
ack. the receipt of your
letter of the 18th inst. and
to inform you that, in
view of your application
for a Commission in
the Regular Army, he
approves of your proposal
that the arrangements
under which you were
for your project

2 Drafts

177 of Uganda
E.A.P.

request
to

copy to
E.A.P. 798
Niger 1225
Uga 358
26 Aug 14 F

(Signed) H. J. READ.

Secretary of State

Scientific expedition to
Cape York should
be postponed

£