

ANT AFR. PHOT

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NOTES.—SER. III.

1920

CITRONCY.

Proposed views XEROX. (1) Interrogation of 2-Page, 94-22
Statement of 111-111 (3) Designation of new
Official's signature; 5. Annexes, 94-22
of 111-111-111, "Land Bank".

See Hoffstet. *See* *J. P. Miller*

I have inserted "about" because I have attached a copy of my notes on the Wisconsin (apparently identical with another paper).

- with another paper).

 - A. S. E. Vodrey certainly raised no objection to H. R. 2. without the amendment. If they are so following, can surely be passed.
 - B. In Cotton situation will be the same.
 - C. The cost of using 5% interest has been apportioned.
 - D. We have agreed to the amount of \$100,000,000. It is proposed to cut down to \$50,000,000. We should go down to a figure which may prove to be satisfactory.
 - E. Already demanded to have no more than \$100,000,000.
 - F. It is likely did not, as he did, change his mind on this question after a discussion with

77 Carlisle Mansions,

Westminster, S.W.1.

1st March 1920.

East Africa Protectorate Currency.

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Dear Mr. Bottomley,

Reference the report of a discussion on 23rd and 24th of March, 1920, on the subject, please accept my thanks for your letter differing from his

and giving me the opportunity to make the

following observations:

1. It is unnecessary, and I think undesirable, that the native currency should consist of two classes of coinage, one silver and one copper. Both should be of a single standard and value. The native certainly will be confused and disengaged. I can see no advantage in the two pieces noted by Sir J. Bowring, and Mr. Lord Justice with me. At your respect.

2. The annual shortage of silver to pay for the Uganda cotton crop is no new thing - but the difficulties arising in this matter are enhanced by the present tendency on the part of Indians and natives, traders and others, to use the Kismayu and Uganda Banks for the purpose. I suggest that, as a temporary measure, we may consent to use the Kaiser rupes.

In such case, Colonel Amery's decision to coin the so-called Rupee, or Rupie, rupee. I think that the local administration should have been allowed to decide, in such manner, and I know that all, officially and unofficially, would plump for a florin.

It is probable, I acknowledge that for many years the natives will call any such coin a Bunag, which is merely a name to them for the ordinary coin of common use. But we want as far as the name printed on the coin goes

goss, to completely divorce ourselves from the idea of the Indian rupee currency, and feel and see that we are, in accepting this 1/10th of a coin, standardisation sterling.

5. The ~~minutes~~ (new) is eventually to be 2/- I don't think it is necessary during the intermediate 2/4 stage to fix official salaries at more than 50% above sterling.

6. Lentifer feels almost entirely with the rest and little with Europe - do not therefore urge the expediency of a change there.

7. We are strongly opposed, as is every member of the Government of the Protectorate, to the forcible importation of Indians - they will not settle on the land, even if they come with that intent ~~and~~ ^{but} by so doing find petty trading with the natives easier and more lucrative than tilling the soil. Let them go far away of encouraging native production of rice and other ~~commodities~~ ^{commodities}.

8. I respectfully point out that the minutes are ~~erroneous~~ ^{incorrect} & ~~incomplete~~ ^{inadequate}. What I said was that at present ~~nothing~~ you can only borrow from the (existing) banks at 10% - mortgages of up to 50% of the land, practically all of the ~~borrowing~~ ^{is} done in the form of overdrafts repayable at any time. ~~and~~ ^{and} ~~therefore~~ ^{nowhere} for a Government Organised Land Bank, with a minimum capital of £400,000 and lend on ~~any~~ ^{any} terms on ~~any~~ ^{any} fixed easy terms.

Yours sincerely,

(Signed) RICHARD HOWARD.

77 Carlisle Mansions,

Westminster, S.W.1.

1st March 1920.

East Africa Protectorate Government.

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Dear Sir, Betterby,

Ref. Enc. No. 13, dated 23rd Feb. and our conversation thereon, will it please ask Colonel Arby to agree to the following from his book, "Uganda 1920". I would appreciate the author's comments.

1. S. I. I think it is ~~unnecessary~~ a mistake to distinguish between different denominations in this way. It is required and will naturally prevent confusion and miscalculation in the hands of Indians who are ignorant and certainly will be confused and suspicious. I believe that no advantage can be taken by such an arrangement, and would agree entirely with the above suggestion.

2. I. I. Considered change of name of coin to Rupee, but the name Rupee is not well known in India. The Indian Government do not want to nominate any other name. They want to keep the name Rupee. The name Rupee must be removed. A year ago the Government of India issued a Royal Decree for the rupee. It is quite a good contemporary currency, so why not consent to use the name rupee?

4. I much regret Colonel Arby's decision to continue to call this money coin a rupee. I think the local administration should be allowed to decide such a matter, and I know that a large majority of officials would prefer the name rupee.

It is probable, I acknowledge that probably for the natives will call any such coin a Rupee, which is merely a name to him for the ordinary coin of common

use. As far as the name printed on the coin goes

gives us completely divorce ourselves from the idea of the Union Bank's agency, and feel and see that we are in accepting this £10th of £1 coin, established sterling.

5. The sum (now) is eventually to be £1.
to the Bank of England, being an intermediate
stage to £1.000,000, which may be more than 50%
more sterling.

6. Member State signs entirely with the East
and South with the Government before urge the
possibility of exchange there.

7. T. I. in accepting its place and, now, in representing one of the most important of the Protectorate, by and further, is important and of interest to the whole world on the land, even of its agreement with the Bank of England, and
including, particularly, the Bank of England, and more
especially with the Bank of England, in the favour of
engaging in the construction of colonies and other properties
of all kinds.

8. A cost of £1,000,000,000,000,000,000,000,000,000,
representing the sum necessary, that is, with which at
present, and present, and present only, money to go over (including)
about 10% - mortgages or up to £100,000,000,000,000,
bank, representing all of the borrowing it does in the form of
mortgages repayable at call, but, if possible necessary
for a Government Organising Land Bank, with a minimum
capital of £400,000 to lend money 10% steadily and on
fixed easy terms of repayment.

9. We are sincerely,

(Signature)

77 Corkhill Mansions

Westmister, S.W. 1.

1st March 1855

E.A.P. Curerry

P.E.D.
REG'D.

20 236

Dear Mr. Botley,

- Referring to the report of a divorce on 23rd Feb.,
and the discussions on the subject, please allow
Colonel Tracy to inform you differing from his
views and decisions of General Mills & Co.
The following remarks will do so.
1. I think it is necessary to have an
interim decree before the final
demanagement, as I am not required and
will not interfere with your, Sir's, and
misgovernance with regard to business, policies,
the value cannot be easily ascertained,
I can see no objection of the above being done, and
I have given my opinion to Mr. Banks agreeable
to the request.
 2. The annual account of Salaries & Pay for the
Regiment is given, and no new money - but the
allowances of the officers and men are increased
by £1000.00 per annum by part of Indians and
£1000.00 in settling their Rations - We
must be very careful with regard to men
of the Indian & Rajahs Bullets for the purpose.
I quite see this as a temporary measure, we
may have to resort to it when the Native Regiments
are no longer fit for service - I except for a few
of the general Regiments which may prove
too much for us to be able to pay
which is more or less than for the money
now in use. But as far as
the native provinces are concerned, to supply
drums and colors for the army of the Native Regiments
Curerry, I feel via that for all, in a costly
this to be paid out, substituted on Sterling.

BANTAMIAN CURRENCY.

Discussion between Colcock Anery, Sir William Mercer, Sir Edward Watkin, Mr. Eastman and
Mr. P. G. T. Gurney, M.P., on the subject of
the proposed currency bill.

Mr. Gurney said that the Bank of England had never made
any proposal to the Government of India regarding
a proposal to issue a note to cover the available balance
in gold, 1900, for the sum of one rupee or more, without
mentioning a sum between. He pointed out that such
would amount to 100,000,000,000 rupees, or 100 million

rupees. He added that, at the present time, there
is no demand for notes, and that it would be wise
to let the bill stand. He also suggested that, if the
Government did not do so, it might be better
to postpone it for a month.

Mr. Gurney said that he had no objection to the bill.

Mr. Gurney said,

"I do not see any objection to the bill, but I have no objection
to the Government not passing it at the present time.
I think it would be better to leave it to another session,
when we can get a better view of it."

Mr. Gurney is called a heretic among men
of his class by some officers, up to whom he is
now considered a man of great ability.

The result of a shortage of coin for
some time has been much aggravated. It was agreed
that steps should be taken to provide for this
immediate want of silver in the hands of the
Currency Commissioners, the existing note issue
being

base on the ground that it cost the official as many rupees for necessary expenses as in the past. The question whether it was necessary to give compensation to the full amount of the difference in the rates of exchange will depend upon the printed bill and the official will have to decide what right, now, goes out on this subject as given in great advantage through the higher rates of exchange. It was considered at that time that largely a sum of Rs. 100,000/- would be sufficient to meet the purpose.

The reason given for a compensation of Rs. 100,000/- was that the rate of 100/- per rupee was too high and that the rate of 90/- per rupee was more reasonable, without causing any undue difficulty. But nothing was done to make any change of rate for the purpose.

THE QUESTION OF HAVING A COMMISSION

to manage the business of the bank - by giving power to the manager of the bank to do all the necessary acts. It was to meet Indian exchange. It was to take care about foreign trade and the importation of foreign currency. Purpose was also to entirely free India and that there were no risk as the loss would be got back in a single time or on long exchange before the time came.

It was to be known that in taking the Rupees 4,00,000/- on idea that 5 million lire due to the increase of the Indian rupee to 2/3 had been

received

Trade value. Exported at all times
amount, only \$400,000.

As a first step Sir G. Mortley agreed to collect information and figures on the private freight and report them to Sir Valentine. No information will be received from the agent of the
C. of G. Co., who has no information concerning
carrying fees.