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POSITION OF INDIANS

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Public DEPT.

LONDON, ENGLAND

India Office of the 2nd November, 1920

No. 52131

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INDIA OFFICE

10th November, 1920

F. 7722/20.

Sir,

I am directed by the Secretary of State for India to request you to transmit to you, for the information of the Government of Kenya of the papers noted below, on the subject of the application of the policy of race segregation in Kenya to the sale of certain Crown plots in the commercial area of Nairobi.

Yours faithfully,

Your most obedient servant

L. V. DUKE

Secretary of State
Colonial

Description

10 October, 1920

From Government of India

GOVERNMENT OF INDIA

DEPARTMENT OF COMMERCE

MINISTERIAL OFFICE

From

The Hon. Mr. C. A. Innes, C.I.E., I.C.S.,

SECRETARY TO THE GOVERNMENT OF INDIA;

To

Secretary,

Office of Public Department,

Foreign Office, LONDON.

His

reference to His Excellency the Governor's
 telegram, dated 10th October 1920, to the
 Hon. Secretary to the Government of India, regarding the postponement of
 the sale of the land in the commercial area,
 which was allowed to be sold by
 the Government of India from last year, a plan
 of sale of these plots, No. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

The Government of India understand that the Ugand
 Chamber of Commerce and the Kampala Municipal Council both
 regard it as impracticable.

3. Further, even if the principle of segregation is admitted, there appears to be no reason why Indians should not be allowed to bid for plots in the European quarter. Professor Simpson, himself in paragraph (16) of his report says that the division into separate zones "would not prevent any European, Asiatic or African owned land or buildings in any zone, except a neutral zone." The Urban Development Commission, again, in paragraph 213 of its report while advocating segregation in residential areas, says that "a person should be able to acquire land in a township, even if he may not be able to use it himself," and add that this restriction should prevent a plot holder from selling the plot to a person of his race, who is neither permitted to acquire nor use the plot.

4. The Commission also discussed the question of the extent to which the law at work on the 23rd of 1948. The views are

His views regard the

The said Commission's suggestion was to allow the use of existing townships in India, because European and Indians already occupied business premises side by side in the same quarters or free hold title or long leases.

The suggestion to designate commercial area of business of the same class, irrespective of race, provided that residence in such an area is not permitted and subject to other township rules.

He considers that it would be equitable to resale plot leased to an Indian, together with all buildings thereon, without compensation at the expiry of a lease of 49 years or less. He would generally be prepared to renew such a lease in a joint commercial area, provided that the business was of the same kind as that conducted in that area and the leased land conformed to the conditions

and sanitary laws. He also said that he would reassure the Indian community on this point.

He also considers that the prohibition of the ownership of land in the Indian quarter by a European, and vice versa, should not be too rigidly enforced. In particular, a European firm should be allowed to own land in the Indian quarter for housing its Indian employees, and vice versa. His view is that the Governor should have discretion to relax the rule in particular cases.

"These are his personal views, but are subject, of course, to the Secretary of State's approval."

4. Sir Benjamin Robertson also recalls that Sir Edward Northey himself was inclined to accept the principle of a joint commercial area, regulated by proper sanitary and building laws. Sir Benjamin's conclusion was that Lord Milner's orders regarding commercial segregation, at any rate, would require revision.

5. Meanwhile, however, it seems that the Europeans in Nairobi are pressing for an immediate sale of the plots in question and the exclusion of Indian bids in accordance with Lord Milner's decision. They hope thereby not merely to acquire the best business sites in Nairobi, but also to acquire them at far less than their market value. Hence, even if the policy of commercial segregation is subsequently reversed, they will have secured a substantial advantage over their Indian competitors. They will be able to carry on their businesses on first class sites, which they will have secured at a moderate capital outlay, or alternatively they will be able to sell these sites to Indians or others at large profits. Incidentally, the Government will be deprived of large sums which will go into the pockets of European speculators. The sites are very valuable, and Sir Benjamin Robertson was informed by the Nairobi Indians that they were prepared to bid up to £20,000,000 for them. On the other hand, if Indian bids are excluded, it is not improbable that the sites

will be knocked down at little more than the upset price.

7. The Indians attach the utmost importance to these sales. Commercially they consider that this exclusion from the bidding will be a severe ^{heavy} handicap to their businesses, and is inconsistent with Lord Willmer's assurance to Lord Islington's deputation that in any decision that might be come to he would not allow consideration of trade jealousy to prevail. ^{Politically} they regard this as a test case. If the sale is pressed on, it will force a crisis; and the Indian opposition may take a form which will have serious statesmanlike settlement consequences in India.

8. In their ^{view} the Government of India trust that the sale will not proceed until their representations are received and the whole question reconsidered in the light of the facts and arguments which they have brought forward.

I have the honour to be, Sir,

Your most obedient servant,

C. A. INNES.

SECRETARY TO THE GOVERNMENT OF INDIA