

58 DISPATCH

EAST AFR. PROT.

33223



No. 33223

No. 447

1905

at previous Paper.

Prospects of Trade

Transmits a précis of memorandum by Messrs. Tansworth & Maraden to enable required to be answered

(Minutes.)

Send a copy of this to Mr. Lewis refer to our letter 13262 & then print in the Comptroller's part

M. 14/9

W. 11/9

It would be useful if, in printing, 50 extra proofs of the précis were provided for answering inquiries? - 26 might go to E.I.O.

561.

20/9

Yrs M. 14/9

at Bottom

20 copies of précis handed to...

11/10/95

SRI (SA)

Have left 10 copies. Please ascertain
whether copies have been sent to E. 10
G.P.D. and not put forward as per
the other approval.

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9/10

33223

C. O.
33223

COMMUNIST OFFICE

60

WEST AFRICA PROTECTORATE

No. 447

MONROVIA

August 24 1906



Sir,

~~13262~~

With reference to your despatch No. 207 of May 2nd, forwarding copies of correspondence with a Mr. Lewis on the prospects of traders in this Protectorate, I have the honour to transmit herewith a copy of memoranda by Messrs. Ainsworth and Marsden on the subject, which I trust will supply the information required.

I have the honour to be,

Sir,

Your most obedient,

humble servant,

J. Stewart

Principal Secretary of State

for the Colonies

Downing Str

London, S.W.

* no. 13262

33223

No.

C. O.
6133223
REL.
REC'D 16 P. 05

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PRECIS OF MEMORANDA ON THE PROSPECTS OF TRADERS IN EAST AFRICA
PROTECTORATE.

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Traders in East Africa may be divided into four classes.

- (1) Importers and Wholesale merchants (2) Importers and Retail dealers (3) Caravan Traders (4) Small dealers.

2. The number of Europeans in the country at present employed in a trade of the first three descriptions is small compared to that of Indians, Goanese, Somalia, Arabs and others; while the small dealers (No. 4) are almost entirely Indians.

3. There is small inducement for the European to set up as a storekeeper or trader on a small scale except in a centre of European population such as Nairobi; and even there he would have to contend against serious and overwhelming competition from the Goanese, Indians and others. In fact it may be said that at the present stage of the country's development no white man can compete with the Indian in the same goods as a small dealer.

4. Neither can prospects of profit be held out to the white man as a caravan trader, a branch of commerce which is practically monopolized by Somalia, Indians, Arabs, etc. The latter can live and travel very cheaply and under conditions which would be fatal to the health of the average European. An example of the facility of white men adopting native modes of life was recently furnished by the death of 3 European traders who attempted to travel without tents and without proper food. Europeans have also to contend with the language difficulty.

5. It may therefore be said that at the present stage of development

development the only satisfactory openings that exist for Europeans is the way of trade are as

(1) Importers, suppliers and shippers of produce.

(2) General Agents, purchasers of produce, middlemen, etc.

6. For success in these capacities considerable capital is of course required, and here it may not be out of place to insist on the necessity of a capital of at least £ 600 however small the venture in a commercial line. The country is at present entirely an agricultural and a stock-rearing one and in the absence of mining or other industrial centres no one can expect to amass a fortune rapidly from the foundation of a small capital. Moreover for success in either of the above capacities, or as a storekeeper not only capital but a certain amount of experience and training is required.

7. There is a real demand for middlemen who will buy farmer's produce for cash on the spot. Numbers of settlers live from hand to mouth, are often in urgent need of ready money to carry on with, and cannot afford to wait for it till the agent has realized his profit on the proceeds of the sale.

8. The Administration cannot undertake to offer any special facilities to individuals wishing to trade in the Protectorate.

Comd. E.A.P.

33223

See

17 Sept 1905



DRAFT

H. H. Lewis Esq

Sir,

With ref. to the letter from this Dept. of the 2nd of May last, I am directed by Mr. Secy. by letter to transmit to you the accompanying copy of a piece of memoranda on the prospects of trade in the East Africa Protectorate

MINUTE

- Mr. Borthwick
- Mr. Ellis
- Mr. Anthonis
- Mr. Cox
- Mr. Lucas
- Mr. Graham
- Sir H. Osmannoy
- The Duke of Marlborough
- Mr. Lytton

20/9
21/9/05

100 (to 33223)

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R. L. A.