

- The Governor's share of May's currency, but
- (1) The message has been correctly interpreted
 - (2) The work occurs twice
 - (3) The £15,000 a month of local loans agree with 48290

I do not think however that we can safely conclude that £400,000 will not be required for all purposes by 31 March, working backwards on these new figures we get about £148,500 as the military expenditure up to mid-Nov.

The CA's overdraft was then about £450,000 and a roughly equal sum had apparently been drawn for various local - so that about £150,000, on the new showing, had been spent above the normal on non-military purposes (as compared with an estimated deficit for the whole year of £155,000). ~~Even if we add~~ add to this £150,000, the £258,000 for military purposes, the £400,000 at March 31st is more than needed, without making any allowance for civil deficit after mid-Nov.

The figures are hopelessly inconsistent, & the only loophole I can see is that it is just possible that, after all, the £155,000 surplus balance has not been spent but - to a great extent at least - is still on hand, held up formally or some but immediately disposable form.

The Gov. does not say whether the £120,000 already spent on trade from India reserves includes the £50,000 which was paid back at the end of September. We said - on 11/2

The Governor's choice of May is curious, but

(1) The mortgage has been correctly interpreted

(2) The work occurs twice

(3) The £15,000 a month for local forces agree with 48240

I do not think however that we can safely conclude that £400,000 will not be required for all purposes by 31 March. Working backwards on these new figures we get about £148,500 as the military expenditure up to mid-Nov.

The C.A. overdraft was then about £150,000 and a roughly equal sum had apparently been drawn from balances locally - so that about £150,000, on the new showing, had been spent above the normal in Nov. or Dec. ~~and~~ (as compared with an estimated deficit for the whole year of £153,000). Some if we only add to the £120,000, the £120,000 for military purposes, the £40,000 at March 31st is more than reached, without making any allowance for civil deficit after mid-Nov.

The figures are hopelessly inconsistent, & the only loophole I can see is that it is just possible that, after all, the £155,000 surplus balance has not been spent but - to a great extent at least - is still on hand, tied up possibly in some not immediately disposable form.

The Gov. does not say whether the £120,000 already spent on troops from India reserves will do the £50,000 which was paid back at the end of September. We must in the fall

of 4 Jan: that it was to be ~~discussed~~,
but did not mention the hour - and

ds

tel. of 13 Jan. The Treasury have
shown privately that they will make a
definite assurance on this point.

It seems fairly clear that if we are
to carry on at all our borrowing must
not be limited by the uncuttable
military expenditure. What we ought
to try for, I think, is

- (a) Treasury to make good the £120,000
[or £70,000] already spent
- (b) E.A.P. to say nothing in future for any
of the forces except in repayment of
such part of the total charges as may
be definitely apportioned to the local
forces
- (c) E.A.P. to be allowed to borrow for
general purposes up to an amount which
cannot be definitely fixed yet but may
be taken as £400,000 (including the £120,000)
up to March 31st.

But first,

? Del:

Your tel. of 15 Jan. ^{day} 207^h meeting
expenditure stated ^{include} the £50,000
referred to in my tel. of 4 January.

held 18/1/15
187/1/15

Exp. raised 22nd
4.30 pm
E.P.M.
9/1/15

PARAPHRASE

TELEGRAM. The Governor of the East Africa Protectorate to the Secretary of State for the Colonies.

(Received Colonial Office 8.35 p.m. 15th January, 1915)

No. 207 January 15th.

Military expenditure. Following figures quoted by Treasurer:

Extraordinary expenditure on local forces up to December 31st is in excess of £75,000 and will exceed total of £150,000 up to May 31st. Expenditure from Protectorate funds incurred on forces from India will exceed £120,000 up to December 31st and will exceed £200,000 up to May 31st.

Reference:- your cypher telegram of January 4th.

BELFIELD.

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128

WATERBURY

TELEGRAM. The Secretary of State for the Colonies to the
Governor of the East Africa Protectorate.

(Sent 4.30 p.m. 19th January 1915).

Your telegram of 15th January, No. 207, does
military expenditure stated include the £50,000 referred
to in my telegram of 4th January.

HARCOURT.