

1937

38300

C0533/485

38300



KENYA

POLITICAL SITUATION

CORRESPONDENCE WITH LORD FRANCIS SCOTT

Previous

See 38039/1/36

Subsequent

all
38371/38

R 297	2/3
R 80	3/3
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CD Tels	4/3
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Mr Parni	21/4
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297	

In Flood

Sir J. Maffey.

11
Sir C. Bottomley asked me to send you this on your return from leave. It is somewhat annoying but one thing does emerge from it, and that is that Lord Francis Scott is apparently trying hard to keep things quiet. The opposition on the other side is almost entirely Major Grogan, but unfortunately the "East African Standard" follows Grogan blindly and prints whatever he chooses to say. The reason for this is, of course, that thereby the paper gets an increased sale. I am informed on all sides that Grogan has entirely lost face and that nobody really pays any attention to him although people go to attend his meetings in order to derive a little entertainment and to hear what he will say next.

Mr. Pilling, the Deputy Chief Secretary, was in this morning and I asked him for his impressions of Kenya's politics as a level-headed newcomer with three years' experience of it. He said that in his opinion the atmosphere was now much better than ever before and that the great majority of the settlers were heartily sick of the perpetual fuss and friction and heartily sick of their own politics. They now recognise that the whole unofficial life of Kenya was started on the wrong lines and that in following the lead of Lord Delamere they made a great mistake.

All the same, one never knows and there is always the possibility of something turning up. I think myself, though I knew that my opinion is not universally held, that it is a great mistake to

attach

attach too much importance to what anybody in Kenya says and that with most of the settlers' politics the best thing to do is to ignore it altogether. If it is not one thing with them it's another, and I have no doubt that in a great measure their attitude is like that of the Irish in our Parliament here. They will exaggerate grievances and pretend to take things very seriously in order to derive some amusement out of watching what Government will do and in ^{a sort of} ~~the same~~ hope that they may get some small fraction of what they pretend to ask for. Hence the absurd way in which everything in Kenya, such as the famous election at Mombasa, becomes a "constitutional crisis". Then the moderate politician, if there are any, thinks that he has to follow suit in order, partly not to let the side down, and partly to keep his own place in Council. That leads to danger because the moderate Unofficial will lend support to something that he really doesn't want and is genuinely relieved when the Secretary of State turns it down. The case of the Bond scheme is very much in point and I happen to know that in the past (before Sir Joseph Byrne's time) the Kenya Government frequently, for the sake of peace, put forward and recommended proposals to the Secretary of State in the hope that the proposals would be turned down, when they could blame "the Colonial Office".

I attach our latest file of press

cuttings

38051/57

cuttings which show the kind of "hot air" that is being talked. I would draw attention especially to No.9 as well as to No.1. Apparently, if the Secretary of State says that in his opinion the Unofficials are taking a mistaken view of things then that becomes an insult and dragging them from Downing Street and so on. ^{on the other hand} If they are allowed to persevere in their mistakes they will go on for years and eventually come to believe it, and a word spoken at a public dinner, as in the case of Mr. Churchill, may at any moment blossom into a constitutional pledge. I also annex an extract sent to me by Mr. Freeston apropos myself. (I might reply that if they want co-operation with the Colonial Office that is not the way to get it; but I won't.)

1a.

12.2.37

16.2.37.

(how you like me to try a draft?)

I agree but every word in your mouth
We must prove our adaptability I do not
think the CO. would have got such a good
name in Kenya if we had not given what
is the estimation, in "good cause". It is
difficult enough to see how it all happens, but
we are dealing with a freak case. We are
General Practitioners & that is not enough. We
have to Specialise. I should very much
like to see your draft!

John
16/2

Sir J. Maffey

Please see now letter of the 1st of February. I have included a reference to it in the draft which I submit for consideration. It is a very woolly draft, but then the letters which it purports to answer also cover a good deal of sheep. One thing to remember is that Lord Moynie's opinion was that the natives were bearing too much taxation. What he was afraid of was that too much of the native taxation would be devoted to European objects and he therefore recommended that half the native direct (he said nothing about indirect) taxation should be earmarked. The only reason he did not say more than half was that Kenya's financial position would not stand it, and indeed it was never possible to come right up to the half. Natives pay indirect taxation and will pay more, and if the Europeans were faced with the proposal to limit the expenditure on them in certain directions to one half their direct taxation, they would think differently.

J. G. Hunt

18.2.1937

Ascertain where Lord F. Scott can get this letter. He is starting leave almost at once. A copy of the letter should be given to Sir R. Brooke-Popham to retain. It may be useful to him as a guide. In fact the O. & G. may like to have a copy sent down-officially.
WJ 20.2.37

I have ascertained by tel. that an Air Mail letter posted how it will reach Lord F. S. at his home in Kenya.
C. G. Maffey

DESTROYED UNDER STATUTE

To Kenya TEL. P.T.P. 20.2.37

Acting Gov. Kenya TEL. Personal 21.2.37

DESTROYED UNDER STATUTE

States that letter to Lord Francis Scott should be addressed to Sir James Benge Kenya.

5. To Lord Francis Scott (1/2 from S. of S.) (1 x 2 And) 22.2.37

By Air Mail. 6. To A. de V. Wade } w/c 5
7. Sir R. Brooke-Popham } 25.2.37

K80: W2
K298: 567
CR to copy 11
Mr. Sanson-Jakobin

Seen with interest. With regard to Sir J. Maffey's minute, if we confine ourselves to the post-elective institutions period, I should consider the currency fixation of the Wood-Winterburne husband as much to blame for the bad atmosphere as anything. But in these any colony where election & Parliamentary responsibility have worked together harmoniously?

Let's 8/3/37

R. 297

8. Wade (1/2) --- 5.3.37
Cade (6)

Recd. 8/3/37

9. LORD FRANCIS SCOTT (5/6 TO SIR C. PARKINSON) — 1.9.37.
Requests interview to discuss matters indicated.

10. To Lord Francis Scott (9/land) — 5.9.37.

11. LORD FRANCIS SCOTT (5/6) — 13.9.37
Will be pleased to lunch at New University Club at 1.15 on 20th
Oct - discuss a various matters.

12. SIR COSMO PARKINSON (4/6 TO SIR C. BOTTOMLEY) — 13.9.37
To (1) with comments

13. LORD FRANCIS SCOTT (5/6 TO SIR C. BOTTOMLEY) — 23.9.37
Indicates matters he wishes to discuss at their meeting on
24th Sept. 37.

EXTRACTS FROM 1704 NEG^d AS FOLLOWS: —

INCOME TAX	38054/37
FREHOLD ING LAND TENURE	38341/37
EUROPEAN SETTLEMENT	38232/37
ALIENATION OF CROWN LAND OUTSIDE TOWNSHIPS	38313/37
NATIVE REGISTRATION LEGISLATION	38222/37

Sir C. Bottomley,

9-190
You have seen this correspondence between Lord Francis Scott and Sir Cosmo Parkinson.

In a covering letter to me, Sir Cosmo writes as follows with regard to points marked A-F in Lord Francis' letter :-

"Send letters to Sir C. Bottomley and ask that when I get back on 1st October, E.A. Dept. will have ready for me a note on points marked A, B, C, D, E, F. As to A, I know nothing; Genl. Dept will also be in this? As to B, corres. with S. of S. referred to should be looked up. I think C refers to a proposal to get rid of auction but let this be looked into and the facts set out. As to D, E, F, again what are the facts? Lord F.S. links up these three desiderata with acceptance of income tax by the unofficials."

B.D. Balph

69.

W. Hood.

Please arrange accordingly. I passed like over the notes about 25 Sept. so that we can go through them together.

W.H.

79.

Extracts from this letter have been made, & notes on the various points raised have been sent on separately.

J.P. Pascoe
24/9

Sir C. Parkinson.

I send ^{KL} on memoranda which we prepared for your use in connection with your discussion with Lord Francis Scott. I do not think that there is anything for me to add, but I ought to record the main points of my own discussion with him to-day. I annex the letter which led to it.

13.

1. Orders-in-Council and Ordinances arising out of the Land Commission.

I said that these would be ready for you on your return, but that the proposals which had been made in the office would, of course, require careful consideration by you and Mr. Ormsby Gore. I said that I was sure there would be no avoidable delay.

In reply to questions I said that it was not proposed that the Highlands Order-in-Council should contain any reference to the special position of Europeans, that being left to be dealt with by the administrative practice of the last 30 years, but that, whereas it had been at one time contemplated (as both he and Captain Schwartz had been told) to have a merely defining Order-in-Council, it was now being suggested that we might include provision for a Highlands Land Board which, however, would be merely advisory and not on exactly the same footing as the Native Land Trust Board.

He was keen on the question of unauthorized natives living on European estates, and I said that, as they now stood, the draft instruments contained provision for carrying out the recommendation of the Commission for extinguishing all native land rights outside the Reserves and the coast strip.

Native Land O.C.
§ 10

2. Settlement, freeholding and publicity.

I said that the only hesitation which we are likely to have over further European settlement would be the question whether the settlers would be able to get a living. I expressed the personal opinion that we ought now to get back to the old position that settlers ought to have a reasonable amount of capital behind them, but Lord Francis Scott thought that young men of a good farmer stock ought to be able to make a living. I said that we did not want to have any responsibility for failures. As regards freeholding, I said that, of course, any proposals which came along would have every consideration, but that we (Mr. Flood was with me at that time) had been brought up in a school which held that the Government ought to retain a benefit from the land as land, quite apart from any indirect fiscal benefit from its development. As regards publicity, reference was made to the scheme for unofficial publicity which is now under consideration by the Governors' Conference. I said that I did not anticipate any opposition here to a good scheme of this sort.

3. The three Labour Ordinances.

Lord Francis Scott said that the question of making these three Ordinances into one had been discussed with the legal people locally, but that they had been understood to say that the Colonial Office were opposed to it. I said that there was nothing in that.

The

The three principal Ordinances came into being at different dates, and when we received proposals for amending each of them at the same time, we accepted the position as it came before us and the question of combining them did not arise. If Kenya wished to combine them, I did not see any objection.

4. Income Tax.

He referred to the enclosure to his second letter (we have had the same information from other sources) saying that there is going to be trouble over the non-application of Income Tax in the two other territories. He said that there was going to be much trouble over this and he mentioned the alleged assurance of the Secretary of State to him; but, before I had an opportunity of breaking in, he passed on to other points and I did not think that it was either necessary or desirable to hark back to the matter of the assurance. As regards the official assurances which had been given at the end of last year, I said that nobody had the right to claim that they had not been kept. Personally, he was quite prepared to give Income Tax a fair trial for a couple of years or so, and then, if it was found to work harshly, the Secretary of State would, no doubt, be willing to drop it. I did not reply on that point.

He said that many people, e.g. sisal growers, were suffering from Tanganyika competition through being subject to a tax which did not affect Tanganyika. I suggested that there was no question of competition as the price of sisal was a world price, and that what they ^{mean} would say was that they

did

Copy of para. 2 kept in

38222/37 "EUROPEAN SETTLEMENT"

38341/37 "Sisal Land Tenure"

SEE 6533/37 L.A.

"PUBLICITY SCHEME 1954"

Copy of para. 3 kept in

38222/4

"LABOUR ADMINISTRATION LEGAL"

Copy of para. 4

REG. ON

38054/37

"INCOME TAX"

(PUBIC)

did not have as much profits as the Tanganyika growers.

5. Personnel.

He still hoped that it would not be necessary for Sir A. Wade to return to Kenya. He was tired and disappointed, and it would be better to have a fresh man. He did not think that Sir A. Wade himself was keen to go back. Could anything be found for him? I said that, although this was not a matter for me, I thought that the chances of anything suitable turning up were too remote to consider. On the alternative suggestion that Sir A. Wade might be induced to retire, I pointed out that Lord Francis Scott's reference to him as a disappointed man was itself conclusive against our making any move in that direction.

He told me, to my surprise, that he had heard this morning that Mr. Montgomery, Chief Native Commissioner, had retired and was coming home because of his wife's state of health. He suggested that Mr. Hosking, who has been acting as Commissioner of Lands, etc., would be admirable in his place, but recognized that it would mean much heart-burning among the senior men.

As regards the Financial Secretary, he asked if it would be possible to get Mr. Bayles back from Nigeria. I said that I thought that it would not be worth his while, as Mr. Sandford was not available at present. He said that the Deputy Treasurer, Mr. Beresford Stooke, was very highly thought of in Kenya. I said that I would make a note of what he said and

pass

pass it on to the appropriate quarter where I knew that the question had already been taken up. I am sending a copy of this to Sir G. Tomlinson. He also said that Mr. Woodlan, the new Solicitor-General, had created an excellent impression in the Colony.

6. Lord Francis Scott said that he had heard from Major Cavendish-Bentinck, who was disturbed by a judicial dictum in Tanganyika (in the case which preceded the coffee riots) to the effect that the act of a Native Authority was an act of Government. I said that I thought all that this meant was that when a Native Authority issues an order in pursuance of the powers given to it by the Native Authority Ordinance, it has the same force as a by-law issued under statutory powers by a municipality in this country. In any case, I did not see how any European interest was going to be affected.

Lord Francis Scott then went to Mr. Clouston to discuss the dairy control and meat quota questions, and also the plans for the working of the Colonial Milk Board.

Woods
29.9.37.

Many thanks for this note and for the full and useful memoranda by the E.A. Dept. on the various points raised by Lord Francis Scott. These, with the various files, are below, except that with regard to freehold tenure in the Highlands: I am sending on to the S. of S. the papers on that subject

in

Over
He has come home on a P. A. leave (his wife is 1/2 year dead) but there is no word of retirement V.L.W.P.

in order to make sure whether he wishes to send any reply to Lord Francis. The various memoranda had better now be registered for record on relevant files, and, if you agree, they can now be put by.

I think the right thing is to send a personal letter to the Governor at once, giving him the correspondence with Lord Francis, and a copy of your note of the 29th Sept., and I have dictated the draft herewith. Will you please revise the draft in any way you think desirable and I will ~~send~~ ^{then} let the S. of S. see it. I have cut out two things from your note which are not required in the copy sent to the Governor, but you may like to consider whether any other revision of it would be desirable, -e.g. the paragraph about Sir A. Wade under "Personnel". On the whole, I should be inclined to omit that paragraph because, so far as I know, there is no question of Sir A. Wade not returning to Kenya.

o e a l

5.10.37.

I agree to the omissions
- including the passage about Sir A. Wade &
have no other revision suggested

W.S.P.
6.10.37

o e a l

9.10.37

W.S.P.

14. To Sir Robert Brooke-Popham (5/6) (1/6 9.10.11 - note (i.e. memo
by Sir Robert Brooke-Popham) dated 29.9.37) 9/10/37

9
Extracts from this comm. & the relevant minutes have been placed in the appropriate files, as noted below No 13, & in the various documents.
? This can now be put by.

J.J. Pascoe

2/12

yes

J.S.W. How

11/10

stand

Ref: 9.11.13. *[Signature]*

C. O.

Mr. ~~Beals~~ 10.37

Mr.

Mr.

~~Sir H. Moore~~

~~Sir G. Tomlinson~~

Personal

X Sir C. Bottomley 5.10.37

~~Sir J. Stubbburgh~~

X Permt U.S. of S.

/10/37

~~Parly. U.S. of S.~~

X Secretary of State. W. S. 10.37
contn

s.o. for Sir C. Parkinson's signature.

Downing Street,

9 October, 1937

Dear Brooke-Popham,

I like to keep Colonial

Governors fully informed if I

have correspondence or talks with

unofficials who happen to be

over in this country, and so I

am sending you, for your own in-

formation, the enclosed copy of

correspondence with Lord Francis

Scott. As you will see, his

letter of the 1st September came

to me while I was on leave, and I

could only send a partial reply.

The point, however, which I most

wanted to make in that letter

was about the alleged unfriendli-

ness of the Secretary of State.

That

DRAFT.

Air Chief Marshal
Sir Robert Brooke-Popham, G.C.V.O.,
K.C.B., C.M.G., D.S.O.,
A.F.C.

From Lt. Francis Scott 1.9.37
To do. 5.9.37
From do. 13.9.37
Note by Sir C. Bottomley 29.9.37
(not concerned in present)

FURTHER ACTION.

Extracts reqd. on
38077/37 "EXECUTIVE CC"
38074/37 "INCOME TAX"
38341/37 "PACIFIC ISLANDS"
"LAND REVENUE"

That is patently absurd and I know that Lord Francis does not himself share the view.

Before I got back from leave, Bottomley was able to have a long talk with Lord Francis, and I enclose a copy of the note which he dictated after seeing him in the last week of September. That note, ~~really~~ ^{really} covers ~~everything~~ ^{else} raised in the letter which Lord Francis wrote to me.

But I got Lord Francis to come and have lunch with me on the 2nd October which was the day before he left for Kenya, and Bottomley came too. So we were able to have a general talk, and Lord Francis was, as I have always found him in the past when I used to deal with Kenya, very friendly. We did

C. O.

Mr.

Mr.

Mr.

Sir H. Moore.

Sir G. Tomlinson.

Sir C. Bottomley.

Sir J. Shackburgh.

Perm. U.S. of S.

Party. U.S. of S.

Secretary of State.

DRAFT.

FURTHER ACTION.

did not get down to any detailed discussion of any of his points, although we touched on some of them in a general way. I took the opportunity to repeat that any suggestion that Mr. Ormsby Gore was unfriendly to the settlers is utterly without foundation.

As regards the Executive Council, a change in which was made in accordance with the assurance given in connection with income tax, I said that I knew you did not feel that your hands were in any way tied as regards the selection of the fourth Unofficial Member who would ^{special} have ~~substantial~~ knowledge of native affairs. As regards income tax generally, I have confirmed from Mr. Ormsby Gore that he gave no undertaking that income tax would be introduced in Uganda and Tanganyika.

STATIONS
MELROSE
57 BOSWELLS } 3 Miles
TELEPHONE
57 BOSWELLS 27

23/9/37

PLEDSWOOD,
MELROSE,
SCOTLAND.

(13)

Dear Bottomley

So glad you can see me
on 29th. I had better tell you what I
want to discuss.

(1) Resolves in Council re White Highlands
& Native Reserves, & ordinances to clear
up Carter Commission's report.

Parkinson told me they are practically
ready, & I should be very grateful for any
information you can give me.

(2) The attitude of the Colonial Office towards
the new Innie for increased settlement
in Kenya. As you know part. are
appointing a committee to report on it.
Question of freeholding & publicity
come in to this.

(3) Squatters ordinances, & other bills dealing
with relations of master & servant. It is

felt in Kenya, by Officials as well as
unofficials, that 3 bills are not necessary
& one should be framed to cover it all.
This is a legal question really, but the
subject is clearer & simpler.

(4) Attitude of Colonial Office with regard
to dairy control bill & meat quota.
There seems to be some misunderstanding
about the former.

(5) Income Tax. There is an agitation about
this still in Kenya, & I enclose for your
information some literature about it.
As we have an election coming on, it is
put people like Cavendish Bentinck in a
difficult position.

(6) Personnel of Govt. Officials in Kenya,
e.g. new Finance Secy. I should like
to discuss this with you, with a view
to helping our new premier.

I want to talk to Claxson about the Colonial
Marketing Board.

Yrs sincerely
James Scott

TAXPAYERS 15 PROTECTION LEAGUE

New Body Formed in Kenya

Statement on Income Tax

It is announced on page 5 of this issue that a new organisation has been formed in Kenya called "The Taxpayers Protection League". The Constitution and Rules are set out, together with a membership application form, in an advertisement.

The organisers of the League issued to the "East African Standard" yesterday, with a request for publication, the following statement called "The Truth About Income Tax":

In December 1936 the Elected Members, by a majority, submitted to Income Tax because they were faced with what was tantamount to threats.

(a) That the Colonial Office would force it on to the Colony whether it liked it or not, and

(b) That if they did not agree the Colony would not be able to

(Continued on Page 8)

COFFEE CONFERENCE DELEGATES

Nineteen Districts to be Represented

BY 46 PLANTERS

The list of delegates to the Coffee Conference, (the name of the chief delegate appearing first in each case) is as follows:—

KIAMBU DISTRICT:

Mr. E. M. Gare, Kibubuti
Kiambu.

Mr. R. W. Barrett, Kiamara
Kiambu.

Mr. J. R. B. Armstrong, Ibonia
Kiambu.

Maj. S. Burrell, D.S.O, Broom-
hill, Kiambu.

Mr. C. E. F. Clennell, Farnham
Covert, Kiambu.

Mr. H. T. Wells, Bano, Kiambu.

THIKA DISTRICT:

Mr. James Smith, Bendor,
Thika.

Mr. E. J. Davies, Kisiwa, Thika.

Mr. F. P. Hvass, Wahinya,
Thika.

Mr. A. R. McLeod, Kathangi,
Mitubiri.

Co. J. A. Pottinger, Karakuta,
Thika.

Mr. G. D. Seccombe, Kiama,
Thika.

get any more loans from the Crown Agents:

As a result of this they proceeded to come to an understanding with the Government.

As far as can be ascertained, the terms of the understanding were that if the Elected Members, or a majority acquiesced in not opposing the Income Tax Bill the Government and/or the Secretary of State for the Colonies agreed or would agree:

1. To reconsider the reorganisation of Executive Council so as to result in the unofficial community being far more closely associated in the responsibilities of Government.

2. That there would be no further departure from the Moyné formula so as to result in increased non-Native direct taxation for the purpose of reducing native taxation or to support increased native services.

3. That in common fairness some sort of effective assurance would be forthcoming that if Income Tax was insisted upon for Kenya it would also be imposed on Uganda and Tanganyika Territory.

4. That the costs of collection would be approximately an additional £3,000 per annum.

5. That there would be a comprehensive readjustment of the fiscal system (see *Official Gazette* 3rd October 1936).

The Official method of carrying out the understanding would appear to be as follows:

1. Executive Council has been reorganised in such a way as to give Elected Members NO greater say in managing the affairs of the Colony.

2. There is no intention of honouring the Moyné formula any further.

3. There is no intention of enforcing Income Tax on Uganda or Tanganyika.

4. An Income Tax has been introduced which throws the burden of tax on to the shoulders of the European Settlers to the practical exclusion of all other races.

5. In order to collect this tax from about 1000 persons an Official organisation, the annual cost of which will greatly exceed the estimate, is being assiduously built up.

6. There has not been and

there is no possibility of any comprehensive readjustment of the fiscal system as there is no possibility of there being one until Uganda and Tanganyika have an Income Tax.

To sum up, this Colony has been, by misrepresentation and duress, forced into an apparent acquiescence in a tax which:—

1. Falls practically entirely on the European community to the exclusion of Asiatics, Arabs and Natives.

2. Can never be equitable in a Colony with a mixed community; the allowances being based on the European standard of living and applied to all races.

3. Is unwarranted.

4. To administer effectively will cost vast sums per annum.

5. Is a direct inducement to Asiatic immigration in that education for their children is practically free.

6. Is a direct discouragement to White Settlement.

7. Puts European Traders to a staggering disadvantage *vis-a-vis* their Asiatic competitors.

8. Is an additional handicap to ALL planters and producers in Kenya as compared with Uganda and Tanganyika Territory.

9. Will put ALL members of the community, both Official and non-Official, whether they have to pay the tax or not, to great trouble and expense in filling up forms, consulting accountants, answering the queries of the Tax Commissioner etc., and will involve endless litigation.

10. Can be increased indefinitely at the whim of the Colonial Office.

NOTE. An analysis of the figures given in the "*Official Gazette*" of 3rd October, 1936 shows that out of 15,534 Asiatics only 37 have incomes of £750 or over, so that with the scale of allowances in force practically speaking only 37 will pay the tax; out of 2,922 Arabs etc., only 3 will pay the tax; whereas out of 8,125 Europeans a minimum of 1,000 will pay. The above figures do not include Companies, of which the vast majority are European:

Percentages European not less than 12%, Asiatics not more than 0.24%, Arabs and others not more than 0.10%.

It is evident that the Colonial Office never had any intention of implementing their side of the understanding and that the sole reason for the Secretary of State's insistence on the introduction of Income Tax in Kenya was for political reasons at home and designed to curry favour with the Manchester School of thought and the India Office.

THE TAXPAYERS' PROTECTION LEAGUE.

CONSTITUTION AND RULES.

CONSTITUTION.

1. The name of the organisation is "The Taxpayers' Protection League."

2. The address is Stanley House, Hardinge Street, Nairobi.

3. The objects for which the organisation is established are:

(a) To seek by any and every means to get Income Tax Legislation expunged from the law of Kenya Colony.

(b) In the meantime to render all possible assistance to any person or persons or body corporate of Income Tax, thus giving effect to the words of Lord Tomlin in the House of Lords case on the 7th May, 1935, of *Inland Revenue Commissioner v. Duke of Westminster*:

"Every man is entitled if he can to order his affairs so that the tax attaching under the appropriate Acts is less than it otherwise would be. If he succeeds in ordering them so as to secure this result, then however unappreciative the Commissioners of Inland Revenue or his fellow taxpayers may be of his ingenuity, he cannot be compelled to pay an increased tax."

(c) To demonstrate by the publication and circulation of books, pamphlets, advertisements or otherwise the impracticability of any equitable application of Income Tax in Kenya Colony composed as it is of mixed races, and in particular to demonstrate the deleterious repercussions upon the farming and settler community and also the lower salaried employee who, whilst not directly affected by the tax at present, is gravely injured indirectly in his property, position, and prospects by the existence and imposition of an Income Tax.

(d) To work in liaison with, become members of or affiliate with any other organisation, society, or body of persons having the same or similar objects whether in Kenya or elsewhere.

(e) To do all such other things as are incidental or conducive to the attainment of the above.

RULES.

First Committee.

1. The first Committee shall be:

Mr. H. B. Hamilton, *Chairman*.
Mr. A. A. Lawrie, *Secretary and Treasurer*.
Mr. E. B. Gill.
Mr. W. T. Shapley.
Mr. H. F. Bargman.
Dr. J. R. Gregory.
Mr. E. C. Harrison.
Mr. S. A. Mortiboys.
Mr. G. Gwinnett Bompas.
Mr. R. G. Buckley.
Mr. D. Muter.
Mr. E. D. Rutherford.
Mr. G. A. Tyson.
Mr. E. Barret.

and shall have power to co-opt and to appoint Sub-Committees.

Membership.

2. Any person or corporation declaring to be in sympathy with the objects of the League shall at the sole discretion of the Committee be eligible for membership without entrance fee or subscription.

Powers of Committee.

3. The Committee shall have power to do all things and take all steps which they may consider expedient to carry out the objects of the League including the making, altering, or varying of the Rules and shall have power in their discretion to expel any member.

Meetings of Committee.

4. Meetings of the Committee shall be held on Friday of each week and on all such other days as may be deemed necessary. The quorum for such meetings shall be not less than five members present.

General Meetings.

5. General Meetings of the Members shall be held at such time and place as the Chairman or acting Chairman in his sole discretion may deem expedient provided always that any three members, or such lesser number (even one) as the Chairman or acting Chairman in the circumstances may allow, may require a General Meeting to be held by delivering to the Secretary a requisition to such effect whereupon such General Meeting shall be held at the earliest possible date at such time and place as the Chairman or acting Chairman shall decide. The quorum for such General Meetings shall be five members present.

Accounts.

6. The Secretary and Treasurer shall keep proper Accounts of all monies received and expended and such Accounts shall be open to inspection by the Committee at such times as they shall decide.

be ignored; perhaps you
can clear this up with
the SOF if he is in the
C.O. before the end of the
month? All these messy
records of discussion
with L.F.S. about income
tax or anything else?

I hope you will come
to lunch too on 2nd October.
We hope that you are
not too overburdened. Judging
by the press, Palestine
is going all right at
Geneva.

Do not attempt to answer
this letter, please.
Yours ever

Not acted
15/9/37

RECEIVED
NOV 1937
O. O. REG.

13/9/37

MILKLOUR.
PERTSHIRE

Dear Robinson
⁽¹⁰⁾ Thank you so much for
your letter. I am sorry to have bothered
you during your holiday, but it is
difficult to get hold of any one at the
Colonial Office, as Dumbly fore was at
Geneva, Duffren had his appendix out,
& you are on leave! I shall be very
pleased to lunch with you at the New
University Club on Oct 2nd at 1.15 p.m.
Thank you very much. I don't want
you to answer this letter again but
I must refer to some of the points in
your letter. My point about the feeling
in Kenya about Dumbly fore, is that I

good is come for the paper! Anyhow
I can assure you that there is prof-
to be a campaign against income tax
once more, & those of us who helped the
Sec^y of State last December feel we have
been let down, & may have to change our
standpoint. I am very glad to hear
what you say about the Carter report,
& Walsh. I shall not bother you
any more till Oct 2^d, & don't reply
to this. I shall try & see Clausen
& Bottonly in London.

Yours truly
Miss Swift

I hope you are having as good a holiday
as I am.

Copy

39, Barkston Gardens, S.W.5.

5th September, 1937.

Dear Lord Francis,

9
Your long letter of the 1st September has been sent on to me from the Colonial Office, as it was marked personal. But I am afraid that I cannot reply to it fully while I am on leave. I expect to be away until the 1st October: I see that you say you are leaving for Kenya on the 3rd October. Is there any chance of our being able to meet on the 2nd October, which seems the only possible date? Perhaps you would be able to lunch with me that day. As to seeing Mr. Ormsby Gore, I think you had better write either to Bottomley or the Private Secretary (Creasy) and see if you can fix a time between the 27th September and the 3rd October. As to the Colonial Marketing Board, the Chairman will be the Secretary of State: but you might well try to see Clauson (who is in charge of the Economic Department of the Colonial Office): he will be able to tell you about the Board.

You say that there is a feeling in Kenya - I take it that you mean among the European unofficials that Mr. Ormsby Gore is "unfriendly". I am glad to see that you also say that you are yourself sure that this is quite untrue. Of course it is untrue. I don't suppose there has been a Secretary of State who knew so much about the Colonies, who was so enthusiastic about them and tried so hard to do his best for them; why anyone in Kenya should

32

should suggest he is "unfriendly", I just cannot imagine. It takes all sorts to make a world and a good deal of rubbish gets talked by one sort or another: but if you do come across anyone in Kenya who tries to talk this particular kind of rubbish, do tell him - or her - to stop talking in that absurd way! True, Mr. Ormsby Gore has had plenty to do lately in connexion with Palestine, but please don't suppose that he does not give a thought to any of the other Colonies etc. It is only two months since I took over from Maffey and saw all the work at the top of the Office: I can assure you that in those two months Kenya has had its full share of the Secretary of State's time - except, of course, during the early part of August when he was actually at Geneva.

As to Walsh, the rumour you have heard is like so many Colonial rumours - quite untrue. A week or two ago a very highly placed ecclesiastic from overseas took the trouble to write to Mr. Ormsby Gore and say that as he understood that a certain Governor was moving, he would like to come and see Mr. Ormsby Gore before a successor was appointed. Not the shadow of a shade of truth in the story! and so it is with Walsh. He will retire at the end of his leave, and a week or so ago I wrote to Brook Popham as to arrangements for selecting a Financial Secretary to succeed him.

As to the Carter Commission legislation, there has been a lot of delay: I am sorry about that. But when I came away on leave, the Department were ready to go through the thing in detail with Harragin, and I hope that before long the draft Ordinances will be ready for publication.

13
publication. It is a complicated business.

[As to income tax, I know of no undertaking at all that if there is income tax in Kenya, there must be a similar tax in Uganda and Tanganyika. I know that the Secretary of State regards income tax in principle as entirely sound: but, as with so many things in Colonial administration, it is not to be assumed that what fits Colony X will necessarily fit Colony Y. The undertaking which I do know of is that if, owing to the absence of similar legislation in Uganda and Tanganyika, evasion takes place in Kenya, the neighbouring governments will certainly take steps to remedy that.]

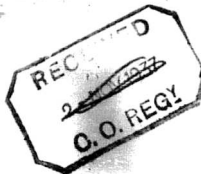
But I will not attempt to deal with all your points now - for one thing I should need official papers and help from the Department in one or two cases: for another I am on holiday and I should be happy to forget that there is such a place as the Colonial Office or such a thing as an official file!

You might let me have a note at the Colonial Office on 1st October to say whether I may expect to see you on the 2nd, if it suits you. I suggest that you come to the New University Club in St. James' Street at 1.15.

Yours sincerely,

(Sgd.) A. C. C. PARKINSON.

STATIONS 3 Miles
MELROSE
ST BOSWELL
TELEPHONE
ST BOSWELL 27.



Sept 1 1947
GLEDSDWOOD,
MELROSE,
SCOTLAND.

9

Dear Parkinson

You kindly said I could
let you if the occasion arose, & as there
are many matters in connection with Kenya
which have been brought to my notice,
I am writing this letter to you now.

I know the Sec^y of State is up to his neck
with Palestine & the League of Nations etc.
& so I am writing to you instead.

I myself leave for Kenya on Oct 3rd &
shall only be in London from Sept 27th
for that week, but I should very much
like to have an opportunity then of a
talk with you or the Sec^y of State, or
even better with both of you before I
go back to Kenya. I will now put down

The various matters which have cropped up chiefly at the last meeting of Leg Co, & in which the Col. Office can act.

(a). Three very contentious bills came up, all dealing with the relations between masters & servants. These were the Residential Native Labourers Ordinance, Employment of Servants Ordinance & Registration Ordinance.

Of these the first went through all its stages, & was agreed to after various different points of view had been met.

The other 2 were postponed for the next session as they had only been published a very short time. Now the point I want to make is that the feeling is strongly held in Kenya by both officials & unofficials, that there should be only one ordinance dealing with these subjects & not three. But there it is believed that

STATIONS
MELROSE
3 BOWWELL'S
3 Miles
TELEPHONE
3 BOWWELL'S

A

2
These 3 ordinances are produced at the order of the Colonial Office, chiefly to conform with various agreements at Geneva etc. Could you get this question gone into, & if possible have one comprehensive but simple ordinance devised to deal with the question? As Hamper is at home, perhaps you could get his views on this.

GLEDSDWOOD,
MELROSE,
SCOTLAND.

(b) The orders in Council regarding the White Highlands & Native Reserves as recommended in the Oroni Carter Report.
These have now dragged on for over 3 yrs, & we feel strongly that we are not being dealt fairly with in this respect. We have played the game by foot, so far as we are concerned, & have done our best to help foot. to get the boundaries etc. settled & have given up a considerable

amount of European land to help sort
 get the question settled. In doing this
 we have had to face a certain amount
 of criticism from our own people that we
 were being weak & giving in to the enemies
 of white settlement. We did it however
 on the strict condition that the Morris
 Carter report's recommendation that
 our lands should be reserved to us as
 safely as the native lands to them
 was to be implemented. This report accepted,
 & in the belief of Govt's good faith, we
 went ahead. When I saw the Sec^y of
 State about 3 months ago, he said he
 was just as keen as I was to get this
 matter settled, & Bottomley said they
 had everything in order except a map,
 which was being done by the survey dept.

STATIONS
 MELROSE
 5 BOWHEAD
 TELEPHONE
 51 BOWHEAD 27

Still however nothing has happened.
 Can you tell me when it
 will be done, as our people are getting
 very restless about this after waiting over
 3 yrs. In connection with this, is the
 important question of removing natives
 from European farms as recommended in
 the Report & which has been held up
 pending the order in council. There has
 been no controversy on this subject, as
 Govt, & ourselves agreed, but nothing
 is done, & in the meantime the position
 is getting worse. Round Linmore it is
 quite intolerable in places.]
 (c). If Kinya is to be properly developed,
 it is essential for us to have a big
 increase of new blood to fill up the
 Highlands. Govt. have appointed a committee
 to report on the best ways & means of

GLEDSDWOOD,
 MELROSE,
 SCOTLAND

17). Income Tax. I must warn you that you have by no means heard the last of this question. A quite powerful organization has been formed to fight it still, & is backed by money. You must remember that I & those acting with me accepted income tax in a modified way last year so as to avoid a first class row. We laid ourselves open to a great deal of criticism & unpopularity in doing so, & we did it on certain conditions. One was that we should have more say in fact in Sa. Co. Certainly Sa. Co. has been reduced, but instead of our getting a 3rd member, as I thought the Secy of State had agreed, though not necessarily a member of Ly. Co., the premier has announced his intention of choosing some one with particular

STATIONS
MELROSE (3 Miles)
STORWICKS
TELEPHONE
57 BORNHULL 27

98
GLEDSDOOD,
MELROSE,
SCOTLAND.

that part. accept our part of the bargain but do not implement their own part. The two big cases at the moment are the White Highlands, & Income Tax. If you could get these questions cleared up at once, it would make the task of cooperation much easier, & incidentally would help our premier very much. I have purposely accentuated these two questions, because I can assure you that feeling in Kenya is very strong. There can be no possible justification for forcing income tax on Kenya & not on the neighbouring territories. When the whole object of late has been closer cooperation between the 3 countries in all commercial & economic matters

(H). Income Tax. I must warn you that you have by no means heard the last of this question. A quite powerful organization has been formed to fight it still, & is backed by money. You must remember that I & those acting with me accepted income tax in a modified way last year so as to avoid a first class row. We laid ourselves open to a great deal of criticism & unpopularity in doing so, & we did it on certain conditions. One was that we should have more say in part. in S.A. Co. Certainly S.A. Co. has been reduced, but instead of our getting a 3rd member, as I thought the Sec^y of State had agreed, though not necessarily a member of it, the premier has announced his intention of choosing some one with particular

STATIONS ARE
MELROSE
57 BUSHMILLS 3 Miles
TELEPHONE
57 BUSHMILLS 27

GLEDSDWOOD,
MELROSE,
SCOTLAND.

that part. accept our part of the bargain but do not implement their own part. The two big cases at the moment are the White Highlands, & Income Tax. If you could get these questions cleared up at once, it would make the task of cooperation much easier, & incidentally would help our premier very much. I have purposely accentuated these two questions, because I am aware you that feeling in Kenya is very strong. There can be no possible justification for forcing income tax on Kenya & not on the neighbouring territories. When the whole object of late has been closer cooperation between the 3 countries in all commercial & economic matters

Customs, railways etc. I think you must
admit that this is reasonable. *
My last point is about personnel, there
is no doubt that our official records
in Kenya have been very weak of late,
& we all hoped that the opportunity
would have been taken of the Poin
reorganization to strengthen us. Unfor-
-tunately you have decided to give Wade
another tour, which I think is a pity,
as he is a tired disappointed man, &
as such is unlikely to have any initiative
with which to help the program. I say
this in no spirit of antagonism, as I
have always liked Wade, but I don't think
now he is the right man there. I am
glad that Pulling will be acting as he
is a good man, but there again he is
just waiting to move on to St. Helena.

5
99
STATIONS
MELROSE 3 Miles
ST BOWWELL
TELEPHONE
ST BOWWELL 27
Knowledge of nature, as well as an
Indian. That definitely
ties his hands, & limits him to having
some quite useless "yes, yes man" on
the side who is merely a fort. equivalent.
On that point we have not got any
advance. Our second contention was
that the basis of the O'Byrne report
E. should not be departed from in
respect to money devoted to direct
native benefits. That I hope will be
stood by. Our third point was that
it is seriously unjust to penalize
the Europeans (because practically
speaking no one else pays income tax)
in Kenya by forcing income tax on
them, & not having income tax in
the neighbouring territories. We realized
it could not be put on for 1937, but the

Sec^y of State certainly informed
 Cavendish Dentrick when he was at home
 that he intended introducing income tax
 everywhere in 1938, as it was the policy
 of the Imperial part. Now we hear from
 premiers of neighbouring territories that
 they are not going to have income tax
 there at all. Under these circumstances
 we have been ^{people are saying} deliberately ^{that} tricked, & the
 opponents of income tax will have a
 very strong case, which will undoubtedly
 carry much weight, & we who helped
 part. will be let down. As the financial
 state of Kenya will not need the money
 found from this source, the opponents will
 have a strong case. If you don't mind
 my being blunt, the chief cause of
 complaint we have in Kenya, is that when
 we agree to something if the part. do
 something in return, it always works out

2

STATIONS
 MELROSE 3 Miles
 9 BOWMILLS
 TELEPHONE
 91 BOWMILL 27

I should have liked
 to have got Sandford or Dutton
 straight away. What however is much
 more serious is that I hear rumours
 that Walsh is to go back after all.
 When I saw the Sec^y of State 3 months
 ago, I understood from him that we
 were definitely to have a new man,
 so I hope the rumour is not true. I
 hear from Kenya how very well Desmond
 Stooke has done as acting treasurer, &
 shown up very strongly in comparison
 to Walsh. Another who has done very
 well is Willan as acting A.G. These 2
 & Hooking are the bright spots on the
 part. side at the moment.
 Please forgive me for writing this very long
 plain spoken letter, but I feel that unless

GLEDSWOOD,
 MELROSE,
 SCOTLAND
 17th

I write quite frankly it is of no use to
you. In Kenya a feeling is growing that
the Sec^y of State is unfriendly which I
am sure myself is quite untrue, but
do get rid of the matter on which they
form this opinion. I expect the truth is
that he is too busy with Palestine to
attend to our affairs, but of course that
excuse does not appeal to people in Kenya!
With many apologies.

Yrs sincerely

James Scott

Wry

831

GOVERNMENT HOUSE,
NAIROBI,
KENYA.

RECEIVED
17 MAR 1937
C. O. REGY

5th March, 1937.

Dear Flood,

Thank you for your letter of the 25th February enclosing a copy of the Secretary of State's letter of the 22nd to Lord Francis Scott which I have read with very great interest.

5

At present we are all co-operating to capacity and the new Governor will arrive in a friendly atmosphere and will receive a very warm welcome.

Yours sincerely,

Arncliffe

J. E. W. FLOOD, ESQ., C.M.G.,
COLONIAL OFFICE,
DOWNING STREET, S.W.1.

7

25th February, 1937.

Dear Sir Robert,

The Secretary of State has been having some correspondence with Lord Francis Scott about things in Kenya at large, and he thinks that you would like to have a copy of his last letter to Lord Francis, which will serve as a sort of guide to show the direction in which the Secretary of State's mind is working. I enclose it herewith.

Yours sincerely,

(Signed) J. E. W. FLOOD

AIR CHIEF MARSHAL

SIR ROBERT BROOKE-POPHAM, G.C.V.O., K.C.B.,
C.M.G., D.S.O.

DOWNING STREET.

25th February, 1937.

Dear Wade,

The Secretary of State has been having some correspondence with Lord Francis Scott about things in Kenya in general and he thinks that you may like to have a copy of his last letter to Lord Francis. Accordingly I send it herewith. You will see that it gives a sort of general indication of the way in which the Secretary of State's mind is working, and it therefore may be useful to you.

Yours sincerely,

Signed J. E. M. FLOOD

A. de V. WADE, ESQ., C.M.J., O.B.E.

very good copy 20-2-37

G. O.

For the Secretary of State's signature.

Mr. Flood.

Mr. -

Mr.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Permt. U.S. of S.

Parly. U.S. of S.

X Secretary of State.

DOWNING STREET.

22

~~21st~~ February, 1937.

Dear Francis,

WJ 20.2.37
(1)+(2)

I am very grateful for your

two letters of the 29th of January

and the 1st of February. I feel

bound to express my own sincere

gratitude to you for the efforts which

you have made in the cause of peace in

Kenya. I am sure that you, as well

as I, feel that what is wanted in Kenya

is a respite from the eternal worrying

and bickering that has been going on.

I gladly recognise that you have done

your utmost in this direction and I

shall do my very best here to avoid

giving occasion for the malicious to

scoff.

At the same time I think

that you would admit that some people

such

DRAFT.

LORD FRANCIS SCOTT.

AIR MAIL

Copy to A. de V. Wade 2572.
Sir R. Brooke-Popham

FURTHER ACTION.

Copy to be made
for Sir R. Brooke-
Popham
Copy sent
23/2/37

such as Grogan, cannot be convinced. They have gone on for so long on the theory that ~~the Secretary of State~~ and the Colonial Office are villains who cannot be trusted and are only anxious to dictate and overrule people in Kenya, that it has become an article of faith with them and nothing that can be said or done, and no assurances that can be given, will have any real effect. What we have to do is to look rather to the majority of the European population and endeavour to let them see that I am not intending to be dictatorial or unreasonable.

I want to get away from the idea of there being various opposing factions each trying to "score off" the other. There must be a common interest

I have no intention and think it a mistaken policy to attempt to govern any Colony, least of all Kenya, from Downing Street.

If I did there would be no need to appoint a Governor. It is, however, necessary that I should exercise that ^{degree} control which is reposed in me owing to my responsibility to Parliament, but I ~~should~~ ^{hope to} endeavour to

exercise

C. O.

Mr.
Mr.
Mr.
Sir C. Parkinson.
Sir G. Tomlinson.
Sir C. Bolton.
Sir J. Sturges-Bourne.
Parl. U.S. of S.
Parl. U.S. of S.
Secretary of State.

I kept a close personal control over all telegrams and despatches sent out from here to Kenya, more perhaps than in connection with any other colony, and Grogan's suggestion that I am merely a rubber stamp is just a — lie.

FURTHER ACTION.

exercise that control without doing violence to anyone's feelings. There is, however, a corollary to this and that is that the unofficial community in Kenya, whether European, African, or Indian, should equally refrain from trying to ignore the local Government and appeal direct to me. The Government of Kenya is in Nairobi, not in Downing Street.

Of course Grogan and his friends will not believe this, and every time that they start a fuss which gets into the Press and gets to this country, they are simply spoiling their own case, because if action has to be taken in response to things done here it means that the local Government is put into the background. It is, I suppose, inevitable that people who are ready

to

to make wild statements should go on making them, and it is quite impossible for me to contradict them in advance.

But while I say that the Government of Kenya must be ⁱⁿ ~~at~~ Nairobi, that does not, I trust, debar me from expressing my opinions. In expressing an opinion, I think it is entitled to consideration, but I have no desire that my opinion, based, as it is, on the information which I have got at a distance of some thousands of miles, should be regarded as an unalterable law. For example, when I received the Pim Report it was obviously necessary that I should state what my impressions were, but in my *carefully considered* despatch on the subject I was very careful to say that I had no wish to fetter local discussion or to seem to pre-judge any recommendations which the Colonial Government might make in regard to Sir Alan Pim's proposals. Similarly, if, in my opinion, your local orators are taking a mistaken view of things, it is surely necessary that I should endeavour to set them

right

C. O.

Mr.

Mr.

Mr.

Sir C. Parkison.

Sir G. Thompson.

Sir C. Bellamy.

Sir J. Shackburgh.

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State.

DRAFT.

FURTHER ACTION.

30
right. If I did not do so, I should be exposed to the charge of allowing them to continue in honest mistakes which, in process of time, would come to be believed. The case of ^{Philip} ~~Lord~~ Swinton's despatch of July, 1933, is in point. ~~Lord Swinton~~ ^{Mr} had no intention of giving any pledge to the effect that the people of Kenya should choose their own taxation. What he did say was that if there were two alternative methods, then the one which was preferred by local opinion should be adopted, which seems to me to be an obvious statement of a very obvious fact.

As regards the matter of income tax and the agreement which has been reached, I think you will find that in agreeing to the compromise I was, in fact, not agreeing to a

one-sided

one-sided arrangement. If I had been
the ruthless dictator which I am represented
to be I should have insisted upon the adoption ^{forthwith}
of Pim's recommendation for reducing the
taxation on plural huts, ^{etc.} I have ~~also~~ agreed
to invite the new Governor to go into the
question of the composition of the Executive
Council, and I hope he will be able to
produce something which will make for a
better instrument of government. It is,
however, essential to remember that, ~~like~~
~~the Legislative Council, and indeed more so,~~
the Executive Council is ^{an} ~~an~~ advisory
body, advisory to the Governor who ^{has power}
to over-rule it if he sees fit. ^{in his personal judgement}

Now with regard to some points
raised in your letters. I certainly did
think that the leave rules would not cause
any trouble. I might perhaps explain that,
owing to an ancient Act of Parliament, ^{by which I am bound} it is
necessary that all leave rules made for
Colonies should purport to be made by the

Secretary

C. O.

Mr.
Mr.
Mr.
Sir C. Parhinton.
Sir G. Tomlinson.
Sir C. Botsmanley.
Sir J. Shackburgh.
Parat. U.S. of S.
Parity. U.S. of S.
Secretary of State.

DRAFT.

FURTHER ACTION.

Secretary of State for the Colonies,
which accounts for the phrase at the
beginning that the rules have been
approved by the Secretary of State.
Now on this question, as you must know,
there has been a lot of talk for years,
and a Committee, over which Plymouth
presided, went into the subject of
leave and passage conditions generally
throughout the Colonies, endeavouring
to frame rules which might be capable
of more or less general application.
It turned out that the rules, as finally
settled by them, would cause increased
expenditure in Kenya, and therefore the
Kenya Government has not adopted them.
It ^{could} ~~would~~ not be fair to preserve
indefinitely the emergency conditions
imposed on the Kenya Civil Servants in
1932, and to do so might seriously
interfere with my aim of getting as
good men as I can to serve in Kenya.

Since

(as actually issued)

Since the Kenya regulations made, in fact,

very little difference, I can understand

that the local Government did not ^{think it necessary} proceed

to consult the unofficials ^(before) though I cannot

^{they might well have done so.} understand why they omitted to do so. We

certainly, ^{naturally} that as I and all my advisers

thought they would.

I fully agree with you that the

multiple hut question will need a lot of

investigation. That is obvious to everyone.

It may be found that when native taxation

comes to be looked into, the loss from reducing

the tax on the multiple huts will not prove so

great as was expected, either by Pim or by

the local people, but I should warn you that

it is one of the things out of which a great

deal of capital is made here by those people

who appear anxious in the name of peace and

justice to ferment disorder and racial strife

in Kenya. As you know, Parliament takes a

^{quite} ~~low~~ disproportionate interest in Kenya's

affairs, especially as regards native policy ^{and administration,}

and

G. O.

Mr.

Mr.

Mr.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Dighton.

Sir J. Shackburgh.

Permt. U.S. of S.

Perly. U.S. of S.

Secretary of State.

DRAFT.

FURTHER ACTION.

and that is one of the things over

which I must exercise very careful

^{control.} control. If that fact is once

recognised, then I think that real

co-operation between unofficial and

official in the proper handling of

the native questions in Kenya can be

secured, but it must be borne in

mind that the policy of Government

^{of which I leave to depend in the House} which I may be asked to approve,

must be like Caesar's wife, above

suspicion. This question of the

plural huts will, I know, be

considered ^(in Kenya) during the current year.

I have stated that I attach great

importance to it, and so I do, but

that fact must not be taken as

indicating that I have made up my

mind and that I am not prepared to

listen to the considered views of

the Government of Kenya, which,

for

(as actually issued)

Since the Kenya regulations made, in fact,

very little difference, I can understand

that the local Government did not ~~proceed~~ ^{think it necessary}

to consult the unofficials, ^(supposed) though I cannot

~~understand why they omitted to do so.~~ ^{they might well have done so.} We

certainly, that is I and all my advisers

actually
thought they would.

I fully agree with you that the

multiple hut question will need a lot of

investigation. That is obvious to everyone.

It may be found that when native taxation

comes to be looked into, the loss from reducing

the tax on the multiple huts will not prove so

great as was expected, either by Pim or by

the local people, but I should warn you that

it is one of the things out of which a great

deal of capital is made here by those people

who appear anxious in the name of peace and

justice to ferment disorder and racial strife

in Kenya. ^{owing to the history part} As you know, Parliament takes a

^{quite} ~~lot of~~ disproportionate interest in Kenya's

affairs, especially as regards native policy and administration,

and

C. O.

Mr.

Mr.

Mr.

Sir C. Parkinson.

Sir G. Tomlinson.

Sir C. Bottomley.

Sir J. Stuckburgh.

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State.

DRAFT.

FURTHER ACTION.

and that is one of the things over

which I must exercise very careful

watch control. If that fact is once

recognised, then I think that real

co-operation between unofficial and

official in the proper handling of

the native questions in Kenya can be

secured, but it must be borne in

mind that the policy of Government

*& which I have to defend in the House
of Commons*

which I may be asked to approve,

must be like Caesar's wife, above

suspicion. This question of the

plural huts will, I know, be

^{in Kenya} considered during the current year.

I have stated that I attach great

importance to it, and so I do, but

that fact must not be taken as

indicating that I have made up my

mind and that I am not prepared to

listen to the considered views of

the Government of Kenya, which,

for

for this purpose, includes unofficials as well as officials. I ^{am} ~~fear~~, however, that in view of the repeated references to the burden imposed by the present system, some alteration in native taxation must come along sooner or later. Pim has recommended a thorough enquiry, which he says will have to last ^{for} ~~two~~ years, with a view to devising something better than the present system, and I think that will have to be done. If it is not, ^{there may be trouble} ~~I do not see how I can well resist~~ demands in Parliament and out of it. What I want is a more equitable and more scientific system of native taxation not based between native and non-native communities but between native & native on the basis of real ability to pay.

This brings me to another point on which I think that a good deal of local opinion, official as well as unofficial, has been mistaken. That is the Moyne formula. When Moyne made his enquiry he formed the opinion that the native community paid more in proportion to their resources than the other communities in Kenya. He was afraid lest too much of the revenue derived from the natives should be diverted to non-native services

by various people

In addition to the plural but reduction

C. O.

- Mr.
- Mr.
- Mr.
- Sir C. Parkinson.
- Sir G. Tomkinson
- Sir C. Bottomley.
- Sir J. Shuckburgh.
- Perm. U.S. of S.
- Parly. U.S. of S.
- Secretary of State.

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FURTHER ACTION.

services, and he therefore suggested that half the revenue derived from native direct taxation should be earmarked for the four direct native services. He nowhere said that this half ^{of} the direct taxation was to be a maximum. The fact that he meant it as a minimum is clear from his report if it is read as a whole, and indeed it is difficult to see how it could be otherwise. As Kenya develops it will be inevitable that the native services must go on increasing and the best justification will be this, that by the increase of those services native production and prosperity will increase also and thereby the native population will make an increasing contribution towards indirect revenue ^{of the country as a whole.} It must be remembered that the native pays indirect taxation as well as direct. I do not, of course, suggest that he pays as

much

much proportionately as the European,
but he certainly pays some and the amount
he pays may be expected to increase. ^{in Kenya} Anyhow,
half the direct taxation is not at all a
suitable amount as a maximum limit, and if
competent observers are of opinion that
native taxation should be reduced in various
directions, then it follows that half the
proceeds of direct taxation must fall short
of the amount required for essential native
services. ^{Sum of all the receipts from direct taxation}
~~It will be made up from indirect~~
~~taxation and in any event there is no good~~
reason why the proportion of direct native
taxation devoted to the four main services
should not be increased with returning
prosperity.

I do not want to say more on
this subject at present, because there will
undoubtedly be argument over it, and even in
correspondence like this I don't want to seem to
pre-judge the issue, but I am pretty certain
^{will be found to be}
my view is the correct one. Now with regard

to

C. O.

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FURTHER ACTION.

to the income tax. I have said in
public that I think income tax is a
^{and equitable}
sound form of taxation. I still think
so, and I think it is one which can be
quite well applied in East Africa. It
by no means follows that the rates of
taxation or the allowances or such points
of detail ought to be the same as in
this country, or even as proposed in the
Bill published in Kenya last October.
I have agreed to the modified form of
income tax to produce a smaller sum, but
I have not yet seen what exactly is
proposed in this direction. That is
essentially a matter on which discussion
in the Legislative Council will be of
the greatest value and in which I hope
agreement can be reached. I also
hope that when the thing gets working
it will be accepted as part of the
normal system and that experience will
show that it is equitable in itself

and

and brings in a reasonable amount of revenue
without undue hardship, ^{to any individual.} With further
experience it will be possible to decide
what rates are proper for the ^{circumstances} servants of
Kenya.

As you say in your last letter,
if the unofficials are to work amicably with
the local Government, it requires give and take,
and as you very justly point out, the giving
ought not always to be on the one side. Yet
if co-operation is to be maintained, it must
be based on intelligent understanding and, in
particular, I hope that the more reasonable
element will not allow themselves to be led
astray by the extravagant language of the
extreme faction, and further, that they will
have the moral courage to point out to the
extremists the error of their ways, I am
repeatedly informed that moderate opinion
does not support this, that, or the other, but
so long as moderate opinion remains dumb and
does not express itself, either in note or

in

*I think Govt. has given about
as much as it has taken*

*to the Colony committee
and the example
they are setting to
the educated native
if not to the natives as a
whole.*

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in speaking, what view am I to take?

I know full well how difficult a

task it is to preserve a judicial

calm in the middle of political

controversy, but I hope there will be

some attempt at it in Kenya. If

so, we can get somewhere, and I am

glad to think that the new Governor

will start in an atmosphere of more

or less ^{tension.} ~~calm.~~ ^{you}

*new Governor is neither
a politician nor Colonial
devil servant. He goes
out with very high ideals
of public service, simplicity
and uprightness of
character, universally
popular in the many
responsible posts he
has held with distinction
in the service of the Empire,
& I am sure that politicians
and the press will give
him a decent chance.*

W. Maitland Gore

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As I am going on leave, I venture to suggest that the reply should include

(a) making the point that the compromise was not a one-sided sacrifice. In particular the postponement of the question of taxation of multiple huts was a great concession. It can only be a postponement;

(b) stating the true faith about Lord Moyne's policy on native services;

(c) pointing out that native questions such as these are, for the Secretary of State, essentials and that co-operation can only be firmly established if that is realised.

(d) On income tax, it is not desirable to imply that it will stay as it is. The Secretary of State might say that he is confident that experience will show people that it is a good thing and that the generality will learn to disregard talk of "shackles" from those who, having most to tax, most dislike being taxed.

I am rather scared of cooperation unless it is based on understanding.

W.C.S. 9.2 37

Feb 1st

Debraane Royce 43

Dear Billy

I must answer at once your very friendly & nice letter. You have indeed reaped what you sow on my head! As I wrote a few days ago, the agreement has gone through pretty well, & I have found out that the local post. was K. Lane about the change of leave conditions. It is not so much the alteration, though personally I consider them unnecessary, as the fact that while the full examination was held previously in these conditions & agreed to by both officials & unofficals, this time the alteration was published in the press without any discussion or information to us at all. With regard to the income tax question. You have a wrong impression if I have made you think I am not satisfied with the compromise. I would not have signed acceptance if I had not been satisfied.

REC
MAR 3 1943
P.O. REC.

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though I still think that you would have
 been wiser to leave it over till it could
 have been applied through all the territories
 as it must work unfairly on Kenya till this
 is done, just as Calder explained at Geneva
 that it would have applied unfairly on
 Tanganyika. However I have carried the
 vast majority of the country with me in this
 controversy but Progan & his allies mean
 to continue their fight, & so I do hope
they will get no more ammunition from
the Colonial Office, as their only popularity
 is "dictation by the Sec^y of State." You say
 we have won most of the points, whilst
 Progan & Co say we have sold the pass &
 let down every one! But it is the
 weakest action on our part in the history
 of the Colonial Empire etc. I believe he
 said some very nice things about you &
 me, & that in his speech at Nairobi since

were not reported in the press. What I am
 working for is a new future when we
 may all be able to understand each other
 & work together amicably. This so-called
 compromise is the first step in that
 direction, & in my view it is all important
 that we should carry on in a new
 atmosphere, & I am sure is your
 view too. I had a talk to de la Warr
 3 days ago. I liked him, & had never met
 him before. I explained as well as I could
 this same point of view. He told me he
 was very favourably impressed by what he
 had seen in the very short time he was in
 Nairobi, especially with regard to native opinion.
 He may make a very refreshingly outspoken
 statement about Kenya - & I am
 sorry if I went too much off the
 deep end in my letter, but I am so keen
 on getting a better understanding of all round,

9.

That it seemed a bit hard to have a new instance (as it seemed at the time) of the C.L. Office overruling us, just when I was preaching that you meant well & us, & could be trusted; Whilst Grogan was saying we were spineless fools to believe that any one in the Colonial office could ever be trusted at all! However I am still optimistic, & believe we have made a really good start - on the road of genuine cooperation. The question of multiple huts requires a good deal more consideration if we are to arrive at a fair rate of tax. Actually it is the only way in which the richer natives get taxed at all in proportion to their wealth, as in most cases the extra huts are a definite sign of wealth as you know. So many goats = a cow, so many cows = a wife, & a wife = increased cultivation & wealth.

On the other hand the support of aged women is not an asset. Abolition altogether of a tax on multiple births is an incentive to polygamy! This is really a line to say I want to work amicably with you & the local part, but it requires give & take, & better experience has shown in the past that we always give & the natives always take. I shall be home towards end of April & Silca in March.

Yours
 Dennis Scott

How does Pin reconcile his proposals with Thynes' analysis? Does he suggest that native services should be untaxed, as it is manifestly unfair that Europeans should be increasingly taxed, so as to let off the better off natives & still provide them with increased

services. He never attempted to tackle the
 side of the problem. There is no doubt that
 the natives are much better off today than
 they have been for ages, & probably ever,
 & in fact are better off proportionately
 than the Europeans who have so much
 leeway to make up. This is not just
 my opinion but that of the C.N.C.,
 & other responsible officers of fact who
 have had far better opportunities of forming
 an opinion than Pen had whilst "he
 passed by"!

F/S

29.5. Nicholson & Demays are staying here.
 I like them both, even what they tell me they
 seem to be on the right lines with regard to
 Makereve, & their commission should be
 able to help in putting it on a sound basis.
 If so it will have a big effect on the future
 political development of East Africa, when the
 time comes that Native Africans will demand
 a share in affairs.

29/5

E Borboi Nairobi 49
22.1.37. La

My dear Flood

This sort of thing (from today: E.A. standard)
is what the Kenya official is accustomed to; but it's
the first time that such notice has extended to the
C.O.

If I meet Signifer I'll bite his neck.

Tm. 

The newspapers and views-papers which now arrive such irregular and lengthy intervals by surface mail—I believe that is the curious but correct term—are full of the preparations for the Coronation. Most of us in Kenya will see the Coronation on the films and hear it by wireless; and probably see more and hear more than many of those who are present. And His Majesty's broadcast message will bring the Empire closer to this than to any previous Coronation. The announcement that Lt.-Col. Dunstan Adams has been chosen to represent Kenya's rather nebulous forces has been received with widespread pleasure. That he well deserves the distinction needs no emphasis from my pen for he has rendered great service to Kenya under very trying conditions. As a citizen and as a soldier Lt.-Col. Dunstan Adams has won the respect and affection of a wide circle of friends; and his quiet and charming manner cannot fail to gain further regard for Kenya's military representative.

In the world of politics the Elected Members are gaining the support of the farmers for this so-called compromise. If the commodity markets maintain their present bouyancy I hope that many farmers will pay diluted Income Tax. I wish there had been less emphasis of compromise and more emphasis that the Colonies never reach responsible estate save despite the Colonial Office. And still more emphasis that the economic stability of White settlement is an essential prelude to constitutional advance. Pleas for varied forms of agricultural assistance—however amply justified—and requests for greater financial responsibility are not good companions. In any case every rational man hopes for a new era of greater co-operation and understanding between all sections of the community of Kenya. But I wish that the permanent staff of the Colonial Office had more practical experience of our problems. Secretaries of State and Under-Secretaries of State are very busy men and Kenya is a small unit in the Colonial Empire. In consequence the permanent staff must exercise considerable influence on matters which gravely effect the weal and the future of Kenya. A reference to the Colonial Office list indicates that the gentleman who is at present in charge of the Kenya section has limited experience of Africa. In 1916 he acted as Secretary to an Edible Nuts Committee and 10 years later he was Vice-Chairman of a Colonial Advisory Medical and Sanitary Committee. After that any attempt at humour would be a sorry anti-climax.

1947



Mr C. B. ...
Sept 6 ...
with Mr ...
to advise reply

RECEIVED
3 MAR 1937
C.O. REG.
MUTHAIGA COUNTRY CLUB
NAIROBI
KENYA COLONY


Dear Billy
Since writing to you last, I have
traced most of the country on the subject of
what is called the "compromise" over income
tax. I have found overwhelming support for
the action we took, but at the same time
deep resentment at what is considered the
"arbitrary dictation" of Downing Street. In
fact the opponents, i.e. Progan, Wright, & Co.
have got the support of many on this very
point, which they would not have got on
income tax alone. There is a body of people
completely die hard on the question of income
tax, consisting chiefly of the well off part
of the Nairobi businessmen, lawyers, accountants,
~~business men~~ etc, & they do not mean to let
the matter drop, but to go on fighting when the
bill appears. Those of us who have agreed to the
compromise, for the chief purpose of attaining

2-15

political peace, do deserve ~~any~~ support & assistance you & the Colonial Office can give us; because the battle is really whether you are out to help us or not. Progan & Co. say we are silly mugs to believe a word you or any one else says, & that you are just chucking away at our naive attitude, & merely mean to put further shackles on us. I have argued that you are a friend of Kenya & mean to help, & have given practical demonstration by your choice of our new governor & by your instructions to the new governor about En. Co. The policy of myself & my supporting colleagues is that we must try & get rid of political rows between ourselves, between us & the local port, & between us & the Colonial Office, so that we can all work together for practical economic reconstruction. I do hope you will help us in this respect, so that we can prove that we have been right, that you do ~~not~~ want to help, & that Progan & Co. are wrong. Anything which works in the opposite direction, gives ammunition to Progan & Co. - weakens my position, & if the country was to turn against me, or I was forced

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END

TELEGRAMS: COUNTRY

 myself to come out against you, all that we have worked for - prospered politically & good deal for, will go by the board. I spoke to Wade yesterday about the attention in leave services, & I find that the local port are more to blame than you, as they could easily have consulted with us, before they published that despatch, which read as if you had dictated over the local port's head. This has been brought up at nearly all my meetings. I am going to meet de la Ham this afternoon & have a talk, & I hope I shall be able to explain things better than I have done on paper. You may not realize that this so-called "compromise" has averted a first class political row here, which would have put back all hope of true cooperation, & would have started Brooke Popham on a bad wicket. Progan does not believe in any cooperation, or that we should have any responsibility in port, but

believes in perpetual opposition, so that he can say
what crooks & idiots everybody is who disagrees
with him. I believe that our only hope is
real cooperation, but it must be two sided
& not both here & in London must give us
credit for a genuine desire to be helpful &
constructive. Dyson never did.

The "White Highlands" question still hangs fire.
If that could be satisfactorily settled, it
would do an immense amount of good. The
best thing would be if the new Governor could
start off with that in his pocket. I
have tried to help here over exchanges of land
so as to get boundaries fixed & land for
Sunnatters etc, & Stockton on the Scot. side has
also been most helpful.

The whole gist of this letter is to plead for
understanding & help, so as to prove our policy
of "give & take" & reasonable cooperation
sound, & not to give ammunition to progas
in the opposite respect.

J. J. Swett