

FOREIGN AFFAIRS

UNITED STATES OF AMERICA.  
DEPARTMENT OF STATE

DOCUMENTS RELATING TO VOLTA  
DAM PROJECT

Vol. 1



- Enclosures
1. Four copies Volta Dam Circular No. 1
  2. Four copies Volta Dam Circular No. 2
  3. Four copies Volta Dam Circular No. 3
  4. Copy of National Aeronautics and Space Administration report on Volta Dam project, dated 12/15/54
  5. Copy of National Aeronautics and Space Administration report on Volta Dam project, dated 12/15/54

Copy to Legation

J. S. Sartell, Jr. / [Signature]

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ACTION COPY - DEPARTMENT OF STATE

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1955

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845k.2614/9-2951

FOREIGN SERVICE DESPATCH

FROM : American Consulate, ACCRA.

105  
DESP. NO.

September 29, 1951  
DATE

TO : THE DEPARTMENT OF STATE, WASHINGTON.

AIR POUCH  
PRIORITY

REF : Consulate's despatch no. 102, September 27, 1951.

SUBJECT: Volta River Scheme.

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There are enclosed four copies each of two sets (Nos. 1 and 2) of Volta River Circular, prepared by the local government, concerning the Volta River Scheme, which it is felt will be of interest to the Department and other interested U.S. Government agencies. The issuance of such circulars (considered strictly confidential by the British) has now been suspended and the Consulate has reason to believe that it will become increasingly difficult to continue to obtain information of interest in regard to the Scheme. However, the enclosure to the despatch under reference, which is regarded locally as secret and most important (obtained only through skillful maneuvering by the Consul), and enclosures to this despatch should provide valuable data for the Department and the other agencies.

Also enclosed are four copies of a local Government press release, entitled The Volta River Project, a statement on the Volta Scheme made to the Legislative Assembly on last August 21 by the Ministerial Secretary to the Minister of Development, copy of a newspaper article from the Ashanti Times, September 11, entitled "Halcrow's Report Will Support Nkrumah's Faith." With regard to paragraph five of the latter news article, dealing with the West African Aluminium Company, Ltd., attention is made to the Consulate's despatch no. 106, of this date, outlining certain facts and figures in regard to the said concern.

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116  
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*J. R. Bartelt, Jr.*  
Hyman Bloom  
American Consul.

- Enclosures: ✓ 1. Four copies Volta River Circular No. 1
- ✓ 2. Four copies Volta River Circular No. 2
- ✓ 3. Press Release (four copies)
- ✓ 4. Copy of Statement on Volta Scheme made to Legislative Assembly - August 21, 1951.
- ✓ 5. Copy of newspaper article from Ashanti Times, Sept. 11, 1951

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Copy to Lagos.

J.R.Bartelt, Jr./jab  
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Enclosure No.4 to Despatch No.105, dated September 29, 1951,  
from the American Consulate, Accra, Gold Coast.

STATEMENT ON THE VOLTA SCHEME MADE TO THE LEGISLATIVE  
ASSEMBLY ON AUGUST 21, 1951, BY THE MINISTERIAL SECRETARY  
TO THE MINISTER OF DEVELOPMENT.

The Consultants - Sir William Halcrow and Partners - are at present compiling their final report which is expected before the end of this month. Full consideration of this report, which will take into account all expert investigation which has been held on the various aspects of the project, is essential before Government can properly decide such important matters as the exact site of the dam and of the harbour. Meanwhile expert opinion, of the Consultants and of the Canadian and British Aluminium Companies, has stated:-

- (1) That the processing and reduction of aluminium by hydro-electric power from the Volta River is economically and technically possible;
- (2) That about 1,150,000 tons of bauxite can be processed annually into 210,000 tons of aluminium;
- (3) That about 500,000 kilowatts of the electricity produced will be required for the smelter plant and a surplus of 50,000 kilowatts will be available for public use.
- (4) That the cost of the hydro-electric power plant, the processing and smelter works (including working capital), a new harbour, railway extensions, resettlement and compensation will be about £94, millions.

The main points on which technical investigations have already been made at Government's request by the Consultants are:-

- (1) The Power Potential of the Volta River.
- (2) Irrigation and Drainage based on the river Catchment Area.
- (3) Navigation on the river above and below the proposed dam site.
- (4) The problems of Transportation.
- (5) The distribution of Hydro-electric Power for the reduction of aluminium ore and for other purposes.
- (6) The provision of Port facilities east of Accra.

Enclosure No.4 to Despatch No.105, dated September 29, 1951, from the American Consulate, Accra, Gold Coast.

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Note: The results of all investigations made by West African Aluminium Ltd., including the investigation of a harbour site at Ada have been made available to Government's Consultants. The Consultants, however, in their preliminary report entertained some doubts as to the suitability in all respects of ADA as a port. They therefore recommended that an alternative possible site at TEMA should be fully investigated so that Government might have full opportunity to select the site considered likely to prove of the greater common benefit. In consequence there is being carried out:-

(7) A Hydrographic Survey at Tema.

Further investigations are also proceeding on:-

- (i) Geological Survey of the proposed dam sites,
- (ii) Topographical and Geological Survey of a harbour site at Tema.
- (iii) Road and Rail requirements of the new Port.
- (iv) Aerial Survey of the Reservoir Area.
- (v) Ground Survey of the Reservoir Area.

Meanwhile many of the more general repercussions of this gigantic project on the life of the country can begin to be examined and in order that there shall be no delay in putting the finally agreed plan into action, there has been considerable activity already along the following lines:-

- (1) The problem of resettlement of the population of the area likely to be inundated.
- (2) The Senchi-Ajena Road.
- (3) The maintenance of Hydrological data on the Volta River
- (4) A detailed Topographical Survey of Kpong Area.
- (5) A Soil Survey of the Accra Plains
- (6) An Entomological Survey of the Volta River valley has recently been completed.
- (7) The preliminaries of Town Planning new townships.
- (8) The reconstruction of Communications consequent upon inundation.

Enclosure No.4 to Despatch No.105, dated September 29, 1951,  
from the American Consulate, Accra, Gold Coast.

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- (9) The requirements of labour for the project.
- (10) The training of African Artisans.

The present attitude of Government is:-

- (1) That while members' views are appreciated and will be noted, no firm statements can be made pending full consideration of the Consultants' final report and that-
  - (2) On receipt and consideration of this report the whole matter will have to have full discussion by the House, but that meanwhile -
  - (3) Government desires the support of the House in a policy of vigorous pursuit of the essential preliminary moves - in other words, general agreement that the Gold Coast is to have a Volta Scheme.
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Enclosure No.5 to Despatch No.105, dated September 29, 1951,  
from the American Consulate, Accra, Gold Coast.

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HALCROW'S REPORT WILL  
SUPPORT NKRUMAH'S FAITH  
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The Ashanti Times, September 11, 1951

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The moment for a final decision on the Volta development project in the Gold Coast may be approaching. Sir William Halcrow and Partners, the consulting engineers, called in by the Gold Coast Government to make a technical estimate of the potentialities of the scheme, has virtually completed its report, and is expected to submit it in the very near future.

On the political side, Hon. Kwame Nkrumah, Leader of Government Business in the Gold Coast, has virtually committed himself and his partners to the scheme without awaiting the technical report.

Among other statements, during his last visit to London Hon. Nkrumah announced that the Volta project was the territory's "top priority development scheme" and would be carried out on funds raised by floating a loan.

The scheme envisages the harnessing of hydro-electric power from the Volta River on the Gold Coast for the processing and reduction of aluminium. The existence of the necessary bauxite deposits has already been established.

Concessions are held by West African Aluminium, a Gold Coast Company in which the principal shareholder is Anglo-Transvaal Consolidated Investment Company, British Aluminium Ltd. and Aluminium Ltd.- the latter a Canadian company - also have interests in the venture. It is considered virtually certain by well-informed circles in the City of London that up to a point Sir William Halcrow's report will support Hon. Nkrumah's faith in the project.

That is to say - the technical engineers are expected to confirm that the scheme is economically and technically possible.

Enclosure No.5 to Despatch No.105, dated September 29, 1951,  
from the American Consulate, Accra, Gold Coast.

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About 1,150,000 tons of bauxite can be processed annually into 210,000 tons of aluminium, for which 500,000 kilowatts of electricity would be required for the smelter plant alone. A surplus of 50,000 kilowatts of electricity would be available for public use.

The cost of the hydro-electric power plant, the processing and smelter works, including working capital, a new harbour and compensation - to displaced villagers or for loss of fishing and water rights - has been estimated at around £94,000,000.

Many experts predict that the actual cost when it comes to carry out the work may be considerably higher.

Assuming that the predictions about the Halcrow report are accurate, one big point will still remain to be settled - despite the confident predictions of Hon. Nkrumah: how to raise the necessary cash.

Some - but only a small proportion - would very probably be advanced by the Gold Coast Government. The interested private enterprise companies would undoubtedly be willing to put up much more in certain circumstances; they would be likely to demand, however, very sound guarantees about the future of their investments.

Some recent developments in the Gold Coast and reports- accurate or otherwise - of the political attitude towards overseas capital in the Gold Coast have not inspired confidence in business circles.

With the very present reminder from Abadam of how the most cast-iron guarantees, even when willingly negotiated through such an international body as the old League of Nations, can go astray, is making British business circles chary of investing money in projects which they fear may be seized from under them as soon as their money begins to show a return.

Some of the same objections apply to floating a public loan to finance the Volta scheme. But on the favourable side from the Gold

Enclosure No.5 to Despatch No.105, dated September 29, 1951,  
from the American Consulate, Accra, Gold Coast.

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Coast's point of view, it is worth recalling that recent Colonial loans in the City of London have been over-subscribed.

Even when the financial difficulties have been solved, all may not be plain sailing for the Volta scheme: it is bound to require large quantities of electrical machinery, cement and technical manpower which are now at a premium in all parts of the world.

In fact, although the Halcrow report may well give the green light to Gold Coast planners, they may find that it is only the beginning of their actual problems. The report should, however, demonstrate that the difficulties are well worth the effort of overcoming for results which can bring so much benefit to the Gold Coast.

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# FOREIGN SERVICE DESPATCH.

FROM : American Consulate, ACCRA.

150  
DESP. NO.

November 8, 1951  
DATE

TO : THE DEPARTMENT OF STATE, WASHINGTON.

MESSAGE CENTER  
AIR POUCH  
PRIORITY

RE : Consulate's Despatches nos. 102 and 105, dated September 27, 1951 and September 29, 1951, respectively.

*845k.2614/9-2951*

NOV 15 1951  
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SUBJECT: Gold Coast Harbor Sited at Tema.

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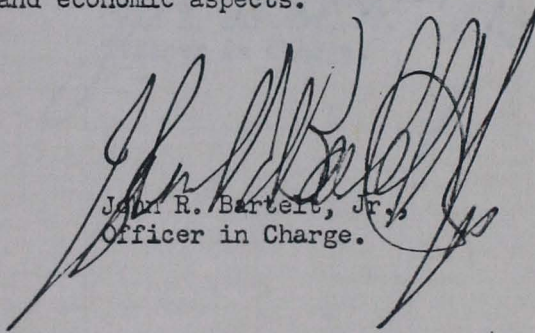
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845K.2614/11-851

RP

The local Secretary of Development has just announced that the Government has reached a decision that the new harbor for the Gold Coast will be sited at Tema. It will be remembered that the site of a harbor had been narrowed down, within the past few months, to the two alternatives of Tema and Ada. The final decision, which is most important as regards the Volta River Scheme, was made after long and exhaustive consideration. It might be said, however, that it was practically a foregone conclusion that Tema, for common-sense reasons, would be the choice. With the decision having been made, and with the referenced despatches at hand, the Department and other interested agencies might more fully visualize the outcome of the Volta River Scheme as regards the technical and economic aspects.



John R. Bartelt, Jr.,  
Officer in Charge.

504.1

Copy to Lagos.

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J.R.Bartelt, Jr./jab

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FOREIGN SERVICE DESPATCH

BL

FROM : American Consulate, ACCRA.

157  
DESP. NO.

November 27, 1951.  
DATE

TO : THE DEPARTMENT OF STATE, WASHINGTON.

AIR POUCH  
PRIORITY

58

REMARKS : Consulate's Despatches Nos. 102, 105, 106, and 150, dated September 27, September 29, September 29, and November 8, 1951, respectively.

For Dept.  
Use Only

SUBJECT: Development of River Volta Basin.

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There is attached copy of a "Report on Development of the River Volta Basin," similar to the report submitted in the first despatch under reference.

It is extremely difficult, at this time, to obtain copies of the enclosed report. However, the Consulate will provide the Department with additional copies as soon as possible.

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*John R. Bartelt, Jr.*  
John R. Bartelt, Jr.  
Officer in Charge.

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✓ Enclosure: One copy of Report.

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FOREIGN SERVICE DESPATCH

FROM American Consulate, Accra

236

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

May 15, 1952

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REF : ---

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SUBJECT: Transmitting Copies of Government Statement on Volta River Project.

*com rec'd to Ccy Eca FRB In 845K.2614 NSRB In FPC*

There are transmitted herewith five copies of a statement of the Gold Coast Government entitled "Development of the Volta River Basin," which reviews the history of that project to date. The present status of the matter is summarized at paragraph 17 of the Statement, which reads as follows:

"It is not possible, at this stage, to lay before the people of the Gold Coast a clear-cut scheme nor will it be possible to do so until further agreement has been reached between Her Majesty's Government, the Gold Coast Government and the Aluminium interests. In the view of the Gold Coast Government the success of this project would be of great benefit to the inhabitants of the Gold Coast and British Togoland, as well as assisting with the supply of valuable commodities in great demand in world markets; this Government believes that the project would bring employment to many persons in the Eastern part of the Gold Coast and in Togoland under U.K. Trusteeship, as the Gold Mines have in the Western part of the country, and would be a great source of wealth to the country and assist generally in the raising of the standard of living of the inhabitants."

With regard to the first sentence of the above quotation, Mr. R. P. ARMITAGE, Minister of Finance, has informed me that further discussions of the Volta River project are to take place in London beginning May 26. He and Mr. K. A. Gbedemah, Minister of Commerce and Industry, will soon proceed to London for that purpose. Others to be present at the discussions will include representatives of the British Government departments concerned, as well as officials of the British Aluminium Company and of Aluminium Limited of Canada. Following the talks in London, the group will visit the Gold Coast early in June. It is hoped that out of these discussions definite commitments for financing the project may be formulated. Data concerning the costs of the project to be borne by the Gold Coast

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William E. Cole, Jr./gp

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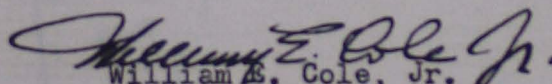
Government are given in Part XIV of the Statement.

The question of the construction of a new port in the Gold Coast, which will serve the needs of the proposed aluminium industry, is discussed at paragraph 28 et seq. of the Statement. As may be observed, the consultants advising the Government in the matter concluded that Tema was more suitable than Ada as the site of the new port. Choice of a port was, however, made contingent upon the seeking of a second engineering opinion.

I may add that the second opinion, rendered during March, 1952, by the firm of Messrs. Coode, Vaughan-Lee Frank and Gwyther, was to the effect that Tema would not be liable to silting to such an extent as would necessitate maintenance dredging. In view of the location of Tema, which is superior to that of Ada for general commercial purposes, the Government therefore proposed to consider the construction of the harbor there without further delay.

The foregoing matters were the subject of a debate in the Legislative Assembly on April 25, 1952, on the basis of a motion introduced by the Prime Minister. Copies of the motion are enclosed. Although the Prime Minister appealed for consideration of the port project on a national and "non-partisan" basis, lively objections to the port site were raised by members of the Assembly who advocated Ada as the location for the proposed harbor. It was evident that the debate was in some degree influenced by persons financially interested in the Ada locality. The motion to adopt the Government statement on the Volta River Project, which includes the harbor site at Tema, was, however, carried by voice vote.

This office will of course continue to report on the various aspects of the Volta project as further material becomes available.

  
William E. Cole, Jr.  
American Consul

No. 500

Enclosures:

1. Statement on Development of the Volta River Basin (5 copies)
2. Motion by Prime Minister (5 copies)

Copy to London

Copy to Lagos

URGENT TELEGRAM

# Department of State

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DEPT has RECD unconfirmed report from private AMER business source that Reynolds Metals and Anaconda Copper contemplating approaching AFR MINS Gold Coast GOVT direct through intermediaries Horace Mann Bond PRES Lincoln University and Louis E. Detwiler NY financial consultant RE participation in Volta River project in some way. Hershey Chocolate CO also said to be interested in developing direct relations with AFR MINS in conjunction other two COS. Source stated these interested groups intended consult GOVT DEPTS here.

PLS cable any INFO you able obtain confidentially and discreetly to substantiate this report.

Bruce  
ACTING  
(we)

BRUCE

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drafted by: NEA:AF:Nfeld:rad 8/18/52

Telegraphic transmission and classification approved by: Leo G. Cyr

clearances:  
NEA - Mr. Jernegan  
H - Mr. McFall  
ED - Mr. Smith (In substance)

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TELEGRAPH BRANCH

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10:37 a.m.

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FROM: Accra  
TO: Secretary of State  
NO: 31, August 21, 11 a.m.

Report mentioned DEPTTEL 15, August 19 appears related activities Belcher and Carter subject my letter to Durnan of August 13. Belcher understood connected with financial firm at 10 Wall Street, New York. Carter with firm which handles public relations for Lincoln University of which he is a graduate. Both have hinted they represent important American interests. Carter returned US end July to consult his principals. Also expressed intention discuss his activities with govt agencies in Washington.

The 2 men have told member Consulate staff that they are promoting housing scheme behalf Fullana Corp and confidentially, that they wish acquire rights in manganese. Have made visits Takoradi area and held discussions agent Farrell Lines. No (rpt no) indication obtained that they concerned Volta River Project. As both men closely associated with Nkrumah and Gbedemah any business proposals they may offer would doubtless be directed these ministers.

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SENT TO: Amconsul ACCRA, GOLD COAST 29

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XR 945 R. 5301*

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DEPT INFO indicates Julius Maxwell Belcher and William Beverly Carter, Jr. principals West AF Development CORP. (URTEL 31 AUG 21). WADC chartered Penn July 14, 1952 with authorized capital \$200,200. Presently process organization engage activities involving ECON development West Africa. Has no bank account. Dun and Bradstreet has no record Fullani CORP. Belcher accountant and tax consultant arrested 1949 issuing worthless check but prosecution withdrawn. Carter graduate Lincoln UNIV now partner public relations firm.

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(N.J.)*

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Dictated by: NEA:AF:JUDurnan:deh 9/26/52

Telegraphic transmission and classification approved by: Nicholas Feld

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SEP 26 1952 P.M.

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# Department of State

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Following telegram sent to Accra as No. 25 September 23, 1952 being sent you as additional information connection instruction regarding Detwiler being sent you ~~today~~:

"Department information indicates Detwiler since 1919 connected numerous corporations and business enterprises, including several foreign promotional schemes, but has never met with any real success. On occasions involved questionable activities. (Your telegram 31 August 21)

"He informs Department plans accompany Bond Gold Coast result official invitation extended latter discuss educational projects involving development certain Gold Coast natural resources.

"Other sources indicate plans call American participation Volta River project in which Lincoln University would receive proportion profits. Detwiler claims he has interested several American Companies. Hershey Chocolate, Reynolds Metals, Union Carbide and Carbon, and Anaconda Copper variously named. Also claims Export-Import Bank informed his legal representatives (Joseph Davis law firm) willingness loan \$300-400 million finance project.

"Union Carbide strongly disavows any connection project. Department has no information which would confirm interest other companies named. Informal inquiries

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845K-2614/8-2152

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dated by: NEA:AF:AJDavit:deh 2/4/53

Telegraphic transmission and classification approved by:

Nicholas Feld

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FEB 4 1953 P.M.

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inquiries elicit no repeat no information Export-Import Bank approach by Detwiler legal representatives.

"Department has renewed Detwiler's passport since find no grounds for refusal. British Embassy approached Department informally and has been given background information Detwiler. No information whether British Embassy will grant visa.

"You may convey above information local officials in confidence. Mailing further details."

MATTHEWS

*Matthews*  
(MB)

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OUTGOING TELEGRAM

# Department of State

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NO.  COLLECT  
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RECEIVED DC/T  
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SEP 23 5 48 PM '52

SENT TO: Amconsul ACCRA, GOLD COAST 25

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Origin

Info:

DEPT INFO indicates Detwiler since 1919 connected numerous CORPS and business enterprises, including several FON promotional schemes, but has never met with any real success. On occasions involved questionable activities. (URTEL 31 AUG 21)

*Volta project*

He informs DEPT plans accompany Bond Gold Coast result official invitation extended latter discuss educational projects involving development certain Gold Coast natural resources.

Other sources indicate plans call AMER participation Volta River project in which Lincoln UNIV WLD receive proportion profits. Detwiler claims he has interested several AMER COS. Hershey Chocolate, Reynolds Metals, Union Carbide and Carbon, and Anaconda Copper variously named. Also claims EXIM Bank informed his legal REPS (Joseph Davies law firm) willingness loan \$300-400 million finance project.

Union Carbide strongly disavows any connection project. DEPT has no which WLD confirm interest other COS named. Informal inquiries elicit no no INFO EXIMBANK approach by Detwiler legal REPS.

DEPT has renewed Detwiler's passport since find no grounds for refusal BRIT EMB approached DEPT informally and has been given background INFO Detwiler.

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845K.2614/8-2152  
RFA

Drafted by:

NEA:AF:JJDurnan:deh, 9/23/52

Telegraphic transmission and classification approved by:

John E. Utter

Clearances:

ED - Mr. Atterberry  
(Cleared in substance)

PD - Mr. Nicholas  
(Cleared in substance)

S/S:CR  
SEP 23 1952 PM

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Detwiler. No INFO whether BRIT EMB will grant visa.

You may convey above INFO local officials in confidence. Mailing  
further details.

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ACHESON

INCOMING TELEGRAM

Department of State

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TELEGRAPH BRANCH  
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Control: 1363  
Rec'd: September 4, 1952  
1:53 p.m.

*Handwritten:* JJD, 9/4, DC/R, 2il, MESSAGE CENT, NEA, 1952 SEP 4 PM 1:44, AF-JJD

FROM: Accra  
TO: Secretary of State  
NO: 40 September 3, 5 p.m.  
Re MYTEL 31, August 21

According official source Bond has communicated to Prime Minister proposal that Detwiler participate Gold Coast development with special reference Volta project. Detwiler described as representing "outstanding business corporations of United States" which prepared invest total 400 million dollars. No (rpt no) further details given. Bond suggests he and Detwiler proceed Accra with legal reps matters "affiliated concerns" discuss matter with view negotiating conditions.

British officials somewhat concerned bona fides foregoing and would appreciate info relative nature contemplated investments: names firms involved; whether Detwiler has backing claimed; and is competent handle transactions such magnitude. Pls telegraph any info available and indicate extent I may pass details local officials.

COLE

BB:JKS

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845K.2614/9-352  
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OCT 10 1952

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Control: 8666  
Rec'd: September 20, 1952  
9:22 a.m.

FROM: Agora

TO: Secretary of State

NO: 46, September 20, 10 a.m.

*DC's get files requested 9/22*

Belcher (MYTEL 31, August 21) has approached me requesting transmission via airpouch small ore sample possibly containing uranium for analysis by Standard Ore and Alloy Corp. 120 Wall St., New York or United States Govt agency. He does not wish disclose parcel local postal auths since law prohibits unlicensed prospecting.

If subject of interest Govt should conceivably agree transmit. Pls instruct by telegraph.

COLE

DU:KC

*2002*

DC/R 845K • 2614/9-2052

*[Signature]*  
SPECIAL ASSISTANT TO THE SECRETARY

SEP 21 1952

OCT 13 1952  
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OUTGOING TELEGRAM

# Department of State

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12

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SEP 27 5 48 PM '52

SENT TO: Amconsul ACCRA, GOLD COAST, WEST AFRICA 24

845le.2614/9-2052

Origin  
For  
Dist. Desired (Offices Only)

In your discretion, accept small (about 2 LBS.) ore sample for transmission via air pouch and analysis by Atomic Energy Commission (URTEL 46 SEPT 20).

If accepted, samples SHLD be transmitted in accordance with DEPCIRGAMS July 20, 1948, 8:35 A.M. and NOV 16, 1950, 2:05 P.M.

ACHESON  
Acheson  
RST

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845K.2614/9-2052

DC/R	✓
Anal	✓
Rev	✓
Cat	_____

SECRET FILE

Offered by: *[Signature]*  
S/AE: JBHamilton:gw 9/22/52

Telegraphic transmission and classification approved by: R. Gordon Arneson

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# Department of State

02602

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Classification

13

RECEIVED DC/T  
ACCEPTANCE UNIT

SENT TO: Amconsul ACCRA, GOLD COAST PRIORITY <sup>35</sup>  
Amembassy LONDON (BY AIR)

845k 2614/10-25  
+ 2945k 5301

OCT 7 6 10 PM '52

US GOVT not RPT not considering extension any loan or grant either directly or thru intermediaries for use implementing Volta project since no RPT no request for such loan or grant RECD. (URTEL 52 OCT 2)

Two avenues approach open Gold Coast GOVT if interested. EXIMBANK WLD consider request for loan within limits statutory AUTH and financial resources presentation specific proposals. MSA might be able FIN certain features project under Basic Materials Program and WLD consider request submitted thru BRIT Colonial Office where some discussions of Volta project have been carried on:

US GOVT interested procurement aluminum under stockpile program for next two or three years by which time anticipated present program plant construction will meet US requirements under conditions of partial mobilization. Doubtful therefore US GOVT WLD be interested establishing claim eventual Gold Coast production view time element completion Volta project. Possible private AMER interests WLD consider specific proposals presented by Gold Coast GOVT.

*Acheson*

*fin*

ACHESON

DC/BU
Anal <u>3</u>
Rev _____
Oct _____

Dist. Desired (Offices Only)

Drafted by: NEA:AF:J.Durnan:deh 10/7/52

Telegraphic transmission and classification approved by:

John E. Utter

Clearances: Cleared in Draft with: EXIMBANK - Mr. Sauer ED - Mr. Smith MSA - Mr. Moran MMS - Mr. Pincus = *H.H. (RPC)*

S/S JGR  
OCT 7 1952 P.M.

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MESSAGE CENTER  
NEA  
10/2/52 - A.F. Johnson  
10/2/52 PM 2:59

Control: 837

Rec'd: October 2  
12:06 p.m.

FROM: Accra

TO: Secretary of State

NO: 52, October 2, 10 a.m.

PRIORITY

*Caseley* ✓  
Basery Hayford advises Detwiler sought him out in New York regarding scheme for financing Volta River project which United States Govt allegedly backing with view obtaining aluminum production for use US industry.

2

N. K. Ruman wishes head off any illfounded promotional venture. While grateful info DEPTTEL 25, September 23 he believes categorical reply following question would help him dispose of matter, does US Govt contemplate extending loan or grant either directly or thru intermediaries for use implementing Volta project? If feasible Dept comment respecting allegation US interested in establishing some claim on eventual Gold Coast aluminum production could serve to clarify Prime Minister's thinking this subject.

Wld appreciate reply earliest since Bond and Detwiler understood about to emplane for Accra.

COLE

SW: BK

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OCTOBER 23 1952

15

845k, 2614/8-2152  
x 2945k, 5301

To the

American Consular Officer in Charge,

Accra, Gold Coast.

The Secretary of State refers to the Department's telegram No. 25 of September 23, 1952, and encloses copies of documents relating to the business activities of Mr. Louis E. Detwiler. The Officer in Charge, in his discretion, is authorized to make available to the Gold Coast authorities the enclosed copy of the Dun and Bradstreet report and to convey to them, on a confidential basis, the substance of the information contained in the other enclosures.

For the information of the Officer in Charge it may be stated that the Department twice before has had occasion to investigate the activities of Mr. Detwiler. The first investigation was made in May 1938 in connection with Mr. Detwiler's promotion at that time of a corporation styled the "Key West-Havana Ferry Corporation of Florida." In this venture Mr. Detwiler sought the support of the Government of the United States and of the Government of Cuba on the ground that it would increase tourist traffic between the United States and Cuba. At the time of Mr. Detwiler's approaches in this matter, officers of the Department and of the Embassy at Habana recalled that he was one of a group of promoters calling themselves the "Cuban-American Commission" who in October 1937 were in Habana making representations to the Cuban Government that they were prepared to invest from ten to fifty million dollars for a concession to hold an exposition in Habana at the same time as the then forthcoming expositions in New York and San Francisco. The report on the results of this first investigation reviews Mr. Detwiler's many ventures between 1924 and 1938 in the investment security and related businesses substantially the same as they are reported in the latest Dun and Bradstreet. The report then concludes with the following estimate of Mr. Detwiler, presumably furnished by a credit source in New York:

"While he is experienced, in the past he has been unsuccessful, and his capital is regarded as of moderate proportions."

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Oct. [Signature]

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The second investigation of Mr. Detwiler was initiated in January 1951 because of reports reaching the Department that his promotional activities in Iraq were potentially harmful to United States interests in the Middle East. The report on this investigation draws from two reputable credit agencies in New York (neither of them Dun and Bradstreet) data on Mr. Detwiler's activities in the investment security and related businesses substantially the same as those contained in the latest Dun and Bradstreet. The credit agencies then are reported as summing up Mr. Detwiler's career as follows:

"The subject has had many connections with many corporations and business enterprises, but he has never been successful as a whole in any of them. He has had many important connections, apparently has a great deal of ability, is a glib talker, and has a good knowledge in the securities line. He is described as being dynamic, with a strong personality, hard-working, never having met with any real success. He is described as probably not being a "gyp" at heart, but he takes long chances, talks big, has been in many big things, but is not deemed sufficiently capable in with all of his ability to accomplish what he claims he will. He appears to have been able to keep himself out of any real trouble. One credit source recommends cash terms for all transactions with subject."

Enclosures:

- ✓ 1. Copy of memorandum of Conversation, dated August 21, 1952, with Mr. Hagerson.
- ✓ 2. Copy of memorandum of Conversation with Mr. Wanner, British Embassy, dated August 21, 1952.
- ✓ 3. Copy of letter to UN Political Department, London, from United Kingdom Delegation to UN, New York, dated August 20, 1952.
- ✓ 4. Dun and Bradstreet letter of April 24, 1952. (photostat copy).

NEA:AF:JJ Durnan:deh 10/23/52

S/S-CR

CONFIDENTIAL

OCT 23 1952 PM

*Jim*



UNCLASSIFIED

PRIORITY

(Security Classification)

845k.2614/12-552

FOREIGN SERVICE DESPATCH

XR 845k.2547

XR 845k.394

XR 845k.2569

FROM : AmEmbassy, London

MESSAGE CENTER

2668

RESP. NO.

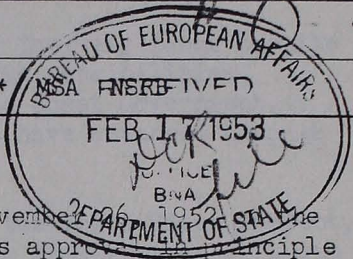
TO : THE DEPARTMENT OF STATE, WASHINGTON.

December 5, 1952

DATE

REF : 1952 DEC 9 AM 8 59

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SUBJECT: The "Volta River Aluminium Scheme".

The United Kingdom issued a White Paper on November 1952 on the "Volta River Aluminium Scheme", which registers its approval in principle of a vast hydro-electric-bauxite-aluminum development project in the Gold Coast of West Africa.

The total investment required is provisionally calculated to be in the neighborhood of £144,000,000 sterling, of which about £50 million would be required for initial outlay. Of the total, the United Kingdom Government itself might advance up to £57 millions, the remainder of the capital being furnished by the Gold Coast Government and by the Canadian and United Kingdom producers of aluminum. The interest of the two latter would be exclusively in the smelter.

The annual tonnage of aluminum projected for eventual production is 210,000 tons which is roughly equivalent to the 1951 consumption in the United Kingdom of virgin primary metal. There is, however, no assumption of static demand. On the contrary the usage of aluminum in this country is estimated to increase by about five percent each year. Canada will, therefore, undoubtedly continue for many years as an important supplier of aluminum ingots to this market. It may be concluded from the published figures and current projections into the future that Gold Coast production will be likely to supply not much more than fifty percent of the United Kingdom's total requirements a decade or two hence.

It is not anticipated that the actual work on this project will be begun until a further intensive technical study is undertaken. (The time required for this study is estimated at up to twelve months.) The development of the port of Tema on the Gold Coast is however already under way.

Perhaps the principal significance of the issuance of the Government's White Paper on the subject at this time is its coincidence with the highly-important meeting of Commonwealth Prime Ministers in London, at which greater Commonwealth self-sufficiency in certain raw materials (i.e. non-dependence on dollar sources) has been an important if not over-riding topic.

However, this

WFBusser: md

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However, this project is not being viewed merely in the light of an eventual substitution of Commonwealth for dollar sources in the supply of aluminum, but as a necessary addition to total world production, more than justified by the rapidly mounting demand for the metal.

The Gold Coast scheme is not new. Because of the very large bauxite deposits in that area, combined with hydro-electric possibilities, tentative official plans were drawn up by the Gold Coast Government as early as 1924. Thoughts and plans on the subject have advanced through various stages up to the present.

The three principal stages of development of the Volta River project, as envisaged, may be outlined as follows: (1) the construction of a dam and power station about 70 miles above the mouth of the Volta River, with power becoming available from five to seven years after the beginning of construction; (2) the erection of an aluminum smelter some twelve miles from the power station, with an initial capacity of 80,000 tons and an eventual capacity of 210,000 tons of virgin aluminum, operations starting as soon as the power is available; and (3) the development of a series of public works, including port works, railway and highway communications, and some housing, schools, etc.

In return for the U. K. participation in the scheme, supplies of aluminum would be assured to this country for a period of thirty years, up to 75% of production, at properly safeguarded prices. This is analagous to last year's undertakings between the U. K. Government and Canadian suppliers which assure substantial supplies of aluminum for a period of twenty years.\*

On the political side, the planned development of the Gold Coast has a significance which may be far-reaching. A Sunday Times correspondent reported on November 30 that the project had "caught the imagination" of the Gold Coast people, as it opened up vistas of this tropical area being transformed into "one of the most important and most advanced countries in the African Continent". With this pride in prospective economic and social advancement will go an intensified desire for political autonomy (Dominion status), a movement which has already advanced apace in the

Gold Coast/

\*Footnote: As reported by the Financial Times on November 27, the U. K. has loaned a total of £44 millions sterling to the Aluminium Company of Canada "to enable the company to expand production in British Columbia, which next summer is due to commence production at an annual rate of 83,000 tons, ultimately to be increased to 500,000 tons". The British loans are repayable within twenty years, and in the meantime the U. K. has an option on Alcan production at Arvida or Kitimat up to 250,000 tons annually.



(Classification)

Gold Coast. The incipient challenge is regarded less as one to Europeans as such than to South Africa and its current policies of attempting to consolidate permanent white supremacy.

Full details may be obtained by study of the attached White Paper (Command 8702), entitled "Volta River Aluminium Scheme". In addition, three newspaper clippings from the Financial Times and the Manchester Guardian are enclosed, as they provide useful summary data amplifying what has been given in this despatch.

While the development of the Volta River is obviously some considerable way off, it is nevertheless felt here to be a matter of great importance, and to point the way to similar projects of Commonwealth development.

William F. Busser  
Acting Commercial Attache

WFB: md

Enclosures:

1. "Volta River Aluminium Scheme" (5 copies)
2. Article from Manchester Guardian of Nov. 26, "Developing Aluminium Production" (5 copies)
3. Article from Financial Times of Nov. 26, "More Aluminium for U. K." (5 copies)
4. Article from Financial Times of Nov. 26, "Volta River" (5 copies)

## VOLTA RIVER

THE increase in the output and the consumption of aluminium in recent years has been unequalled by that of any other major metal. Before the war world production amounted to 522,000 tons a year; by 1951 it had risen to 1.5m. tons. World consumption had risen even more steeply over the same period—from 285,000 tons to 1.3m. tons. As an alternative to other non-ferrous metals, as well as in an ever-widening field of new applications, aluminium has taken its place as one of the most important primary materials.

Unfortunately, however, so far as this country and the rest of the sterling area is concerned, the growth of the need for this metal has necessitated a steadily increasing expenditure of dollars. Sterling area consumption of aluminium has nowhere near been matched in its rapid rise by sterling area production. Whereas U.K. consumption has increased from a mere 45,000 tons of virgin aluminium a year before the war to 203,000 tons in 1951 sterling area output has risen from 23,000 tons annually immediately before the war to only 31,000 tons in 1951.

### Needs

In other words, whereas in 1938 the sterling area produced something over a half of what the U.K. used, to-day it can supply less than a sixth. For the balance Britain has to go to Canada—the world's chief exporter of this metal. All buying is done by the Ministry of Materials, and the U.K., in consequence of large-scale advances to assist in the development of the industry in Canada, has first call on stated amounts of Canadian production over the next 20 years.

The crucial need for aluminium production is electric power, and it is for this reason that the industry has achieved such a rapid expansion in Canada. For the bauxite ore itself is not found there and has to be imported by the Canadians. To find power and also bauxite in the same region is an inestimable advantage and to find them both in the sterling area offers an opportunity of the greatest significance to the economy of this country and to other members of the Commonwealth. The Government's White Paper on the Volta River Aluminium scheme brings to a new stage the project for developing these resources.

The prospect of an additional production of 80,000 tons a year initially, and ultimately of 210,000 tons a year, will do much to satisfy the new U.K. demand for aluminium. It is estimated in the White Paper that by 1960 the

720,000 tons. These estimates, therefore, mean that in 1960 and in 1975 there will be required respectively about 137,000 tons and 517,000 tons more than at present. No one need take these figures very seriously, but they give some indication of the likely trend. Under the arrangements envisaged in the White Paper, the smelter company would be under an obligation to offer to the U.K. at least 75 per cent. of the metal produced. This means that by 1960 the U.K. should be able to count on at least 60,000 extra tons of sterling aluminium annually and ultimately on an extra 157,000 tons. When this final figure will be reached cannot be predicted but it should be within 20 years from initial production. Taking the earlier date, however, the project should supply the U.K. with about half its estimated additional requirements. Even if the scheme goes entirely according to plan, therefore, it is no complete answer to the U.K.'s dollar expenditure on this commodity, which already amounts to some \$60m. a year. As the White Paper points out, it does not mean that there is no need to develop other sterling area resources.

### Capital

The U.K. and Gold Coast Governments have joined with the Canadian and U.K. aluminium producers in evolving the scheme and they will share in the great capital outlay which will be involved, amounting initially to about £100m. and ultimately to £144m. The Gold Coast Government will be entirely responsible for the cost of the new port and for transport and other public works and will share with the U.K. Government in the power project—to which, however, the latter will contribute the major share. The two Governments and the aluminium companies will share in the cost of the aluminium smelter. Aluminium, Ltd., will provide the major part but the Gold Coast Government would have the right to provide 10 per cent. of the equity capital as it was issued from time to time. After 25 years there would be additional issues of equity capital to private Gold Coast investors equivalent to the amount of equity stock transferred from the Gold Coast Government's original holding to private investors. In view of the political risks involved in such a large capital investment, the desire of the aluminium companies to have the Government most nearly concerned associated with them is understandable, especially in view of the troubled state of Africa. The risks involved in the investment of capital are considerable—but they are calculated risks. Public and private interests have combined to attract new capital to this project and such a plan may well be a pattern for similar development schemes in the future. The significant factor is not that the Gold Coast Government is to contribute towards the

Requirements of the project amount to 347

Enclosure No. 1 to despatch No. 246 of 1952  
from the Secretary of State, London, England

1 set



# Volta River Aluminium Scheme

*Presented to Parliament by the Secretary of State for the Colonies  
and the Chancellor of the Duchy of Lancaster  
by Command of Her Majesty  
November, 1952*

LONDON  
HER MAJESTY'S STATIONERY OFFICE  
NINEPENCE NET

Cmd. 8702

REPRODUCED

# VOLTA RIVER ALUMINIUM SCHEME

## SUMMARY OF PROPOSALS

(i) This White Paper sets out a scheme under which the United Kingdom Government, the Gold Coast Government, and the Canadian and United Kingdom aluminium producers would develop large scale aluminium production in the Gold Coast. Under the scheme the resources of water power and bauxite in the Gold Coast would be developed to the mutual advantage of the two countries and aluminium produced at an ultimate rate of 210,000 tons a year. The total capital expenditure would be about £100 million initially, rising ultimately to £144 million. It would be shared among the different parties.

(ii) The successful completion of the scheme would guarantee the United Kingdom industry additional Sterling Area supplies of aluminium at competitive prices to meet rapidly growing requirements for which it would be unwise to rely on other sources.

(iii) The Gold Coast would be enabled to develop further its mineral wealth, and to create a new source of power of great potential benefit to its future social and economic progress.

(iv) In principle Her Majesty's Government in the United Kingdom favour participation in the scheme, which would further their policy of encouraging the development of the resources of the Commonwealth as well as contributing to the raw material needs of the United Kingdom.

(v) They believe the scheme to be soundly conceived but its magnitude is such that it should not be embarked upon without every practicable assurance that it can be carried through to a successful conclusion. They, therefore, propose, with the agreement of the Gold Coast Government and the aluminium producers, that a Preparatory Commission shall be set up at once to follow up the work which has been done already and to examine in greater detail the chief problems which would have to be overcome. The Preparatory Commission would be under instructions to report with all practicable speed so that final decisions could be taken as soon as possible.

(vi) The cost of the Preparatory Commission would ultimately be borne on the scheme, but it will be shared between the United Kingdom and Gold Coast Governments in the first place. A Supplementary Estimate covering the cost to the Exchequer in the financial year 1952-53 will be submitted to Parliament in due course.

## **United Kingdom Requirements of Aluminium**

1. In less than half a century aluminium has established itself as a major non-ferrous metal, and, as will be seen from Appendix I, there is every reason to expect that the demand will continue to grow rapidly. The scale of the increase which informed opinion expects is illustrated by the recent estimate of the Materials Policy Commission appointed by the President of the United States (the "Paley Commission") that the consumption of aluminium in the United States and the rest of the world in 1975 might be between four and five times the consumption in 1950. The Aluminium Industry Council (the representative body of the various sections of the United Kingdom aluminium industry) considers that, on a conservative estimate and on the basis that aluminium is available at competitive prices, United Kingdom requirements will increase at an average rate of 5 per cent. a year over the period 1950-1960. On the assumption that this rate of increase would be maintained over the full twenty-five years United Kingdom industry would require about three times as much aluminium by 1975 as was consumed in 1951, when consumption amounted to 316,000 tons (203,000 tons virgin metal, 113,000 tons secondary metal). There is bound to be a wide margin of error in estimates of the future demand for a commodity like aluminium, but these figures indicate the scale of the potential demand for a metal which on any reasonable view will be of growing importance in the national economy. The fabricating industry in the United Kingdom has already in recent years considerably expanded its capacity which now is about 500,000 tons a year.

### **Need for a new Sterling Area Aluminium Smelter**

2. It is not too soon to be looking ahead to the sixties and seventies. It necessarily takes a long time to provide the hydro-electric and other capacity involved by a major scheme of new development. For the reasons given in Appendix I, it is impossible to rely for the full additional needs of the United Kingdom upon existing sources of aluminium. At present the United Kingdom obtains more than four-fifths of its virgin aluminium from dollar sources, and it is important that additional supplies should come as far as possible from the Sterling Area.

3. With existing processes there is little, if any, scope for further development of aluminium production in the United Kingdom itself, and careful examination of the possible alternatives elsewhere in the Sterling Area, in which the co-operation of Aluminium Limited of Canada and the British Aluminium Company has been of the greatest assistance, has led to the conclusion that the most promising site is on the Volta River in the Gold Coast. This does not of course mean that it may not prove necessary to develop further capacity elsewhere in the Sterling Area or that there may not even now be scope for smaller schemes.

### **The Volta River Aluminium Scheme**

4. The possibilities of the Volta River as a source of hydro-electric power have long been recognised, but the heavy capital expenditure on the dam and the public works would not be justified unless there were adequate industrial outlets for the large quantities of power produced. With its heavy demand for power an aluminium smelter is particularly well suited for this purpose, and from the point of view of aluminium production the site has several advantages in addition to its water power. Transport costs should be much smaller than is the case with most major smelters, which rely on distant sources for their chief raw material—bauxite. Known reserves in the Gold Coast of bauxite exceed 200 million tons. The proposed site for the smelter is near the coast (30-40 miles).

5. As long ago as 1924 the Gold Coast Government considered the possibilities of aluminium production on the Volta River. Commercial investigations started in 1938; they were interrupted by the war but led in 1945 to the formation of a company, West African Aluminium Limited, to carry the scheme forward. In 1947 Aluminium Limited acquired extensive bauxite concessions and in 1949 secured an interest in West African Aluminium Limited. The Gold Coast Government appointed Sir William Halcrow and Partners in 1949 to investigate the potential value of the Volta River to the economy of the Gold Coast, and in August 1951 the firm submitted a favourable report on the prospects of developing hydro-electric power for aluminium production. With the encouragement of the United Kingdom Government the practicability of aluminium production in the area was also examined by a Joint Mission of Aluminium Limited and the British Aluminium Company, which reported favourably on the prospects in January 1951.

6. It became clear that the scale of the capital investment and the scope of the project, involving as it did major public works as well as the hydro-electric scheme and the aluminium smelter, were such that substantial Government financial participation would be essential.

7. Exploratory discussions accordingly took place in London in October–November 1951 and in London and Accra in May–June 1952 between representatives of the United Kingdom Government, the Gold Coast Government, Aluminium Limited and the British Aluminium Company. The purpose was to consider the conditions under which the two Governments and the aluminium companies might jointly participate in a scheme for aluminium production in the Gold Coast. Those who took part made it clear that they could not commit their Governments and Boards.

8. In these discussions, in which Sir William Halcrow and Partners and Cooper Brothers and Company (the chartered accountants engaged to advise the United Kingdom Government on the scheme) also took part, agreement was reached upon the technical and economic feasibility of the project, and upon arrangements for joint participation which could be recommended to the Governments and Boards concerned.

9. The scheme as it now stands in the light of these discussions is described in detail in Appendix II and a map will be found on page 22. All the estimates given are based on 1952 prices and costs.

10. Broadly speaking the scheme falls into three parts:—

(a) The construction of a power station at Ajena about seventy miles from the mouth of the Volta River, involving the creation of a reservoir with an area of 2,000 square miles. This would ultimately have a continuous generating capacity of 564,000 KW. and would, it is provisionally estimated, cost £54 million but the full capacity would not be installed at the outset and it is estimated that the cost of the initial stage would be £45.5 million. Power should begin to become available from five to seven years after work begins. By far the greater part would be used for aluminium production but power would also be available for other consumers.

(b) The erection of an aluminium smelter in the vicinity of Kpong, 12 miles from Ajena. This would have an initial capacity of 80,000 tons and an ultimate capacity of 210,000 tons of aluminium a year; it would be hoped to attain the full capacity within at most twenty years from opening the smelter. The bauxite deposits at Mpraeso and Yenahin would

be developed to supply the smelter. The cost of a plant and ancillary works to produce 80,000 tons a year is estimated to be £29 million. The full development, to 210,000 tons annual capacity, is estimated to cost £64 million. Aluminium production would begin as soon as the power project was in operation.

(c) Extensive public works at an estimated cost of about £26 million would be required. They would include new port facilities, railway and road developments, and housing, schools, and other amenities. Of this, some £11 million would be for a new port. The Gold Coast Government have decided that a new port at Tema is required in any case for the general needs of the territory, and preliminary work is already in hand.

The total cost would, therefore, on present estimates be of the order of £100 million for aluminium production at the initial rate of 80,000 tons a year and £144 million at the maximum rate. As, however, is explained in Appendix II the risk of exceeding the estimates by a substantial margin is not one which can be removed from a scheme of this nature.

#### Division of Responsibilities

11. The conception behind the scheme is of a partnership in which private enterprise would be primarily responsible for aluminium production and the two Governments for the hydro-electric scheme and the public works and services. The proposed division of responsibilities is set out below, but, as explained in Appendix II and in paragraph 18, there would be arrangements for co-ordinating progress upon the scheme as a whole.

(a) The Gold Coast Government would be responsible for financing and carrying out the public works, i.e. port, railways, roads and townships at the dam site and port.

(b) The United Kingdom Government would have the major responsibility for financing the power project but the Gold Coast Government would contribute to the cost as far as their resources permitted. They expect to be able to provide at least £8 million. A public authority, the "Volta River Authority", would be created to undertake the construction of the dam and hydro-electric works. On completion the power undertaking would be taken over by an autonomous board, the "Volta Electricity Board". The Authority and the Board would be responsible to the Gold Coast Government, but their Chairmen would be appointed jointly by the two Governments, subject to the detailed provisions in Appendix III, where the proposed constitution and scope of these bodies is set out. The Authority and the Board would also contain a nominee of the United Kingdom Government and, at least, throughout the construction period, a representative of the aluminium interests.

(c) The development and operation of the aluminium smelter and the bauxite mines together with the new towns at the smelter and mines would be the responsibility of a company (the "smelter company") the equity in which would be provided by the aluminium companies except for a minority holding in Gold Coast hands. It is, however, proposed that the United Kingdom Government should provide about a fifth of the initial capital and should be prepared, if called upon, also to provide up to half the cost of expanding the capacity from 80,000 to 120,000 tons; these contributions would be on a suitable non-equity basis. The financial arrangements in connection with the smelter company are dealt with in detail in Appendix II. It is not contemplated that it would be necessary for the United Kingdom Government to make any contribution to the expansion of the smelter after a capacity of 120,000 tons had been reached.

12. It is not possible to say precisely how the cost would be distributed between the different parties. This would depend not only upon the final estimates for the scheme as a whole but upon the extent to which in practice the Gold Coast Government and the aluminium companies provided more than the minimum sums envisaged under the scheme in its present form. The detailed basis of the distribution of costs between the parties is given in Appendix II but the following table summarises the capital expenditure likely to be involved for each of the parties if the United Kingdom Government had to make the maximum contribution at present envisaged.

ESTIMATES OF COST

Capacity in tons	80,000	120,000	210,000
<i>Port, Rail, Road and other Public Works</i>			
Gold Coast Government ... ..	£ 26,000,000	£ 26,000,000	£ 26,000,000
<i>The Power Project</i>			
United Kingdom Government ... ..	37,500,000	41,500,000	46,000,000
Gold Coast Government ... ..	8,000,000	8,000,000	8,000,000
	£ 45,500,000	49,500,000	54,000,000
<i>The Aluminium Smelter</i>			
United Kingdom Government ... ..	5,800,000	10,800,000	10,800,000
Gold Coast Government and private investors* ... ..	2,300,000	2,800,000	5,300,000/10,600,000
Aluminium Companies ... ..	20,900,000	25,400,000	47,900,000/42,600,000
	£ 29,000,000	39,000,000	64,000,000
Total ... ..	£ 100,500,000	114,500,000	144,000,000
To be borne by:—			
United Kingdom Government ... ..	43,300,000	52,300,000	56,800,000
Gold Coast Government and private investors* ... ..	36,300,000	36,800,000	39,300,000/44,600,000
Aluminium Companies ... ..	20,900,000	25,400,000	47,900,000/42,600,000
Total ... ..	£ 100,500,000	114,500,000	144,000,000

\* See Appendix II, paragraph 14.

13. On the present provisional estimates the maximum expenditure by the United Kingdom Government would therefore be £56·8 million; and £43·3 million at most would have to be found by the United Kingdom Government to launch the scheme with the initial capacity of 80,000 tons of aluminium a year.

**Proposed Terms of United Kingdom Government Investment**

14. The United Kingdom investment in the power project would be safeguarded in a number of ways. It would take the form of a loan to the Volta River Authority and subsequently the Volta Electricity Board which would be repayable over eighty years. This would be secured on the assets, and there would be a power contract for sixty years under which, in broad terms (see paragraph 22 of Appendix II), the smelter company would undertake to pay at least the Board's operating costs (including interest) plus the cost of providing

for renewals and amortisation. This contract would be guaranteed by the aluminium companies and the Gold Coast Government in proportion to their respective holdings in the equity of the smelter company until production at 210,000 tons a year had been successfully maintained for five years. So long as any part of the loan was outstanding the Chairman of the Board would be jointly appointed by the two Governments. The exact terms of United Kingdom Government capital assistance to the smelter company up to the 80,000 and 120,000 ton stages have been left open for decision in the light of the circumstances at the time, but it would not take the form of an equity investment.

15. The United Kingdom would be the natural market for most of the Gold Coast metal, but the smelter company would be under an obligation for thirty years from initial production to offer buyers in the United Kingdom not less than 75 per cent. of the metal produced. The option would be in terms ensuring that in normal circumstances the price would not compare unfavourably with North American prices. As a result of the scheme United Kingdom consumers should be able to count on at least 60,000 tons a year of additional Sterling Area aluminium in the early days of the smelter—on present expectations by 1960 or soon after—and on a minimum of 157,500 tons a year when the full capacity of 210,000 tons is being worked.

#### **Position of the Gold Coast Government and the aluminium companies**

16. The scheme prepared in the London and Accra discussions has been considered by the Gold Coast Government and by the Boards of the two aluminium companies. The Gold Coast Government favour it in principle and are in agreement with the financial and other details as at present envisaged. The Board of Aluminium Limited have signified their general agreement to the scheme. The Board of the British Aluminium Company are also in general agreement, subject to their ability at the time to make suitable arrangements to finance their participation.

#### **Views of Her Majesty's Government in the United Kingdom**

17. Her Majesty's Government in the United Kingdom are favourable in principle to participation in the scheme, which would further their policy of encouraging the development of the resources of the Commonwealth as well as contributing to the raw material needs of the United Kingdom. They believe, on the basis of the information so far available, that it is soundly conceived and that its successful completion would bring substantial benefits to the two countries.

18. All the parties are, however, conscious of the difficulties which are inherent in a scheme of this magnitude undertaken under tropical conditions in a territory whose economy is developing rapidly in other directions. It is in particular important to make sure that the large labour force for the power project can be recruited, fed, housed and maintained, that the port, rail and road developments are carried out according to programme, that waste and extravagance are avoided, and that the scheme once launched is not dislocated because of other claims upon resources. One of the chief tasks of the Volta River Authority would be to synchronise work upon the different aspects of the scheme and to secure the necessary priorities so that it might be completed with maximum efficiency and in accordance with an agreed time-table. The Gold Coast Government have stated that they would be ready, whenever the occasion arose, to defer or rephase other parts of their development programme which seemed likely to conflict with the scheme in the demands on the resources available of men, transport and materials.

19. Careful preliminary examination has shown no reason for thinking that the difficulties are insuperable, but in the discussions at Accra in June 1952 it was agreed that there was a good deal more preparatory work to be done before the parties could be expected to commit themselves finally. As recommended in the Accra discussions, the United Kingdom and the Gold Coast Governments propose, therefore, to establish a Preparatory Commission, under a Special Commissioner, with the following duties:—

(i) In conjunction with the Gold Coast Government to determine the phasing of the project with other Gold Coast Government development projects in the light of the available resources of the Gold Coast economy, including the adequacy of the Government services.

(ii) To take part in the determination of the constitution and powers of the Volta River Authority.

(iii) To continue the development of the necessary preparatory work with the assistance of such staff as the aluminium companies can make available.

(iv) To take part in the preparation of a Master Agreement.

(Further details of the proposed Preparatory Commission are given in Appendix IV.)

20. The Preparatory Commission will be appointed as soon as possible and will be instructed to proceed with its work with all practicable speed. It will be appointed by the Gold Coast Government, but the Special Commissioner will be chosen with the concurrence of the United Kingdom Government. The full cost of the Commission will be borne by the Volta River Authority if it is decided to proceed with the scheme, but Her Majesty's Government have agreed meanwhile to share the cost with the Gold Coast Government. A Supplementary Estimate for the financial year 1952-53 will be presented in due course. It is difficult to forecast the total cost of the Commission or how long it will take to finish its work, but it is not expected to cost more than £400,000, of which £200,000 would fall on the United Kingdom Exchequer. Arrangements will be made jointly with the Gold Coast Government for the proper control of this expenditure.

21. If in the light of the Preparatory Commission's work it is decided to proceed with the scheme, a further report will be made to Parliament, and legislation will be proposed to obtain the necessary financial powers.

## UNITED KINGDOM REQUIREMENTS OF ALUMINIUM

### World Requirements and Production

1. The problem of extracting aluminium from its ores on a commercial scale was not solved until 1886. At first its development as an industrial metal was slow, but the turning point in its history came with the first world war. Since then—and more particularly during and since the second world war—the consumption of aluminium has been growing rapidly and it has become one of the three or four metals in the widest use.

2. The growth of world production is shown in the following table:

TABLE A

Year		Production					Total
		U.S.A. & Canada	Europe (excl. U.K.)	Sterling Area		Rest of World	
				U.K.	Other		
1920	...	74	49	8	—	—	131
1922	...	43	42	5	—	—	90
1924	...	80	79	7	—	—	166
1926	...	83	103	7	—	—	193
1928	...	133	108	11	—	—	252
1930	...	137	113	14	—	—	264
1932	...	65	76	10	—	—	151
1934	...	48	90	13	—	—	151
1936	...	127	175	16	—	7	325
1938	...	192	290	23	—	17	522
1940	...	281	365	19	—	41	706
1941	...	466	385	23	—	79	953
1942	...	770	391	47	—	109	1,317
1943	...	1,265	380	56	1	148	1,850
1944	...	1,106	303	35	2	116	1,562
1945	...	635	79	31	2	20	767
1946	...	538	92	31	3	5	669
1947	...	777	125	28	3	4	937
1948	...	885	169	30	3	11	1,098
1949	...	869	182	30	4	23	1,108
1950	...	994	213	29	4	25	1,265
1951	...	1,166	321	27	4	36	1,554

These figures do not include production in Yugoslavia or in Soviet and satellite countries. They are derived from a variety of sources, but, while, therefore, not statistically precise, provide a reliable basis for tracing the development of production.

3. There have been temporary setbacks, but it will be seen that the growth in production over the period as a whole has been spectacular. It is in particular noteworthy that, while there was a substantial fall in output after the war, production nearly reached the 1943 peak figure again by 1951 and may exceed it in 1952. This is in part attributable to rearmament, but it is mainly due to the development of new uses for aluminium and its use in substitution for other metals. An important contributory factor has been the relatively small increase in the price of aluminium as compared with that of other metals. The price of aluminium in the United Kingdom in 1939 was £94 a ton; it is now (October, 1952) £166 a ton. The United States price of 20 cents a lb. is the same as in 1939. The rise in the United Kingdom price is due in large part to the depreciation of sterling in relation to the dollar.

## United Kingdom Consumption

4. Table B below shows the United Kingdom consumption of aluminium during the period 1920-1951: consumption of copper, lead and zinc is given for purposes of comparison.

TABLE B

Consumption in the United Kingdom							('000 Long Tons)	
Year	Aluminium		Copper		Lead, Imported Virgin, English Refined, and Scrap incl. Remelted	Zinc. Slab and Remelted, Scrap and Residues		
	Virgin	Secondary	New	Scrap				
1920	15	—	100	—	158	120		
1922	6	—	45	—	154	100		
1924	17	—	134	—	220	152		
1926	19	—	137	—	251	159		
1928	17	—	155	—	241	181		
1930	24	—	143	—	283	168		
1932	20	—	129	—	221	115		
1934	23	—	217	—	329	169		
1936	38	—	254	—	345	218		
1938	45	—	255	—	383	209		
1940	102	33	440	—	} not available }	} not available }		
1941	117	49	445	—				
1942	195	64	491	329	319	396		
1943	208	85	449	347	284	376		
1944	150	72	348	275	283	309		
1945	99	51	289	173	294	250		
1946	118	83	325	168	317	290		
1947	159	108	350	191	317	316		
1948	174	69	356	182	314	310		
1949	179	68	319	178	328	288		
1950	181	87	335	191	328	330		
1951	203	113	330	224	341	284		

NOTE.—No figures for secondary aluminium are available prior to 1940. Since the war the proportion of secondary to virgin aluminium has been abnormally high because of liquidation of Government stocks of secondary metal recovered mainly from crashed and obsolete aircraft during and after the war. These stocks have now been exhausted and the industry will in future obtain secondary metal only from the normal recovery of scrap. The demand for virgin aluminium will be correspondingly greater.

5. It will be seen that whereas in the late twenties and early thirties the average annual consumption only slightly exceeded 20,000 tons, in 1946 consumption exceeded 200,000 tons and had grown to 316,000 tons in 1951. Part of the recent increase is accounted for by rearmament, but on the other hand deliveries to fabricators have been subject to an allocation system, and with the co-operation of the industry arrangements have been in force since 1950 for the restriction of the less essential end uses. Broadly speaking the increase in the defence demand as a result of rearmament is thought to have been offset by the restrictions on the demand for other purposes.

### U.K. fabricating capacity

6. Aluminium fabricating capacity in the United Kingdom is already in the region of 500,000 tons a year, and 100,000 tons of this capacity has been created in the past three years. These figures disregard the capacity of fabricating plants held in reserve for emergency purposes.

## Imports

7. In 1951 United Kingdom imports of virgin aluminium totalled 176,000 tons. Of these Canada supplied about 172,000 tons or over 95 per cent at a cost in dollars of over £18 million. Imports from Canada will be about 230,000 tons in 1952. United Kingdom home production is about 30,000 tons a year.

## Future Demand

8. There is every reason to expect that the demand for aluminium will continue to increase rapidly throughout the world. There may be setbacks but these should only be temporary interruptions to the upward trend.

9. This view, which is shared by the aluminium producers and the fabricators in the main industrial countries, is based upon the enormous possibilities for the extended use of aluminium in engineering, shipbuilding, aircraft, transport, the electrical industry, building and other fields in which it is already accepted. The trend would be assisted by the continuance of the post-war price relationship between aluminium and other metals.

10. The prospective demand for aluminium in the United States and the free world was recently examined by the President's Materials Policy Commission ("Paley Commission"). The Commission summed up its conclusions in its report published in June, 1952, entitled "Resources for Freedom" (Volume II, pages 123 and 134) as follows:

### *United States*

"Aluminum has not yet found its 'normal' relative place in the materials demand of the American economy. In almost all its uses it is in the process of winning markets away from competing materials, as already cited in the discussions of the other non-ferrous metals. But markets gained from the non-ferrous metals are unlikely to be quantitatively the most important causes of aluminum's future expansion, for substitutions even far in excess of those anticipated could be effected by less than a million tons of aluminum. They may of course, be highly valuable substitutions because of the specialized uses served by the non-ferrous metals. In contrast, the possibilities of substituting aluminum for steel and wood are almost unlimited. Aluminum window frames and furniture, and aluminum in construction would by themselves account for a four- or five-fold expansion of United States aluminum demand from its present level of 983,000 short tons. This fact frustrates any attempt at precision in the estimate of aluminum demand. If there were no substitutions at all in favour of aluminum, its demand would probably expand by 1975 to 2 or 2½ times its 1950 level.

The projected substitutions of aluminum for other non-ferrous metals would add another 500,000 tons. To the resulting figure of 2½ to 3 million tons must be added an arbitrary allowance for the probable amount of aluminum that will substitute for steel and wood.

We have chosen to project the 1975 United States demand for aluminum at 4.5 million (between 4 and 5 times the 1950 consumption) as indicating a plausible rate of growth. A figure much less than this would imply almost no incursions of aluminum into fields now held by other materials. A figure much greater, say 10 times the 1950 output, would be possible if aluminum were assumed to take over more than a small part of the functions now performed by wood and steel. The policy implications of a ten-fold increase should therefore be considered.

The scrap ratio of aluminum has averaged less than 10 per cent in the United States in recent years. Since the projected rate of growth is considerably slower than that of the past, this ratio is expected to increase in the future. In Europe, where the growth of aluminum consumption from 1935-38 to 1948-49 was at about the rate projected for the United States, recent scrap ratios have been around 30 per cent, but these ratios were influenced by the presence of war scrap on the European market. An intermediate figure of around 20 per cent is not implausible for the United States in 1975. This would make the projected United States demand for new aluminum around 3.6 million tons, an increase of about 300 per cent over the 1950 consumption of 920,000 short tons of new metal."

"The rest of the free world consumed, in 1950, about 465,000 short tons of new aluminum. The same forces expected to bring about the rapid expansion of United States aluminum consumption will also operate in the other free countries. The prospective growth will certainly be large, but there is no sound basis for the choice of any particular figure. Abroad, as in the United States, aluminum is still growing into its place in the consumption pattern.

Available data on scrap consumption in Europe reveal an abnormally high scrap ratio in 1950. Accordingly, foreign demand for new aluminum is expected to rise at a rate somewhat faster than that expected for total consumption, that is, new aluminum plus scrap. The new aluminum demand of the rest of the free world is therefore projected to increase from its present level to about 2.4 million tons in 1975, a figure that represents a fivefold increase in total demand and a scrap ratio stabilized at the 20 per cent level projected for the United States."

11. The future demand for aluminium in the United Kingdom is likely to be governed by the same basic factors as in the United States and elsewhere, and growing world requirements will be reflected in the demand for United Kingdom exports of aluminium products. The Paley Commission were aware of the difficulties in projecting demand over a twenty-five year period, and their estimate was intended only as a broad indication of what might happen on certain hypotheses. Applied to the United Kingdom, their estimate for the rest of the free world would give total United Kingdom consumption at about 1.3 million tons in 1975, of which 1 million tons would need to be met from virgin metal. On the alternative assumption (which the Aluminium Industry Council regards as conservative on the basis that aluminium is available at competitive prices) that the average annual rate of increase is 5 per cent., and taking 1950 total consumption of 268,000 tons as the starting point (though consumption in 1951 increased considerably above this) demand would exceed 430,000 tons in total by 1960 and would be about 900,000 tons a year by 1975. Discounting these totals by 20 per cent. for scrap the virgin metal requirements would be 340,000 tons in 1960 and 720,000 tons in 1975.

#### Future Supply Prospects

12. There is no danger that the expansion of aluminium production will be restricted because of shortage of bauxite. Known reserves of bauxite of good quality in countries of the free world are estimated to be of the order of 1,500 million tons (350 million tons metal content) and they are widely distributed. Nor is there any reason to think that shortages of other raw materials will be a handicap to expansion.

13. The chief difficulty is the heavy demand on electric power which the extraction processes make. Unless cheap power is already available in large quantities, any major new development of aluminium producing capacity involves at the same time the large-scale development of power—normally, as things are, hydro-electric power. This means in practice that large-scale expansion of aluminium production under present processes can only take place in connection with major power developments.

14. About 30,000 tons of aluminium a year is produced by the British Aluminium Company who use hydro-electricity from the Scottish Highlands. During the war new capacity was set up in South Wales but the plants were uneconomic and have since been dismantled. Unless new processes are developed which reduce the demand for electric power or enable coal to be used economically for aluminium production it seems most unlikely, in view of the lack of potential hydro-electric power in the United Kingdom and the many claims upon the available power, that further large-scale production in the United Kingdom itself will be economic. Interesting possibilities of new processes are under scientific investigation in this country and elsewhere, but it will be a long time before commercial development is a practical proposition.

15. The United Kingdom will, therefore, have to import the additional metal it will require. Imports at least at the present rates are assured by the long-term arrangements with the Aluminum Company of Canada. Under these arrangements

the United Kingdom Government have, during and since the last war, lent or agreed to lend a total of Canadian \$120 million in order to assist the company to expand its capacity. In return for these loans the United Kingdom Government secured a contract for the supply of 250,000 tons of virgin aluminium in each of the years 1952 to 1955 and an option to take 250,000 tons a year thereafter until 1970. This option has since been increased by 25,000 tons in each of the years 1957 to 1960.

16. For import requirements above the current level it will be necessary to depend on the export surpluses of producing countries. Many countries are planning relatively small increases in their aluminium-producing capacity to meet their own needs but while this will help to reduce their need to import virgin aluminium it would be unsafe to assume that countries which are producing primarily in the interests of their own fabricators will have virgin metal to export.

17. The only large scale developments which are in prospect at present are in Canada and the United States. Since the war the Aluminum Company of Canada has increased its installed smelter capacity in the Province of Quebec from 450,000 tons to 500,000 tons a year. The company's Kitimat project in British Columbia will have an initial capacity of 83,000 tons with operation starting in 1954, and a potential capacity of 500,000 tons a year. In the United States the present expansion programme will double the 1950 capacity of about 700,000 tons and capacity will exceed 1.4 million tons when it is completed in 1954.

18. If United States requirements increase as rapidly as the Paley Commission envisaged, capacity in the United States may well do no more than keep pace with them. Even if it were wise to count on an export surplus from the United States being available to the United Kingdom in competition with other importing countries, additional dollar expenditure would be involved. The possibilities of further expansion of aluminium production in Canada have by no means been exhausted, but to meet the additional requirements of the United Kingdom from Canada would similarly add very substantially to the dollar expenditure.

19. In all these circumstances there is a strong case for developing new aluminium production in the Sterling Area. The possibilities have been carefully examined since the war with the co-operation and advice of the British Aluminium Company and Aluminium Limited. It was decided that the choice of a site probably lay between the Gold Coast and North Borneo, and with the encouragement of the United Kingdom Government the two companies sent a Joint Mission to the two territories to report on the possibilities. The Joint Mission reported in January 1951 that while both sites were suitable for the development of aluminium production, the Gold Coast was preferable since bauxite was available in the territory and a larger production capacity could be attained from the greater potential hydro-electric power available.

## APPENDIX II

### THE VOLTA RIVER ALUMINIUM SCHEME

#### The Volta River

1. The Volta River, the principal river of the Gold Coast, has a total length of some 1,000 miles from the head waters of the Black Volta to the sea. The drainage area of the river system is approximately 150,000 square miles, of which 61,500 square miles (roughly 40 per cent.) lies within Gold Coast territory including the trust territory of Togoland, and 88,500 square miles lies outside the Gold Coast in French territory. The Black Volta rises in the French Ivory Coast and flows north-east and then south to form the western boundary of the Gold Coast Northern Territories, and thence east to join the White Volta some 300 miles from the sea. Below this confluence there are two main tributaries, the Oti and the Afram. The map on page 22 shows the general geography and the places mentioned subsequently in connection with the scheme.

2. About 75 miles from its mouth at Ada the Volta passes through a low coastal range, the Akwapim Hills, the country up river being flat. The gorge through the hills provides a possible site for a high dam which would pond the water up the Volta and Afram to form a great lake. The only other site apparently suitable for a dam on the river system is at Bui on the Black Volta 145 miles up stream from its confluence with the White Volta; this site would provide much less power.

#### History of the Scheme

3. The possibility of developing hydro-electric power from the Volta has been considered at various times during the last few decades. In 1924 the Gold Coast Government drew up and considered proposals for the construction of a dam at Ajena in the Akwapim Hills for generating power for the production of aluminium, and in 1938 Mr. Duncan Rose started a detailed survey and obtained certain concessions. The war interrupted this survey in 1939 but in 1945 a company—West African Aluminium Limited—was formed, with Mr. Rose as Chairman, to carry the scheme forward. In 1949 Aluminium Limited of Canada acquired an interest in this company.

In 1950 a joint mission of Aluminium Limited and the British Aluminium Company made a further detailed study of the scheme prepared by West African Aluminium Limited and reported in January, 1951, that it was a sound engineering proposition and could produce aluminium at an economic cost.

4. Meanwhile the Gold Coast Government had decided that the development of the Volta River Basin should be viewed as a whole and that a comprehensive investigation and report should be obtained before any further rights to develop the power undertaking were granted. Accordingly in October, 1949, they engaged Sir William Halcrow and Partners to undertake a survey of all aspects of the Volta River development. The terms of reference covered hydro-electric power at Ajena and/or Bui, irrigation and drainage of lands in or near the catchment of the River Volta, navigation on the river, transport and port facilities.

5. After a preliminary report dated 25th July, 1950, Sir William Halcrow and Partners submitted a final report on 15th August, 1951, which set out a scheme for the development of the Volta Basin. So far as it related to aluminium production this report formed the basis for the subsequent discussions between representatives of the United Kingdom and the Gold Coast Governments, of Aluminium Limited, and of the British Aluminium Company which took place in October and November, 1951 and in May, 1952, in London and in June, 1952, in Accra. The purpose of these discussions was to consider the conditions under which the two Governments and the aluminium companies might jointly participate in a scheme for aluminium production in the Gold Coast. Sir William Halcrow and Partners and Cooper Brothers and Company, the chartered accountants engaged by the United Kingdom Government as advisers on the financial aspects of the scheme, were represented.

The discussions were exploratory in character. The representatives of the two Governments explained that they could not commit their Governments, and the representatives of the two aluminium companies that they could not commit their Boards. The following scheme resulted from these discussions.

#### The Scheme

6. The scheme now proposed envisages the construction of a dam and power station at Ajena in the gorge through the Akwapim Hills. This would raise the water level to a maximum height of 260 feet above sea level and would create a lake with an area of some 2,000 square miles as shown on the map. The geologists of the Gold Coast Government have agreed that the dam and reservoir proposed are geologically sound. The exact extent of the reservoir will not be known until a detailed survey has been completed but it is known that the water can be safely raised to this level. From records of the river flow which are available over a twenty year period it is estimated that the discharge could be regulated to give a continuous rate of 35,700 cubic feet of water per second. The draw down from the maximum level would be limited to 25 feet. By cutting through the Senchi and Kpong rapids below the dam to lower the tail water level it is calculated that an output of 564,000 K.W. of firm electric power could be developed.

7. It has always been realised that any major development of the Volta Basin would only be economic if an adequate demand could be found for the available power. Existing and estimated future demands for electric power in the Gold Coast are insufficient to justify the hydro-electric power without a heavy power consumer like aluminium production as the main outlet. It is intended to set up an aluminium smelter in the vicinity of Kpong, some 12 miles from the dam site. After allowing 50,000 K.W. for other users in the Gold Coast, the power available from the hydro-electric installation would be enough to produce 210,000 tons of aluminium a year. The smelter would draw its major raw material, bauxite, from reserves within the Gold Coast. Deposits of bauxite at Mpraeso and Yenahin, which would be worked to supply the smelter, are estimated to exceed 200 million tons, sufficient for about 200 years production at the maximum output of the smelter.

#### **Public Works**

8. The establishment of an aluminium industry of this size would necessitate the construction of a new port conveniently situated to serve its needs. Takoradi is the only major port in the Gold Coast. Accra, next in size, has already reached the limit of its capacity and is unsuitable for further development as a port. While Takoradi has recently been extended, it is already evident that a new major port is urgently required to meet the general needs of the expanding Gold Coast economy. Sir William Halcrow and Partners recommended that a new port to serve both the general and the aluminium needs should be constructed at Tema about 20 miles east of Accra. The Gold Coast Government, after obtaining a second opinion, have decided to proceed with the construction of a new port at Tema whether or not the scheme as a whole is undertaken; preliminary work is now in hand.

9. In addition there would need to be a considerable development of communications. Existing roads would need improvement and new roads would have to be built. It is expected, however, that the main burden of new traffic would fall on the railways. The new port at Tema would have to be linked by rail to both Accra and the smelter at Kpong. The bauxite would also be moved by rail, and new lines from Yenahin to Kumasi and from Koforidua to Kpong would be required.

10. The Gold Coast Government would be responsible for financing these public works and the townships which would come into being at the port and the dam site. The work would be carried out by the appropriate Gold Coast organisations, e.g., the Gold Coast Railways Department, the Tema Development Corporation and the Public Works Department.

#### **The Smelter and Mines**

11. The aluminium smelter and bauxite mines would be managed by private enterprise, the aluminium companies and the Gold Coast Government sharing in the provision of the equity capital. The smelter company would be responsible for the construction and operation of the smelter and the development and operation of the mines. The smelter company would also be responsible for constructing the townships at the smelter and mines. The land required for the smelter would be acquired by the Gold Coast Government and would be leased to the smelter company for a period of 80 years plus a period of not more than three years for the construction of the smelter.

#### **Production Programme**

12. It would be the intention of the aluminium companies to proceed to a smelter capacity of 210,000 tons a year as rapidly as conditions permit. Their willingness to participate is based on the conviction that the scheme would be capable of rapid expansion. In the first place, however, a capacity of 80,000 tons a year would be installed. The aluminium companies would be prepared at the request of the two Governments to commit themselves to expand the capacity to 120,000 tons a year within a period of seven years from the date when power first became available unless the two Governments subsequently agreed to extend the period. The aluminium companies would further be prepared at intervals of three years to consult with the two Governments on ways and means of attaining the maximum capacity of 210,000 tons. If a capacity of 210,000 tons had not been reached within twenty

years from initial production, they would undertake to examine the position with the two Governments. Failing agreement as to the feasibility of further expansion the power not required for the existing and immediately projected capacity of the smelter could be released to other users. In the event of others contracting for power for the production of aluminium the smelter company would make available to such producers the required quantities of bauxite on reasonable terms (to be settled by arbitration in default of agreement).

13. The aluminium companies would undertake that as far as possible any technical discoveries made or acquired by them or by their associated companies would be made available to the Gold Coast smelter company on terms as favourable as those on which they were made available to any other associated company.

#### **Financing the Smelter Company**

14. The Gold Coast Government, Aluminium Limited and the British Aluminium Company would provide the equity capital of the smelter company, Aluminium Limited contributing the major part. The Gold Coast Government, as trustees of the people of the Gold Coast, would have the right to provide 10 per cent. of the equity capital as it was issued from time to time. After the smelter company had been in production twenty-five years and upon the request of the Gold Coast Government, the smelter company would in addition undertake to offer for sale at a reasonable price to private Gold Coast investors equity stock (either new stock or stock then in the hands of the aluminium companies) in an amount equal to the amount of equity stock previously transferred to private Gold Coast investors from the Gold Coast Government's original holdings. The aluminium companies attach importance to private enterprise and are anxious that Gold Coast private investors should participate in the equity of the smelter, but realise that for some time it is unlikely that private Gold Coast funds will be available.

15. All the capital attributable to the first 40,000 tons of annual capacity (including working capital) would be raised by the holders of the equity of the smelter company. One half of the capital attributable to the development of capacity from 40,000 to 80,000 tons would be raised by the equity holders, and the other half would be provided by the United Kingdom Government after the company's share had been raised. The exact form of the United Kingdom Government capital assistance to the smelter company has been left open for decision at the time but this capital assistance would not take the form of an equity investment. Of the capital to be raised by Aluminium Limited, not less than one half would be provided from Canada, and Aluminium Limited would be entitled to raise the balance by the sale of Aluminium Limited equity securities in the Sterling market except to the extent that a debenture issue on the Sterling market might be made in lieu.

16. Up to half of the capital required for the expansion of the capacity of the smelter from 80,000 to 120,000 tons a year would be provided by the United Kingdom Government on a suitable non-equity basis if the equity interests in the smelter company so wished at the time. It is not contemplated that it would be necessary for the United Kingdom Government to make any contribution to the capital required to expand the smelter capacity after 120,000 tons a year had been reached.

#### **Financing the Power Undertaking**

17. The United Kingdom and Gold Coast Governments would be jointly responsible for financing the hydro-electric power undertaking as a whole; the Gold Coast Government would be solely responsible for facilities for the distribution of power to other users besides the smelter. The undertaking would be organised as a public utility and the finance would be provided by loans fully secured on the assets. The loans, which would bear interest, would be amortised over a period of eighty years. The Gold Coast Government expect to provide at least £8 million towards the power project proper.

18. It is proposed that a Volta River Authority and a Volta Electricity Board should be set up by the Gold Coast Government. The responsibilities of these two bodies are described in greater detail in Appendix III. The Volta River Authority would be responsible for the building of the dam and power station. On completion

of the construction work the Volta Electricity Board would assume responsibility for the management of the power undertaking and also for the installation of additional generating units, transmission lines and extensions to the original works.

19. Certain capital and other expenditure would arise as a result of the creation of the reservoir on matters such as the resettlement of population, clearing and draining marginal lands, clearing navigational channels necessary for maintaining existing communications, and various compensation claims, together with the administrative costs involved. This expenditure would be a charge in the first instance on the power project up to a limit of £3 million. Any expenditure on these items over this sum up to a maximum of £1 million would be shared equally between the Gold Coast Government and the Volta River Authority. The maximum aggregate charge on the power project would be £3½ million.

21. The interest rate at which loans to the Volta River Authority for the power project would be made has an important bearing on the ultimate cost of power to the smelter, and the aluminium companies have asked that the interest rate should be determined before final commitments to proceed were taken. Two bases for the interest charges have been considered. The charge might reflect changes in the money market; as each instalment of the loan was advanced the rate for that instalment could be determined in the light of market conditions at the time. Alternatively a fixed rate for all the borrowings might be settled at the time when the decision was made to proceed with the scheme; the Government or Governments would then take the risks of any rise and receive the benefit of any fall in interest rates. The aluminium companies would be given the option of deciding which method they preferred at the time commitments were undertaken. They have, however, also pointed out that they would be reluctant to see the project financed entirely by long-term borrowing at a time when interest rates were high, thereby preventing later conversion to a more favourable basis.

#### The Power Contract

22. The supply of power for the smelter would be governed by a contract under which the Volta Electricity Board would undertake to make power available to the smelter up to an amount necessary for the production of aluminium at the rate of 210,000 tons a year for sixty years from the date at which power was first available. The contract would recognise that other users in the Gold Coast would require up to 50,000 K.W. of the power which would be available. The Gold Coast Government, Aluminium Limited and the British Aluminium Company would share, in the ratio of their respective holdings in the equity of the smelter company, an obligation to secure that the Volta Electricity Board would receive payments amounting each year to its out of pocket or operating costs (including interest) in respect of the power contracted for by, and made available to, the smelter company, plus the calculated amount needed in the year to cover (a) the appropriate contributions to a renewals fund and (b) amortisation of the capital expenditure over 80 years. Provision would be made for the extension of the amortisation period by agreement if there were unavoidable delays in construction. In the initial stages these payments would be abated by the amount of sales to consumers other than the smelter company. The charges for power so sold would be detailed in the power contract. At the time a smelter capacity of 120,000 tons a year was attained the Gold Coast Government would declare what quantity of power (over that needed for an annual output of 210,000 tons of aluminium) it wished to reserve for public consumption and would from then on relieve the smelter company of the appropriate proportion of the cost of power production. Power not so reserved by the Gold Coast Government would be available during the currency of the power contract to the company. The guarantee of the power contract by the participants in the equity of the smelter company would remain in force until the smelter company had installed capacity for production of 210,000 tons of aluminium a year and had profitably produced at substantially that rate for five years.

#### Estimates of Cost

23. It is at present estimated that the cost of public works to be undertaken by the Gold Coast Government including port, roads, railways and townships would be £26,000,000, of which the port of Tema is estimated to cost £11,000,000.

The smelter company would require £29,000,000 to develop the bauxite mines, build towns at the mines and smelter, and construct and operate the smelter at an annual capacity of 80,000 tons. At capacities of 120,000 tons and 210,000 tons a year the corresponding figures would be £39,000,000 and £64,000,000 respectively. The table below shows how the cost would probably be divided among the different parties.

The estimated cost of the power project, revised by Sir William Halcrow and Partners in June, 1952 to take into account rises in wages and salaries in the Gold Coast, is £41,500,000 for 80,000 tons smelter capacity; for 120,000 tons £45,500,000; and for full development £49,500,000. There is margin of error of 15 per cent. up or down on certain items of cost in civil engineering estimates of this kind, and for maximum safety 15 per cent. has therefore been added to these items in order to show the estimated maximum cost. The estimated costs for the various stages of the power project then become for 80,000 tons £45,500,000; for 120,000 tons £49,500,000; and for full development £54,000,000, and these figures have been used in the table below to show the estimated maximum cost to the United Kingdom Government.

#### ESTIMATES OF COST

Capacity in tons	80,000	120,000	210,000
<i>Port, Rail, Road and other Public Works</i>			
Gold Coast Government ... ..	£ 26,000,000	£ 26,000,000	£ 26,000,000
<i>The Power Project</i>			
United Kingdom Government ... ..	37,500,000	41,500,000	46,000,000
Gold Coast Government ... ..	8,000,000	8,000,000	8,000,000
	£ 45,500,000	49,500,000	54,000,000
<i>The Aluminium Smelter</i>			
United Kingdom Government ... ..	5,800,000	10,800,000	10,800,000
Gold Coast Government and private investors ... ..	2,300,000	2,800,000	5,300,000/10,600,000
Aluminium Companies ... ..	20,900,000	25,400,000	47,900,000/42,600,000
	£ 29,000,000	39,000,000	64,000,000
<b>Total ... ..</b>	<b>£ 100,500,000</b>	<b>114,500,000</b>	<b>144,000,000</b>
<i>To be borne by:—</i>			
United Kingdom Government ... ..	43,300,000	52,300,000	56,800,000
Gold Coast Government and private investors ... ..	36,300,000	36,800,000	39,300,000/44,600,000
Aluminium Companies ... ..	20,900,000	25,400,000	47,900,000/42,600,000
<b>Total ... ..</b>	<b>£ 100,500,000</b>	<b>114,500,000</b>	<b>144,000,000</b>

24. These estimates are as firm as can be expected at a stage when detailed bills of quantities and contract drawings have still to be drawn up and competitive tenders obtained. They are not likely to be substantially different from any others which become available before work on the scheme is actually put in hand, provided there is no general increase in the level of costs. It must be recognised, however, that the risk of exceeding the estimates even by a substantial margin is not one which can be removed from a scheme of this kind.

## Labour

25. In the view of the Gold Coast Government there would be adequate reserves of manpower, not only for existing undertakings and the production of subsistence and cash crops but also for the construction work entailed by the Volta project and developments in other parts of the country. The Gold Coast Government are confident that with appropriate wages and conditions, adequate housing, feeding and medical arrangements, there would be no undue difficulty in attracting, recruiting and retaining the required labour force; and that arrangements could be made to this end without dislocating prevailing wage levels.

## Timetable

26. An agreed timetable would be drawn up and incorporated in a Master Agreement in which the rights and obligations of the parties would be set out. The Gold Coast Government have stated that they would be ready, whenever occasion arose, to defer or rephase other parts of their development programme which seemed likely to conflict with the Volta River Aluminium Scheme in demands on the resources available. The Chairman of the Volta River Authority would have direct access to the Prime Minister of the Gold Coast on such questions.

## Supplies of Aluminium to the United Kingdom

27. In return for the United Kingdom Government investment in the scheme the smelter company would be under an obligation for thirty years from initial production to offer to buyers in the United Kingdom at least 75 per cent. of the production at prices f.o.b. Gold Coast port not exceeding the Sterling equivalent of either the lowest North American domestic price (for ingot or pig) f.o.b. refinery or the Canadian domestic price (for ingot or pig) f.o.b. refinery, at the choice of the aluminium companies to be exercised before final commitments are accepted.

28. This should cover all normal contingencies, but it is recognised that there might be exceptional circumstances in which the smelter company could not produce economically for sale at the ceiling price. The smelter company would have the right to ask for a revision of the price ceiling when in its opinion production for sale at the ceiling price would, as a result of factors beyond its control other than ordinary commercial risks, reduce its profits to an unreasonably low level. Causes beyond the company's control might in this context include, for example, general increases in costs in the Sterling Area or the Gold Coast not offset by variations in exchange rates, and variations in exchange rates not offset by variations in costs. The United Kingdom Government and the smelter company would settle by agreement whether and if so by what amount the ceiling price should be increased. Failing agreement within three months the question would at the request of either party be referred for settlement by arbitration in the light of all the relevant circumstances including the fact that the smelter company would be entitled to expect a reasonable profit. The revised ceiling price would apply for one year but the smelter company would be free to apply for revision of the ceiling price for the next year (and thereafter for any subsequent year), and any such application would also be dealt with by agreement or by arbitration. Pending settlement of a revised ceiling price the normal ceiling would apply (a) unless the ceiling price had previously been revised for a period not then completed or (b) until the smelter company's application for revision had been outstanding for six months. In the latter event, no ceiling price would apply until settlement had been reached.

## THE VOLTA RIVER AUTHORITY AND THE VOLTA ELECTRICITY BOARD

1. As part of the initial agreements the Gold Coast Government would undertake to create a Volta River Authority and a Volta Electricity Board. In broad terms, the functions of these bodies would be as follows.

### Volta River Authority

2. The Volta River Authority would be responsible for the co-ordination of all planning and construction work arising out of the Volta River Scheme, including the building of:

- (i) the dam and power station, sub-stations and transmission lines;
- (ii) the aluminium smelter and alumina works;
- (iii) port and railway facilities;
- (iv) roads;
- (v) townships.

In the performance of this co-ordinating work the Authority would consult the various Gold Coast Government Departments concerned—Agriculture, Surveys, Health, etc.—as well as the companies and others with a direct responsibility for the completion of the construction work. The objective would be to ensure the proper integration and smooth phasing of the various developments during the eight years or so likely to be required for the construction work on the power scheme and on the aluminium scheme in its initial stages.

In so far as the Authority considered that such proper integration and smooth phasing was being jeopardised by competing demands for material, labour and services arising out of the development plans of the Gold Coast Government, the Authority would be entitled to call upon the Prime Minister of the Gold Coast for assistance.

3. The prime responsibility for these works would rest with the bodies financially responsible—e.g., the smelter company for the bauxite mines, the alumina works and aluminium smelter; the Gold Coast Railways Department for railway facilities; the Tema Development Corporation for the town and port of Tema; the Gold Coast Public Works Department for main roads; and the smelter company for townships at the smelter and bauxite mines and for service roads in their vicinity. In addition to its responsibility for co-ordinating the phasing of these various works, however, the Volta River Authority would also have prime responsibility for the building of the dam and power station and for certain ancillary work. It would thus, inter alia, place the contracts for the construction work at the dam and for the power plant and equipment and make arrangements for labour camps at the dam site and for other services there, including permanent housing to the extent it then appeared necessary, water, lighting, drainage, etc. It would also undertake the clearing of marginal lands on the lake side, navigation channels and drainage cuts.

4. The Authority would be responsible for the proper control of funds made available by the United Kingdom Government and the Gold Coast Government for the construction work. These funds, save to the extent that they were expressly chargeable against the revenues of the Gold Coast Government, would be in the form of loans secured on the assets. The proceeds of the sale of power would be hypothecated for the service and amortisation of the loans.

5. Until such time as the Volta Electricity Board was set up the Volta River Authority would also be responsible for the preparation and signature of contracts for the supply of power and for any other agreements relating thereto. Such contracts and agreements would be assignable by the Authority to the Volta Electricity Board.

## **Volta Electricity Board**

6. The Volta Electricity Board would take over from the Volta River Authority all responsibility (including the responsibility for financial control referred to in paragraph 4 above) in respect of the dam and power undertaking when the construction work had been completed and power had first become available. It would also thereafter be responsible not only for the maintenance and repair of the plant but also for the procurement and installation of additional generating units, transmission lines and any other extensions to the original work. It would take the place of the Volta River Authority in any power contracts and other agreements entered into by the Authority and be responsible for entering into any new commitments for the sale of power.

## **Constitution of the Authority and the Board**

7. Both bodies would be established by Gold Coast legislation. The Volta River Authority would take over such commitments, records, etc., as might seem appropriate from the Preparatory Commission. It would also offer continued employment to such of the staff of the Preparatory Commission as it required.

8. The appointment of Chairman of the Volta River Authority would be made by the Gold Coast Government with the concurrence of the United Kingdom Government. Consideration would also have to be given to the appointment of a whole-time Deputy Chairman or Chairmen in view of the magnitude of the responsibilities to be undertaken by the Authority. Their appointment would likewise be by the Gold Coast Government with the concurrence of the United Kingdom Government.

9. The Chairman of the Volta Electricity Board would be a whole-time officer appointed by the Gold Coast Government. The appointment would be made with the concurrence of the United Kingdom Government so long as substantial loans by the United Kingdom Government in respect of the power project were outstanding. The Board, as well as the Volta River Authority, would contain representatives of the Gold Coast Government and prominent persons in the territory, a nominee of the United Kingdom Government and, at least throughout the construction period, a representative of the aluminium interests.

## **APPENDIX IV**

### **VOLTA RIVER PREPARATORY COMMISSION**

#### **Terms of Reference**

1. At the discussions between the United Kingdom Government and the Gold Coast Government and the two aluminium companies which were held in Accra in June 1952, it was agreed that the next step to carry the project further should be to establish a Preparatory Commission with which the aluminium interests would be associated. The duties of the Preparatory Commission would be as follows:—

(i) In conjunction with the Gold Coast Government, to determine the phasing of the project with other Gold Coast Government development projects in the light of the available resources of the Gold Coast economy, including the adequacy of the Government services.

(ii) To take part in the determination of the constitution and powers of the Volta River Authority.

(iii) To continue the development of the necessary preparatory work with the assistance of such staff as the aluminium companies could make available, and to employ such consultants as might be necessary for this purpose.

(iv) To take part in the preparation of the Master Agreement, and of an agreed timetable and estimates of cost of the project.

### **Constitution of the Commission**

2. It is proposed that the Commission should be under a Special Commissioner who would work in close association with two Gold Coast Ministers, namely the Minister of Finance and the Minister of Commerce and Industry. He would be appointed by the Gold Coast Government with the concurrence of the United Kingdom Government. The appointment would be subject to notice on either side, the Gold Coast Government agreeing not to exercise their right of giving notice without the prior concurrence of the United Kingdom Government.

### **Initial work of the Commission**

3. It would be the first duty of the Special Commissioner on proceeding to Accra to establish, in association with the two Gold Coast Ministers, adequate liaison arrangements with the local representatives of the aluminium companies and with all the departments concerned of the Gold Coast Government.

The existence of liaison machinery of this kind would not prejudice the right of the Special Commissioner to have direct access to the Prime Minister of the Gold Coast.

The Special Commissioner, in association with the two Gold Coast Ministers, would be required to submit progress reports to the Gold Coast and United Kingdom Governments at regular and frequent intervals. These reports would also be transmitted through the United Kingdom Government to the aluminium companies. He would be required to submit his final report and recommendations with all reasonable despatch.

### **Subordinate appointments**

4. Subordinate appointments as necessary would be made by the Gold Coast Government in consultation with the United Kingdom Government and the Special Commissioner.

### **Finance**

5. The cost of the Commission would be met by the Gold Coast Government in the first instance, but half would be reimbursed by the United Kingdom Government. If it is decided to proceed with the scheme the cost of the Commission, which is not expected to exceed £400,000, will be borne by the scheme.

A supplementary estimate on the Ministry of Materials Vote will be submitted to Parliament in due course for the United Kingdom share of the cost of the Commission in the financial year 1952-53.



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Memorandum of Conversation (TELEPHONE)

DATE: February 4, 1953

SUBJECT: Detwiler Plan for Gold Coast Development.

PARTICIPANTS: L. E. Detwiler, President, United American Management Corporation  
AF - Mr. Cyr

Transmitted to Field (Form DS 4)  
London, Accra

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COPIES TO: S - Mr. O'Connor  
NEA - Mr. Hadsel  
H - Miss Kirlin

For: Info  
AF - Mr. Feldner By: FRB Date: 2-6-53  
ED - Mr. Smith  
AMCONSUL - Accra, Gold Coast, W. Africa  
AMEMBASSY - London (Palmer)

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Yesterday Mr. Detwiler came to my office at his own request to discuss his Plan for participation in the management of the Volta River project. In his letter of January 22 transmitting the Detwiler Plan to Secretary Dulles, he states that he and Dr. Bond "have been authorized by the Prime Minister (Nkrumah) to pursue further this matter, which involves a proposed self-liquidating loan of approximately \$600,000,000 from the U. S. Government to the Gold Coast Government." He did not show me the letter, but asked for advice as to how to proceed.

I informed him that government-to-government loans are made through normal diplomatic channels, which in this case would include the British. Mr. Detwiler said he had hoped that there might be some other way to pursue the matter, since his plan is in competition with the British plan for Volta River development. I indicated that I knew of no other way to pursue a government-to-government loan.

Today Mr. Detwiler called me on the telephone to say that he had discussed his Plan with several Senators, whom he did not identify,

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and that it seemed agreed that government-to-government loans must be handled through diplomatic channels. He said it had been suggested, however, that a modification in the Detwiler Plan would make it possible to avoid diplomatic channels. It had been suggested, according to Mr. Detwiler, that if one or two of the interested American corporations could obtain a concession from the Gold Coast Government covering the Volta River project, such corporation or corporations could then apply to DMPA for a loan for its or their own account. He cited a case in Jamaica where this procedure had been followed in connection with an ECA loan to an American company. He said that he has an appointment at 3:15 p.m. today to discuss this matter with Vice President Nixon.

I reminded Mr. Detwiler that my comments yesterday had been predicated on his original Plan, which involved a government-to-government loan, and informed him that I was not familiar with the procedure for DMPA loans to private companies. I thanked him for keeping me informed and he said he will let me know the results of his meeting with the Vice President.

In both yesterday's and today's conversations with Mr. Detwiler, I had in mind the report of January 14 which the Department has received from our Consul in Accra stating that Prime Minister Nkrumah was not impressed with Mr. Detwiler and Dr. Bond and was not interested in his proposition of making American capital available in connection with the Volta River project. The report also states that the Prime Minister could not attempt to alter the financial arrangements as presently contemplated with the British.

I am informed that Assistant Secretary Morton will apprise the Vice President of the substance of the report from our Consul in Accra.

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**Memorandum of Conversation**

DATE: February 4, 1953

SUBJECT: American Participation in the Gold Coast Volta River Scheme.

PARTICIPANTS: Mr. Percy Melville  
AF - Mr. Cyr  
Mr. Feld  
Mr. Durnan

COPIES TO: ED - Mr. D. Smith  
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TO: Accra  
For: Info  
Div: NEA By: FRB Date: 2-6-53

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American Consulate, Accra, Gold Coast.

Mr. Melville (who stated that he is at present unemployed but was until recently with the Defense Production Agency) called by appointment to inquire about the possibilities of private American investment in the Gold Coast Volta River Scheme. It was pointed out to Mr. Melville that plans worked out by the British and Gold Coast Governments had already reached an advanced stage and that while it was doubtful that consideration would be given to American participation in the scheme, there might be opportunities for American investors in ancillary development projects. It was suggested that in either event it would be advisable in the first instance for Mr. Melville to discuss the matter with the British authorities and that he might want to arrange an appointment with Mr. Wenner of the British Embassy. Mr. Cyr stated that the Department would be interested in learning the results of Mr. Melville's talks at the British Embassy.

A check by telephone with DPA confirmed that Mr. Melville had been employed with that Agency from March 5, 1951 to January 4, 1953 as an Industrial and Financial Analyst (GS-12, salary \$8,040). Mr. Melville had a performance rating of "Satisfactory" with DPA, had been checked and cleared for loyalty and had been OK'd medically on April 5, 1951.

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Memorandum of Conversation (TELEPHONE)

DATE: February 5, 1953

SUBJECT: Detwiler Plan for Gold Coast Development.

PARTICIPANTS: L. E. Detwiler, President, United American Management Corporation  
AF - Mr. Cyr

COPIES TO: S - Mr. O'Connor  
NEA - Mr. Hadsel  
H - Miss Kirlin  
AF - Mr. Feld  
ED - Mr. Smith  
AMCONSUL - Accra, Gold Coast, W. Africa  
AMEMBASSY - London (Palmer)

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Mr. Detwiler telephoned to inform me that he had had a long and fruitful discussion yesterday with Vice President Nixon on the above subject. He said that about nine high officials attended the meeting.

According to Mr. Detwiler, representatives of several Government agencies will collaborate, as a result of the meeting, in preparing for the Vice President a memorandum to be presented to the National Security Council on "this subject." He said that the Vice President wants the memorandum in time for the first meeting of the National Security Council to be held after the return of the Secretary and Mr. Stassen.

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Mr. Palmer London  
For: Info  
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Memorandum of Conversation

DATE: February 9, 1953

SUBJECT: Detwiler Plan for Gold Coast Development.

PARTICIPANTS: Mr. William Moran, Mutual Security Agency  
AF - Mr. Cyr

Transmitted by Field Form DS  
 Mr. Palmer  
 London  
 Info.  
 Div: NET By: ERB Date: 2-10-53

COPIES TO: S - Mr. O'Connor  
NEA - Mr. Hadsel  
H - Miss Kirlin  
AF - Mr. Utter

AF - Mr. Feld  
ED - Mr. Smith  
AMCONSUL, Accra, Gold Coast, W. Africa  
AMEMBASSY, London (Mr. Palmer)

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Mr. Moran telephoned to inform me that Dr. Fitzgerald of MSA had informed Mr. Detwiler on February 6 that MSA has neither authority nor funds to participate in the Volta River development during this fiscal year and that, in any event, MSA would require a great deal more information before it could assess Mr. Detwiler's proposals. (Mr. Detwiler had previously informed me that Senator Taft or Senator McCarthy - he could not recall which one - had suggested MSA as a possible source for a loan to an American corporation for use in connection with the Volta River Scheme. This procedure was suggested as an alternative to the Detwiler Plan, which involves a government-to-government loan.)

Mr. Moran will instruct Mr. Bayne of MSA/Paris who will be in Accra about February 15 to discuss this matter with our Consul in Accra, Mr. Cole, so that MSA can obtain more information concerning Prime Minister Nkrumah's attitude towards Mr. Detwiler's activities.

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FOR BAYNE, MSA, FROM MORAN

known to our Consul Accra,

Detwiler, ~~who has done so~~, has been Gold Coast past months discussing possible US participation Gold Coast development.

He now presenting various agencies and government leaders here proposal for financing Volta River Project. He insists Nakrumah indicated to him he will not accept British-Canadian proposal because British requirements for collateral and he does not believe British can carry out proposed development efficiently and economically. Detwiler also insists Nakrumah indicated unwillingness have private participation US or otherwise development basic resources because he believes these should be nationalized.

Detwiler's proposal is for formation Gold Coast authority with participation his company United American Management Corp. which would also have operating responsibility and control. Detwiler proposing US Govt loan to cover practically all

\$600,000,000 estimated cost Volta River Scheme and ancillary developments.

Request that in connection your proposed discussions Tema Port facilities your Our Accra Consul's report JAN 14 contradicts some of Detwiler's contentions. ~~ascertain discreetly whether Detwiler's allegations mentioned above true. Request~~ Request you take advantage this opportunity obtain full information from Consul ~~in addition you obtain information for possible construction of Tema River Scheme and~~ RE Volta Scheme and particularly Nkrumah's attitude towards Detwiler's proposal. ~~Detwiler's activities in Ghana and the Volta River Scheme and the Volta River Scheme~~ ~~pending consideration Detwiler's proposals behind which considerable investments~~ may be developed.

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CONFIDENTIAL

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DULLES

Cleared:  
MSA:FitzGerald  
STATE:Cyr(SF)

MSA:OTS:WEMoran, Jr; 2/9/53. CONFIDENTIAL - SECURITY INFORMATION

CLASSIFICATION

S/S-CR

GOING  
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DATE:  COLLECT  
CHARGE TO

# Department of State

CONFIDENTIAL SECURITY INFORMATION

Classification

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1953 MAR 6 PM 3 58

22 DC/T

SENT TO: Amconsul ACCRA, GOLD COAST 73

845K, 2614 / 2-2453

Public records indicate U.S. interests hold over 50 percent shares Aluminum Limited which wholly owns Aluminum Company Canada. (URTEL 117) Mailing further details.

DULLES

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Rev. _____
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(n.f.)

DC/R  
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845K.2614/2-2453

CONFIDENTIAL FILE

by: NEA:AF, JJDurnan:deh 3/6/53

Telegraphic transmission and classification approved by:

Nicholas Feld

S/S-CR  
MAR 6 - 1953 PM

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Classification

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CONFIDENTIAL SECURITY INFORMATION

23

JD  
m  
2/2  
DC/K

Control: 9755  
Rec'd: February 24, 1953  
3:02 p.m.

FROM: Accra

TO: Secretary of State

NO: <sup>116</sup> ~~Unnumbered~~, February 24, 2 p.m.

<sup>116</sup> DEPARTMENT PASS LONDON ~~116~~ UNNUMBERED

Dechert and I had interview (re DEPTTEL 63, February 10 for Bayne, MSA, from Moran) with Nkrumah February 21. Latter said that he saw Detwiler once only (as reported my despatch 72 January 14) has heard nothing from him since and has not (repeat not) received any proposal from him. Detwiler was here about two weeks only. Since Nkrumah presently advocating acceptance British White Paper re Volta project before Assembly, Detwiler's version matter evidently not (repeat not) reliable.

DC/R  
Central  
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845K.2614/2-2453

COLE

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11:35  
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JAK:FBH/15

NOTE: Passed London 2/25/53 - 7 a.m. EJH.

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CONFIDENTIAL SECURITY INFORMATION

24

sub  
JJJ  
2/24

Control: 9590  
Rec'd: February 24, 1953  
3:18 p.m.

FROM: Accra  
TO: Secretary of State  
NO: 117, February 24, 3 p.m.

In course interview with Dechert and me February 21 Nkrumah asked whether American capital would indirectly participate Volva project through affiliation of American Aluminum interests with Canadian Aluminum Company. If feasible would appreciate information re nature any such affiliation which I might pass informally to Nkrumah.

COLE

MGG:WJS/5

DC/R  
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Files  
845K.2614/2-2453

NEA CENTER  
MESSAGE CENTER  
Reply drafted 3/6/53  
1953 FEB 25 AM 7 32  
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AIR POUCH

PRIORITY

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(Security Classification)

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845k.2614/5-2653

XR 845k.2.35

FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY, MONROVIA

362

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

May 26, 1953

DATE

REF : Dept's telegram 399, April 29, 1953 and classified airgram A-85, March 9, 1953

This copy has been designated for RECORD CO. It must be returned to DOR for filing.

58 For Dept.	ACTION	DEPT.
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SUBJECT: Julius M. Belcher

In accordance with the reference telegram, Julius M. BELCHER was requested to call at the Embassy, in order to extend his affidavit to include denial of membership in the Communist Party.

Belcher on May 18 stated that he felt that the Department was not giving him what he considered to be fair treatment. He had made his initial affidavit in good faith and in the absence of any specific charges he could only state his denial in general terms. Since, however, the Department was not satisfied with his initial statement, he felt that he should be informed of the specific charges which have been made against him. He stated that he was perfectly willing to make an affidavit concerning any alleged membership in the Communist Party at this time, but he felt that he had the right to be more fully informed, not necessarily of the informants, but at least of the nature of the allegations which had been made. When he is informed of the charges, he declared categorically that he would answer them under oath.

It is also pertinent that the Department be informed of Belcher's activities in Liberia and the Gold Coast, since he believes that the charges of communism have their origin in his activities there.

Belcher represents the West African Development Corporation which apparently was set up to act as agents for other American firms interested in mining developments on the West Coast of Africa. The two companies which Belcher mentioned as being primarily interested in his work are the Standard Ore and Alloy Corporation, 120 Wall Street, New York, and The Frozen Food Institute, Inc., 90 West Broadway, New York, of which Dr. G. Hodges BRYANT is primarily interested in Belcher's activities. Belcher first went to the Gold Coast, where he claims to have found large deposits of manganese and iron ore. While there he worked closely with Prime Minister NKRUMAH. As yet Belcher has not obtained a concession for the manganese development. Belcher claimed that the United American Management Corporation, New York, of which Louis E. DETWILER is prominent, has already reached

B. Wells/mpd

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MAR 3 1954

845K.2614/5-2653

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an agreement with Nkrumah for mineral development in the Gold Coast, conditioned on the group's obtaining \$6,000,000. financial support from the United States. (See Embassy's Confidential Despatch No. 299, April 9, 1953, and previous correspondence on Detwiler). Belcher does not believe that Detwiler can obtain this amount and that consequently Belcher's group will be able to obtain the concession for manganese development in the Gold Coast. This concession would be in addition to the British group presently mining manganese in the Gold Coast.

In preparation for investment in this development, Standard Ore and Alloy is sending a German geologist to Liberia and the Gold Coast. Dr. Franz H. STANG, c/o Bollenhagen and Co. GmbH, Koenigsallee 14-16, Duesseldorf, Germany, is expected in Monrovia within three weeks. He plans to investigate Belcher's claims both in the Gold Coast and in Liberia.

Belcher also states that he uncovered some samples of rare earth in the Gold Coast. The samples were submitted to the American Consulate, Accra, which presumably forwarded them to Washington.

When Belcher had carried his investigations in the Gold Coast as far as he could without more financial backing and support from the United States, he came to Liberia to await the arrival of the representative of Standard Ore and Alloy. The company had planned to send another German geologist to investigate the claims earlier this year, but Belcher stated that he was unable to obtain an exit permit from Germany because of his former NSDAP (Nazi Party) connections.

Belcher arrived in Monrovia in January and registered at the Department of Agriculture and Commerce as a diamond exporter. Since February he has been dealing in a small way in diamonds in Liberia. He claims to have been shipping an average of 700 carats of diamonds a month to the world market and to New York. (See Embassy's Confidential Despatch No. 361, dated May 25, 1953). He has also done some prospecting for iron ore in Liberia.

Belcher stated that he had planned to travel to the Gold Coast with Dr. Stang within six weeks, and he therefore requested that the Department permit him the use of his passport for this travel. He believes that it is in the interests of the United States Government to advance his work in the Gold Coast and thereby secure the manganese concession for American companies. He is willing to conform to any passport limitations which the Department might propose.

Belcher added that he could not imagine where the charges of Communist affiliations originated. However, he made a guess that the origin was in his actions vis-a-vis the international diamond syndicate. According to him, Liberia is one of the few places in the world where diamonds may be bought and sold outside of syndicate

CONFIDENTIAL

MINING TELEGRAM

Department of State

ACTION COPY

UNCLASSIFIED

Control: 10321  
Rec'd: February 26, 1953  
10:51 a.m.

FROM: Accra

TO: Secretary of State

NO: 120, February 26

SENT DEPT 120 RPTD LONDON 4.

Legislative Assembly approved February 25 by vote 50 to 13 continuation negotiations with UK Government and British and Canadian aluminum interests along lines defined British White Paper Volta River scheme with object of arriving at final agreement for implementing Volta project. Also expressed view that preparatory commission provided by Appendix 4 of White Paper should be enlarged to include two members to be nominated by Assembly.

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845K: 2614/2-2653  
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March 18 1953

27

RESTRICTED

To the

American Consular Officer in Charge,  
Accra, Gold Coast.

845 Ke 2614/2-2653

The Secretary of State encloses a memorandum concerning the interest of the United States in the Volta River project. The information contained in the memorandum is based on discussions initiated by the Department with other interested Government agencies before the receipt of the Consulate's unclassified telegram No. 120 of February 26, 1953, and at a time reports were being received in the Department intimating a growing dissatisfaction in the Gold Coast with the financial arrangements of the Volta River scheme as set forth in the British White Paper. The memorandum is transmitted for the information and guidance of the Officer in Charge in any future discussions he may have on the subject with officials of the Gold Coast Government.

Supplementing information previously transmitted to the Consulate in response to its request for information regarding the nature of any affiliation between American and Canadian aluminum interests, there are enclosed copies of prospectuses containing information bearing on the relationship between the Aluminum Company of America and the Aluminum Company of Canada.

1- Document Must Be Returned To  
Dept  
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845K. 2614/2-2653

S/S - CR  
MAR 17 1953 A.M.

~~Dallas~~  
(jw)

Enclosures:

1. Copy of memorandum.
2. Prospectuses as noted.

ED- Mr. D. Smith *WBS*

NEA:AF:JJDurnan:deh 3/16/53

S/S - CR  
MAR 18 1953 P.M.

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845 Ke 2614/2-2653



FOREIGN SERVICE DESPATCH

845K.2614/3-1453  
XR.845K.394

FROM : American Consulate, Accra, NEA 105  
TO : THE DEPARTMENT OF STATE, WASHINGTON  
REF : --  
1953 MAR 19 PM 3 05

March 14, 1953  
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SUBJECT: Transmitting Copies of Prime Minister's Statement on the Volta River Project.

Supplementing my telegram No. 120 of February 26, 1953 (repeated to London as No. 4) there are enclosed five copies of the Motion by the Prime Minister in the Legislative Assembly respecting the proposed Volta River Project. As may be observed from the statement, the Prime Minister was concerned at the volume of criticism which had arisen regarding the project. He undertook to allay suspicions that the Gold Coast would become a victim of British "economic imperialism" by emphasizing that the British White Paper on the Volta River Aluminum Scheme contained proposals only, and that the Gold Coast Government would "agree to nothing which will endanger our economic independence ....." He then went on to correct certain erroneous view about the project which underlay a good deal of the adverse criticism.

During the ensuing debate on the project, many members of the Assembly - including some who belong to the dominant Convention Peoples Party - spoke against the project for one reason or another. However, at the end of three days' debate, the motion was carried by a decisive vote of 50 to 13. During the course of the debate the original motion was amended and thereafter passed in the amended form. The motion on the Volta Project as finally adopted reads as follows:2

"That this House in the light of the further stage reached in the negotiations on the Volta River Project as set out in Her Majesty's Government's White Paper Command 8702, and having regard to the terms of its resolution on the Development of the Volta River Basin made on the 25th April, 1952, approves the continuation of the negotiations and the establishment of a Preparatory Commission with a view to arriving at a final agreement which will be in the best interests of the Gold Coast and that the Gold Coast Government do take up with the United Kingdom Government the views expressed by the House on the Volta River Project, especially that

William E. Cole, Jr./eh  
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of enlarging the Preparatory Commission to include two other members nominated by the Gold Coast Legislative Assembly."

Much of the debate was concerned with the Preparatory Commission described in Appendix IV of the British White Paper. The objections to the composition of the Commission as contemplated in the White Paper were overcome by amending the original motion to recommend the enlargement of the Preparatory Commission by the addition of two members nominated by the Assembly.

*William E. Cole, Jr.*  
William E. Cole, Jr.  
American Consul

Copy to London.

Enclosure *W*

"Volta River Project - Motion by the Prime Minister in the Legislative Assembly on 23rd February, 1953".

# VOLTA RIVER PROJECT

Motion By The Prime Minister In The Legislative Assembly On 23rd February, 1953

## MOTION

### *The Volta River Project*

MINISTER OF DEVELOPMENT (Dr. KWAME NKURUMAH): Mr. Speaker, I beg to move the motion standing on the Order Paper, namely: "That this House, in the light of the further stage reached in the negotiations on the Volta River Project as set out in Her Majesty's Government's White Paper, Command 8702, and having regard to the terms of its resolution on the Development of the Volta River Basin made on the 25th April, 1952, approves the continuation of the negotiations and the establishment of a Preparatory Commission with a view to arriving at a final agreement which will be in the best interests of the Gold Coast".

Honourable Members, in rising to propose this motion, I do not, I think, need to remind you that some ten months ago this House welcomed the proposals embodied in what we call the Volta River Project and gave its approval to the further negotiations necessary to carry the scheme forward. In the comparatively short time that has elapsed since that occasion, your Government have pressed forward with the negotiations and now we have come again to report to you the progress made and to ascertain your views on the negotiations as they have so far proceeded and to seek afresh your mandate to proceed further with these negotiations.

Were there no other considerations in this matter, I should have been content to-day simply to put this motion before you, to invite your opinions on it, to take the opportunity to clear your minds of any obstruction to a full understanding of it and having done so, to ask you to accept it. But it is not in fact so. There are certain considerations which very properly compel my attention as they have no doubt compelled the attention of Honourable Members; I refer, Mr. Speaker to the very considerable comment, much of it adverse, that has been aroused in the Press and elsewhere since the publication in November of the United Kingdom Government White Paper which forms the basis of the motion now before us. Comment which in one extreme case has directed itself to an appeal to some Honourable Members to reject now, without further ado, without further thought, this great project for the industrial development of our country.

Let there be no misapprehension as to my views in this matter, Honourable Members. The emergency of this comment resulting as it does from widespread, painstaking thought and discussion, motivated, I have no doubt, by sincere and altruistic considerations, is a vastly important phenomenon and one which, far from resenting, we should welcome. It is the manifestation of the spirit of democracy and more important, of the growing power of expression which is so essential to the effective practice of that form of Government. The views expressed by these our countrymen outside this House may not be fully informed—indeed, I can assure you, Honourable Members, that they are not—they may not be guided or shaped by the great weight of responsibility that rests on us here; they may not all be well reasoned or free from narrow bias; they may not in the final reckoning weigh very heavily on our final decision, but, as an earnest of the fact that the welfare of the country is not the monopoly of this House, that there lies willingness to help us to bear our burden of responsibility, the mere fact of their existence must give grounds for gratification.

The point I wish to make, Mr. Speaker, is that I welcome discussion on this matter; the scheme before us is far too vital to the interests of our country for any further advance towards its implementation being made without the full understanding of its implications. But the White Paper is not an encyclopedia—it is

merely a simple statement of the essence of a project in respect of which—and this, Mr. Speaker, I wish most clearly to emphasise—final decisions have yet to be taken. There is still much work of preparation to be done; negotiations must continue; we are still some way off from being in a position to place before the country a cut-and-dried scheme. This is the point, Honourable Members, which appears to have been considerably misunderstood in quarters. Certainly it has completely escaped those who have tried to persuade some of you that you should reject the scheme out of hand. Such a course would indeed be mad. By all means let us see clearly where we stand; by all means let us resolve the problems that appear to us by full and free discussion of them, but let us do so with proper regard for the true facts of the situation.

We are not being asked to accept *in toto* a scheme which is complete from A to Z. We have reached a stage in our negotiations with the other participants in this project when it seems desirable to report progress to this House. The creation of the Volta River Project is taking shape before us—it is a good deal clearer than when we last looked at it, but it is still not clearly visible in every line—in every detail. Our minds and our hands will help to draw these final detailed plans, and when they are finished and we have examined them, we shall be able to determine exactly how we shall build and indeed whether or not we shall build. To attempt to decide on them now while negotiations are continuing would be illogical and would, I am sure Honourable Members will agree, justly deserve the opprobrium which such an act would call down.

Honourable Members will doubtless have carefully studied the United Kingdom Government White Paper and the Gold Coast Government Statement on it and will in the weeks that have elapsed since it was circulated have had time to become familiar with its contents. In their studies their main concern will undoubtedly have been almost exclusively with the interests of this country. It is very proper that this should be so for our own interests must first and foremost be our principal concern. As I said to you on a previous occasion—and here I am quoting myself—"we are determined to obtain for this country the maximum possible benefits from the development of our national heritage" and also—I am quoting myself again—"we shall agree to nothing which will endanger our economic independence", and I have also made it clear in the past that I will never put my name to any agreement until I am fully convinced that it is in the best interests of this country. I have not lost and will never lose sight of these aims. But at the same time I am well aware, as indeed we must all be, that the object in view is not one which we can achieve alone. This is a great international project the importance of which, as an exercise in international co-operation, will create world-wide interest quite apart from its vast economic value to this country. It is the most significant experiment of its kind in Africa to-day, and one which quite rightly is to be undertaken by our country which already leads the way in Africa in the march of progress. A great many eyes all over the world are on us at this moment and while we may well have been accustomed to a measure of limelight, let us not allow this to make us contemptuous of the responsibilities it brings. Let words be carefully weighed in all their implications before they are spoken. Let us not jump to hasty conclusions based on imperfect knowledge; let us enquire diligently and with care after the facts and having found them, then express our views. There is ample scope for expression of opinion without prejudice to the main issue. Let that consideration weigh fully with us.

Mr. Speaker, Sir, I am anxious that I should not take up too much of the time that might more profitably be employed in discussion of this matter by Honourable Members, and I do not,

therefore, propose to go into the content of the White Paper in detail; but there are certain general aspects which I would like to underline; certain criticisms upon which I would briefly take issue, and I ask the indulgence of the House accordingly.

The first point is one that has been very widely discussed, and that is the question of the amount of the Gold Coast's share in the financing of the Smelter Company, and there has been criticism that the initial 10 per cent which can later be increased to 20 per cent, is not enough. In discussion of this point it is necessary to remember several things. Quite apart from the question of whether or not the Gold Coast in view of its financial commitments in other fields can raise more money for the Smelter, we must remember that the whole project is a partnership and one of the essential partners is someone who really knows and has experience in the extremely complicated and technical process of turning bauxite into aluminium. We are fortunate in having been able to interest Aluminium Limited, who are the world's premier producers of aluminium and probably the only one that can tackle a job of such magnitude, and we must realise that in the ordinary ways of partners in any undertaking, they naturally want to have a say in the terms. Aluminium Limited have made it quite clear that it is against their normal practice to mix public money with private capital and they have in fact made a special concession in the case of the Gold Coast Government in agreeing that we should be given the chance of taking up a share in the equity of the Smelter Company—a concession which, as you can see from paragraph 15 on page 15 of the White Paper has not been extended to the United Kingdom.

Now I should like to deal with the question of control of the power project. Some criticisms have been made to the effect that because the Gold Coast contribution to the power scheme proposed in present estimates (I would emphasise that point, Mr. Speaker, the amount of the contribution and indeed as in case of other points is by no means finalised) because this contribution is only roughly one-sixth of the total as against five-sixths contributed by the United Kingdom Government, the measure of control of the power project held by the Gold Coast will be in proportion to its contribution. This calculation may be mathematically sound but it is nevertheless wrong. The contribution of the United Kingdom Government is in the form of a loan to the public body which will own the power scheme and there is no suggestion that the United Kingdom Government will require representation beyond that suggested in the White Paper which also clearly states that this public body would be responsible to the Gold Coast Government. This loan which will be repaid with normal rates of interest will be made by the United Kingdom Government in consideration of the guarantee that United Kingdom purchasers will have an option for a fixed period to purchase up to 75 per cent of the total output of aluminium ingot when this is in production.

And this brings me to my second point. It has been alleged that this percentage of the total aluminium production is excessive and it has been inferred that this aluminium will be sold to United Kingdom purchasers at cut rates. There is no substance in this allegation. It clearly states in the White Paper that such aluminium would be sold in normal circumstances at a price which "would not compare unfavourably with North American prices". I may state here that the actual price has not yet been fixed and one of the subjects for further negotiation. It is to deal with points of this nature that it is necessary to have a Preparatory Commission, which will call on technical and financial experts recruited from the international field.

There is another point to which I would like to draw attention and that is in regard to the basic ancillaries to the main project which are referred to in the White Paper as Public Works. The cost of these as stated in the White Paper is £26 million and much has been made of this vast expenditure—although obviously not by the same people who complain of the meagreness of our participation—which it is alleged will bring no adequate return. Now this statement is the result of muddled thinking and we should examine it. These public works comprise the port of Tema, the township at Tema and the railways which will be required to carry the bauxite to the Smelter and the aluminium to the port. The

estimated cost of the first two is some £20 million and that of the railways some £6 million. Now the first point to note is that although the Port and Township at Tema form a necessary adjunct to the Volta River Project, they are also, as a result of the decision of this Assembly, accepted as a necessary development of this country's communications whether the Volta River Project goes forward or not. Indeed the work which has already begun at Tema is aimed at the construction of a general purpose harbour and only a small section of it will be required for the aluminium industry. It is clear, therefore, that the additional expenditure entailed by the implementation of the project is in actual fact only some £6 million and to say otherwise is merely attempting to obscure the facts. The second point is that some comments—comments which have been published in the Press—have actually dismissed the whole of these public works as involving expenditure which will bring no return. But surely Honourable Members, it is not necessary for me to point the fallacy in this. Is it seriously considered that we are now in the process of building a harbour at a cost of £10 million which we propose to allow all comers to use free of charge? Or that we shall build railways which will earn nothing? We cannot be expected to take such statements seriously.

Mr. Speaker, Sir, there is one further point which I should mention. Concern has been expressed in some quarters—again, I feel, due to an incomplete knowledge of the facts—that there is an undertaking implicit in the scheme that this Government would, if it became necessary, defer or rephase such development projects, as might come into conflict with the scheme. Now first of all as to the justification for this undertaking, Honourable Members will readily appreciate that if it is decided to proceed with this project, the whole operation, integrated in accordance with a carefully prepared plan, must proceed according to that plan. A vast sum of money including our money is involved, and delay in any single part of it will throw the whole operation out of gear with consequent heavy loss. It would indeed be folly to start on this project unless a firm undertaking of this nature had been given. Let us not, however, forget the facts. What will this undertaking mean in terms of actualities as far as we can see them? I have already been at pains to point out to you that we are still some way distant from being ready to begin this project, and it is Government's belief that in fact the development already planned within the first plan period up to 1955-56 will not be affected. As regards the plan balance remaining after that date, as I already explained to you in my address on the budget, expenditure of this sum is being planned now and these development projects will be integrated and phased with the Volta River Project.

Mr. Speaker, Sir, as I said before, I do not wish to take up too much of the time available for debate on this matter. I have not attempted to cover each and every point of importance on the subject before us; to do so for such a vast project, even if only in outline, would keep me on my feet for days. But I have endeavoured to make the points that I wish Members to bear in mind when they consider this issue. I repeat what I said earlier. The Government are willing, even anxious, to hear the views of Honourable Members on this matter, not only for the advice they may contain which would be most carefully considered, but also because it is essential that this project, even in its present stage, should be fully understood in all its implications and in its true light.

I ask Honourable Members, therefore, to give their views on the matter now before us, but in doing so I pray that we do not allow sentiment to outweigh facts, or blind us to realities. Those who speak should do so with due regard for the need for a constructive approach and bear in mind that we are debating in a forum which far exceeds in size the confines of this Chamber. Let us be guided only by the dictates of reason. We are considering entering upon this gigantic scheme, not as beggars, not as dupes, but as free and equal partners, the owners of our land and the masters of our own house. We have nothing to fear if, in all our negotiations, we bear constantly and sincerely in mind the well-being of our country and its people.

Mr. Speaker, Sir, I beg to move.

PRIORITY

(Security Classification)

845K.2614/3-2553

FOREIGN SERVICE DESPATCH

FROM : American Consulate, Accra.

112

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

March 25, 1953

REF : Accra's despatch No. 72 of Jan. 14, 1953, and telegram No. 131, of March 25, 1953.

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SUBJECT: Interview with Prime Minister concerning the Volta River Project.

On March 21 Messrs. Louis E. DETWILER and Horace Mann BOND arrived at Accra airport, where they were met by Archie CASELY-HAYFORD, Minister of Agriculture and Natural Resources. The following Monday, (March 23) when I had occasion to see the Prime Minister on another matter, he mentioned that Detwiler's presence was a source of some embarrassment to him; since, he added, it appears as though "I'm engaged in double-crossing the British, which is not true". He also said that he had received a letter from Mr. Joseph DAVIES, the lawyer, in which Davies had in effect disassociated himself from Detwiler. The Prime Minister, Dr. Nkrumah, asked that I call on him the following morning to discuss such matters, and an appointment was fixed for 9:00 o'clock on the 24th.

During the course of the interview with Nkrumah on March 24 I explained to him the American interest in Aluminum Limited and the Aluminum Company of Canada as set forth in the Department's telegram No. 73 of March 6 and the copies of the prospectuses of the aluminum companies sent to this office under cover of the Department's instruction of March 18, 1953. I likewise showed him the memorandum transmitted with that instruction which bears upon the possibility of obtaining a grant or loan from United States Government sources for use in the Volta River Project. Turning to the matter of Detwiler's renewed presence in the Gold Coast, I pointed out (on the basis of information received from the Department) that government-to-government loan applications are pursued through government channels and that the United States Government had not taken any especial position with respect to a possible application from the British Government for a loan in connection with the Volta project.

During the interview, Nkrumah expressed a lively interest in the affiliation between the American and Canadian aluminum companies. He said he would like to see American capital in the Volta project. "That," he added, "should help put an end to silly stories to the effect that I'm a communist!"

William E. Cole, Jr. REPORTER

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Pursuing the subject further, he said the Volta project was on such a large scale that there surely should be room for investment from sources in addition to those contemplated in the British White Paper on the Volta River Scheme. He had no objection to the latter, but thought it would be helpful to have American funds also in order to do more, or at any rate complete the job more quickly. Nkrumah said he had no use for Detwiler's plan, a copy of which he had received not long ago. He did not see the need for such an intermediary. Anyway, the Volta project was much too large for "a small man" like Detwiler. Nkrumah ended by saying he was convinced that the proper way to obtain a loan from the United States Government would certainly be through normal government channels. He wanted to make the attempt he said, and will raise the question with the appropriate British officials in the very near future. He did not feel assured that their reaction would be favorable, but felt it no more than his duty to try. In concluding his remarks, Nkrumah expressed his appreciation for the information provided by the Department.

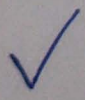
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COMMENT: While Nkrumah gave no reason for wishing some American contribution to the Volta project beyond stating that additional capital should be helpful to the early completion of the project, he may also consider that American participation would make him less open to being charged with acquiescing in British "economic imperialism", etc. On the other hand, Mr. Saloway, Chief Secretary and at present Acting Governor, recently told me that he had some doubts as to whether funds needed for the project would be forthcoming from the British Government as easily as had been assumed. In his view, some of the intemperate remarks made by various members of the Gold Coast Assembly to the effect that the project represented "economic imperialism", "should be owned by the Gold Coast people", etc., could well have a deterrent effect in London, where opinion is understandably sensitive about such matters in view of the Anglo-Iranian affair. It may be that Nkrumah also has some doubts as to the ready availability of British capital and is seeking alternative sources.

*William E. Cole, Jr.*  
William E. Cole, Jr  
American Consul

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SESSION 1954  
DAILY ISSUE NO. 15

ACCRA, GOLD COAST  
Enclosure No. 1  
Despatch No. 57  
Dated 10-20-54 WEDNESDAY  
27th OCTOBER, 1954



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GOLD COAST

# LEGISLATIVE ASSEMBLY DEBATES

OFFICIAL REPORT

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THREEPENCE

DECEMBER

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No proofs of the Daily Reports can be supplied to Members. However, corrections which Members suggest for the Bound Volume which will be compiled at the end of the meeting should be clearly marked in the Daily Report, but not telephoned, and the copy containing the corrections must be received by the Editor, Office of the Legislature, not later than four clear days after the issue of the Daily Report.

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THE GOLD COAST LEGISLATIVE  
ASSEMBLY DEBATES

THE LEGISLATIVE ASSEMBLY

SECOND MEETING, 1954

WEDNESDAY, 27TH OCTOBER, 1954

*The House met at Nine o'clock*

(Mr. Speaker in the Chair)

PRAYERS

OATH OF ALLEGIANCE

Professor K. A. Busia took the Oath of Allegiance.

CONFIRMATION OF MINUTES

The Minutes of the meeting held on Tuesday, 26th October, 1954, were confirmed.

PAPERS LAID

The following Papers were laid on the Table by the Minister of Finance:

Report of the Board of the Bank of the Gold Coast for the half-year ended 30th April, 1954.

L.N. 183/54—The Exchange Control (Payments) Order, 1954.

L.N. 210/54—The Exchange Control (Specified Foreign Currency) Order, 1954.

**Minister of Finance:** Mr. Speaker, in laying on the table the report of the Board of the Bank of the Gold Coast, I should like to make a short statement on the Bank.

9.12 a.m.

The Bank of the Gold Coast was opened in May, 1953. This shows that the accounts incorporated in the report which I have laid on the Table is for a period of less than 12 months from that date. It will be seen that the Bank has been operating very successfully, and has established itself on a sound basis. It has taken over an increasing amount of Government businesses and has also taken quite a lot of private accounts for businessmen in the country. Its main object is to assist African traders to have banking facilities which hitherto had been lacking to them. Two examples of the facilities which the Bank has undertaken so far are the Guarantee Corporation, which has been more or less started on the advice of the Gold Coast African Traders, and the Government Mortgage Fund, provides loans for African traders and is operated by the Bank. Government policy is to expand the bank as quickly as possible and in this respect the Kumasi branch

building which is nearing completion will be opened before the end of this year, and the Takoradi branch will be opened before the middle of 1956. The main headquarters of the bank will be situated in Accra and a very prominent site in the banking area has been acquired for the purpose.

I hope hon. Members will see from the report that the Bank was very much worth while starting as a result of many years of discussion which was held in the former Legislative Council.

**Mr. Speaker:** Hon. Members, before we proceed with the business on the Order Paper for this day, I should like to take this opportunity to extend on your behalf to Professor Busia a hearty welcome back to this Assembly.

He was elected during his absence on a tour of lecture in Europe and America. He is the only member of the Opposition in the last Assembly who was able to regain his seat. He has now come back to take that seat. We welcome him back; we congratulate him on his achievements, and we trust that his criticisms will be constructive and helpful to the business of the Assembly.

NOTICE OF MOTION

The House took notice of the following motion which will be moved at a later stage of the meeting by the Minister of the Interior:

“WHEREAS provision is made by the Revised Edition of the Laws Ordinance, 1951, for the preparation of a revised edition of the Ordinances of the Gold Coast enacted on or before the 31st day of December, 1951:

AND WHEREAS the said revised edition of the Ordinances has been duly completed and a copy thereof has been laid before the Legislative Assembly in accordance with the provisions of subsection (1) of section 7 of the said Ordinance:

AND WHEREAS it is provided by subsection (2) of section 7 of the said Ordinance that upon the passing of a resolution of the Legislative Assembly authorising him so to do the Governor may by order, declare that the revised edition of the Ordinances shall come into force on such date as may be therein specified:

AND WHEREAS it is expedient that the said revised edition of the Ordinances should come into force on the 1st day of January, 1955:

BE IT NOW therefore Resolved that the Governor be and he is hereby authorised to declare by order in accordance with the provisions of the said section 7 that the said revised edition of the Ordinances shall come into force on the 1st day of January, 1955.

## ORAL ANSWERS TO QUESTIONS

### MINISTRY OF EDUCATION

#### Nyakrom Secondary Technical College

2. **Mr. A. D. Appea** asked the Minister of Education when Government will build the Secondary Technical College at Nyakrom which was placed on the priority list in the current Development Plan.

**Ministerial Secretary to the Ministry of Education (Mr. J. B. Erzuah):** The provision of facilities for the early expansion of both secondary education and teacher training is under review, with the object of accelerating development in the best interests of the country as a whole. I regret that I am not, therefore, at present in a position to state when or where any particular institution will be built.

**Mr. Appea:** By the answer given may I understand that many of the promises in the Development Plan are just mirages which keep on going away every year?

**Mr. Erzuah:** A plan remains a plan; it is a forecast into the future and circumstances may cause modifications to be made.

#### Re-introduction of Middle IV Exam.

22. **Mr. J. S. Yeboah** asked the Minister of Education when he is going to adopt the recommendation of the House for the re-introduction of the Middle Form IV Examination.

**Mr. Erzuah:** The question is being carefully examined with a view to overcoming the difficulties indicated by the Ministerial Secretary in the debate in the Legislative Assembly on the 12th February this year.

**Mr. Yeboah:** Is the hon. Minister aware that the present system of issuing certificates to pupils leaving primary schools is based mainly on favouritism and the earlier the old system is introduced the better?

**Mr. Erzuah:** This question has nothing to do with the question on the Order Paper.

#### Certificated Teachers (Output)

57. **Mr. E. H. T. Korboe** asked the Minister of Education what he is doing to improve the supply of certificated teachers in view of many teachers being only pupil teachers.

**Mr. Erzuah:** Facilities for the training of teachers are being expanded as quickly as the availability of funds and staff will permit. The results of earlier provision are now being seen in the increased output of trained teachers; plans have been made and are now being considered to increase this output still further.

**Mr. Jatoo Kaleo:** Is the hon. Minister aware that some pupil teachers teach for two or three years before they go in for training?

**Mr. Erzuah:** That might be possible. The recruitment of pupil teachers to training colleges depends on the availability of space.

#### Teachers trained in Higher Institutions (Salaries)

58. **Mr. Korboe** asked the Minister of Education whether he will give his personal attention to be the case of certain teachers who, having been promoted to posts in the Education Department or Educational Units on their return from higher institutions of learning, have suffered a reduction in salary of over £100 per annum.

**Mr. Erzuah:** If the hon. Member would provide more specific details regarding the qualifications and the posts of the teachers concerned, I will gladly look into the matter.

#### Secondary School for Somanya

245. **Mr. Korboe** asked the Minister of Education what scheme the Government has for establishing a secondary school in Somanya; and if none, why.

**Mr. Erzuah:** I would refer the hon. Member to my reply to Question No. 2 asked by the hon. Member for Agona.

**Mr. Korboe:** May I be assured that my constituency will be considered when this question is being reviewed?

**Mr. Erzuah:** I am not in a position to give that assurance, Sir.

#### Overcrowding in Prisons

145. **Mr. I. J. Adomako-Mensah** asked the Minister of Education what he is making to obviate overcrowding in prisons which is stressed in the Report on the Treatment of Offenders for 1952-53.

**Mr. Erzuah:** Construction of a new Central Prison to hold some 400 prisoners near Nsawam is due to start early next year. In addition the capacity of James Camp, Accra, has been increased from 55 to 108 and that of the prison at Ho from 18 to 68.

**Mr. Krobo Edusei:** Is the hon. Minister aware that in Cell No. 11 there are 60 prisoners sleeping in one room?

**Mr. Erzuah:** The Minister is aware that there is overcrowding and that is why every effort is being made to reduce it.

9.24 a.m.

**Mr. Adomako-Mensah:** Do prisons in other places not mentioned not need expansion?

**Mr. Erzuah:** It is not possible to undertake expansion of all prisons at once.

#### Prison Staff (Service Conditions)

146. **Mr. Adomako-Mensah** asked the Minister of Education what he is doing to improve conditions of service and the quarters for Prison Staff.

**Mr. Erzuah:** Energetic steps are being taken to carry out within the shortest possible time—having regard to the limitations of funds and staffing—the recommendations of the M'Carthy Report that were accepted by Government. As regards conditions of service, I am glad to say that, with the considerably increased number of warders, it has been possible to make a substantial reduction in the number of hours each warder has to be on duty. Other improvements have been introduced and the rent allowance, where quarters are not available, has been increased. With regard to the all important question of providing quarters, blocks of quarters are under construction at Accra, Kumasi and Sekondi, which will result in the provision of 240 extra quarters, each with two rooms and a verandah.

**Mr. Adomako-Mensah:** How much is paid as rent allowance to a Warder?

**Mr. Erzuah:** The rent allowance is 25s. in the municipal towns and 12s. 6d. at other places.

**Mr. Krobo Edusei:** Does the hon. Minister consider £1 5s. adequate for renting a room in Kumasi or Accra?

**Mr. Erzuah:** When we come to money, Sir, I always think that figures are relative. Most of us here will not think £1,000 sufficient; so it is not possible to satisfy everybody.

**Mr. Krobo Edusei:** Is the hon. Minister aware that in the Kumasi Municipality a room costs £3 at least and that in Accra it is £3 4s.?

**Mr. Erzuah:** I cannot subscribe to that, Sir.

**Mr. Tachie-Menson:** Does the hon. Minister not know that Government pays higher rents for rooms that are hired for Policemen and other Government officials?

#### MINISTRY OF COMMUNICATIONS

#### Akrofuom Railway Station (Concrete Platform)

37. **Mr. J. Y. Ghann** asked the Minister of Communications whether he will consider the urgent need for the construction of a concrete platform at Akrofuom Railway Station (Kumasi-Sekondi line) to ease the difficulties encountered by passengers?

**Ministerial Secretary to Ministry of Communications (Mr. A. R. Boakye):** The provision of a concrete platform to Akrofuom railway station will be considered when the 1956/61 development plan is being drawn up.

#### Yeji Ferry (Second Pontoon)

92. **Mr. J. A. Braimah** asked the Minister of Communications when a second pontoon at Yeji will be made available.

**Mr. Boakye:** A second pontoon for use at the Yeji Ferry has been ordered and it is expected that it will arrive during the first half of 1955.

#### Comparative Wage Structure of Ferrymen

93. **Mr. J. A. Braimah** asked the Minister of Communications how the wages of Ferrymen and their headmen employed at ferries run by the United Africa Company now compare with wages paid to Ferrymen and their headmen employed at Government ferries.

**Mr. Boakye:** The wages paid to ferry labourers and Headmen by Messrs. United Africa Company Ltd. are the same as those paid by Government to its employees on Government ferries.

#### Re-building of Prang Bridge

94. **Mr. J. A. Braimah** asked the Minister of Communications whether Government will rebuild the important but dangerous bridge across the river at Prang which links the North and the South.

**Mr. Boakye:** It is proposed to widen this bridge in the near future by removing the parapets and providing footways. The eventual replacement of the bridge will be considered when the 1956/61 Development Plan is drawn up.

#### Extension of Adeiso/Pra-sukuma Road to Juaso

127. **Mr. K. S. Aboagye** asked the Minister of Communications whether during the next financial year the Adeiso/Pra-sukuma road will be extended to Juaso, thus shortening the main road from Accra to Kumasi.

**Mr. Boakye:** Work has already started on the reconstruction of the Adeiso-Kade road and it is hoped to continue the construction of the road to the north to join the Accra-Kumasi road during the Second Development Plan period which commences in April 1956.

#### Accra-Yendi Road (Improvement)

134. **Mr. S. I. Idrissu** asked the Minister of Communications whether he has any immediate plans for improving the condition of the road from Accra to Yendi as it is the most important road for all the people of Northern Togoland.

**Mr. Boakye:** Yes, Sir, work has already started on the reconstruction of the road from Asikuma to Kpeve and will also start, in the near future, on the section from Kpeve to Golokwati. The survey of the road to the North has reached Jasikan and is being continued.

**Mr. Idrissu:** In view of the fact that the road is a very important one, will the Minister see to it that the work is done as soon as possible?

**Mr. Boakye:** Yes, Sir.

#### Wiawso Telephone Exchange (Night Service)

141. **Mr. M. Y. Kumi** asked the Minister of Communications why there is no night service at the Wiawso Telephone Exchange.

**Mr. Boakye:** The telephone traffic originating at Wiawso is so small that it would be uneconomic to extend the hours of opening of this exchange as an additional telephonist would be required.

**Mr. Aboagye:** What number of telephone subscribers in a station warrants night service?

**Mr. Boakye:** It all depends upon the requirement of the people in the locality.

**Mr. Aboagye:** It appears that the hon. Member who put the original question did so because of the heavy traffic in the area.

**Mr. Boakye:** A telephone service is installed in a place when it is considered that the revenue to be derived from it will equalise the cost of its installation.

**Mr. Aboagye:** But if I tell the Minister that the revenue that will accrue from the telephone service in the area will equalise the cost of its construction, what would he do next?

**Mr. Boakye:** The matter will then be investigated.

**Mr. Aboagye:** Then do the investigation.

**Mr. Boakye:** Yes, Sir.

#### Dunkwa-Jabeso Road (Tarring)

142. **Mr. M. Y. Kumi** asked the Minister of Communications when Government intends tarring the Dunkwa-Jabeso road.

**Mr. Boakye:** The reconstruction and tarring of the Dunkwa-Jabeso road will be considered together with many other major projects when plans are drawn up for the 1956/61 Development Plan period.

#### Akwatia Trunk Roads (Extension)

147. **Mr. S. A. Owusu-Afari** asked the Minister of Communications what provision Government is making for the extension of trunk roads in the Kade and Akwatia areas.

**Mr. Boakye:** The road from Adeiso passing near to Akwatia and thence to Kade is now being reconstructed and it is hoped to complete this section in 1956. Construction of the bridge at Kade will be started before the end of this year. The trunk road will later be continued from Kade through Prasi-kuma to join the Kumasi-Accra road near Juaso.

#### Birim River (Bridging)

181 and 182. **Mr. S. A. Owusu-Afari** asked the Minister of Communications (1) when Government will start the bridging of River Birim at Adankrono, and (2) whether it will consider making provision in the next financial year's estimates for the bridging of Birim River (Abodom-Prankese road) if it has not already done so.

**Mr. Boakye:** Mr. Speaker, with your permission I propose to answer questions Nos. 181 and 182 together. Construction of the bridge over the Birim at Kade (Adankrano) will commence before the end of this year. The cost of another bridge over the Birim at a point only a few miles north would not be justified.

**Mr. Owusu-Afari:** Would Government consider this after the Adankrano bridge has been built?

**Mr. Boakye:** No, Sir.

**Mr. Owusu-Afari:** Has Government any plan to provide for quarters and waterproof raincoats for labourers engaged on this ferry?

**Mr. Boakye:** No, Sir.

**Mr. Aboagye:** How many miles is it from Adankrano to the Pramkese ferry that it should not call for a second bridge?

**Mr. Boakye:** I need notice, Sir.

**Mr. Aboagye:** Why is the second bridge over the Birim at Pramkese not necessary as the ferry at Pramkese is used more than that at Adankrano because of the diamond?

**Mr. Boakye:** I need notice of that, Sir.

#### Retiming of Tarkwa-Kade Train

184. **Mr. S. A. Owusu-Afari** asked the Minister of Communications whether Government will consider changing the time of the arrival of the train at Kade from 6 p.m. to 5 p.m. in order to enable travellers to cross the Adankrano-Kade ferry without difficulty.

**Mr. Boakye:** I regret that it is not possible to retime the Tarkwa/Kade Passenger Train to arrive at Kade at 5 p.m. This train is required to connect with the up and down main line trains operating between Sekondi and Kumasi. To alter one train, would mean alteration to all, and cause greater inconvenience to the travelling public.

**Mr. S. A. Owusu-Afari:** Since the hon. Minister cannot fulfil the wishes of the people, can the ferry time of six o'clock be extended to seven o'clock in the evening?

**Mr. Boakye:** I think that we are working in order not to inconvenience the general public and we have made this clear in our answer.

#### Roads Transfer

303. **Mr. John Baidoo** asked the Minister of Communications whether he will transfer all Regional Organisation roads in Ashanti to district councils.

**Mr. Boakye:** Roads at present maintained by Regional Organisations will be handed over to District Councils whenever they are willing and capable of undertaking the task.

**Mr. John Baidoo:** Is the hon. Minister aware that most of the District Councils in Ashanti have sent a resolution to the Ministry about a year ago asking for the immediate transfer of these roads to them?

**Mr. Boakye:** The matter is under serious consideration and when we have finalised all plans in the Ministry we will reply.

**Mr. John Baidoo:** Is the hon. Minister aware that such a resolution has been sent to the Ministry?

**Mr. Boakye:** We are aware and we are anxious to transfer Regional Organisation roads to the District Councils as I have just said.

**Rev. Dzirasa:** In our area we have been told that unless the District Councils are prepared to undertake the cost of maintaining them they will not be handed over. What does the Minister say about that?

**Minister of Communications (Mr. Aaron Ofori Atta):** I should like to make the position clear. It is the intention of the Government to transfer all roads to District Councils if only the staff is available. They require surveyors, section officers and other officers. If the District Councils are ready we will transfer the roads.

**Mr. Braimah:** Does the hon. Minister say all roads or some roads?

**Mr. Aaron Ofori Atta:** Secondary roads.

**Mr. Jatoo Kaleo:** Is it the intention of Government therefore to subsidize the District Councils when the roads are transferred?

**Mr. Aaron Ofori Atta:** It is the intention of Government to subsidize secondary roads a hundred per cent.

**Mr. John Baidoo:** Is it not a waste for District Councils to employ men to work on these roads when the roads have not been formally transferred to them?

## MOTION

Mr. S. D. Dombo (Douri-Na):

The Prime Minister (Dr. Kwame Nkrumah): I beg to move—

"That this Assembly extends its thanks to the Senate and House of Representatives of the United States of America for the greetings contained in the Joint Resolution made at the Second Session of the Eighty-Third Congress, and declares that it will welcome most cordially at the appropriate time a delegation to represent the United States at the ceremonies marking the attainment of independence for the Gold Coast".

Hon. Members will have heard with much pleasure the message which you, Mr. Speaker, have read to the Assembly, and it is now my pleasant duty to move this resolution of gratitude and thanks to the Senate and House of Representatives of the United States. I know that I can speak with confidence when I say that the noble sentiments expressed in the Joint Resolution of the United States Congress are shared by every member and every party in this House, and we are grateful that the name of this country has been associated with them. As hon. Members are aware, it is the policy of the United Kingdom Government to maintain the closest ties of friendship with the United States and to work in friendly co-operation with that great country in international affairs. The Gold Coast is, of course, at one with the United Kingdom in these matters, but if I may look to the future I am sure that I can say in perfect safety that when we attain our independence we shall continue to regard the people of the United States as among our friends.

I am most gratified that the United States Secretary of State has been requested to appoint a delegation to this country to represent the United States at the ceremonies which we plan to hold to mark the attainment of independence. We shall indeed be honoured to have this delegation as witnesses of our independence celebration, and there is no doubt that outside our Assembly we shall do our best to extend to them the same welcome and hospitality which some of us have been fortunate enough to experience in the United States.

I ask hon. Members to join with me in extending our cordial greetings to the United States Senate and the House of Representatives and to approve this resolution, which will then be transmitted to Congress.

I beg to move.

During the last meeting, this House had the opportunity of expressing its gratitude to Her Majesty the Queen and the Secretary of State for the Colonies on the occasion of the Gold Coast attaining internal self-government under the New Constitution. Yesterday, we had the pleasure of hearing from the Chair another message, this time not from Britain but from the United States of America which has had a long association with the Gold Coast.

The message, to my mind, is a sincere one. It is sincere because some years ago many people in the Gold Coast heard how the American whites treated negroes in America. To-day such treatment no longer obtains. It is therefore with pride that I learn that negro children now go to school with white children in America. We do not doubt the sincerity of the American people, that they will not look down on a self-governing Gold Coast because this country is inhabited by blackmen.

We are very grateful to the people of America and feel that when the time comes for the Gold Coast to be fully self-governing we shall look forward to the people of America for support in all affairs affecting the Gold Coast and the world at large. We know that America is a continent of mixed races and it is a continent that has been able to develop itself by its own resources; and when the Gold Coast attains its full self-government, we will follow the example of the people of America.

We in the Gold Coast have had a trust placed in us by nations of different races and it is for us now not to abuse such a trust by being hasty in our decisions and by refusing to listen to public opinion and thus spoil the good seed already sown in this country. We feel that all parties in this House will join hands with the Government to extend our congratulations to the people of America.

To conclude, I wish us to express our profound gratification, through the Secretary of State to the people of America, at the message sent to us and that when the time comes for the Gold Coast to celebrate full independence the people of the Gold Coast will welcome a delegation from the people of the United States.

I beg to second the motion.

Motion made, and Question proposed, that the Resolution be agreed to.

**Mr. E. K. Nkansah (Offinsu-Kwabre):** I rise on behalf of the great historic Ashanti nation to say that I am profoundly happy to express my appreciation of, and support for, the motion of thanks to the Senate and the House of Representatives of the United States of America made by the people's own sagacious and honest leader, Dr. Kwame Nkrumah, by whose instrumentality the Gold Coast has received full recognition by the United States of America.

We in this country should therefore appreciate the tremendous strides the Gold Coast has taken towards nationhood. We are indeed very grateful to the Members of the two Houses in the United States of America. We ask the Almighty God to bless our leader and grant him the wisdom of Solomon to continue the struggle to attain self-government.

9.48 a.m.

**Mr. S. I. Idrissu (Dagomba North):** I should like to speak in favour of the resolution moved by our leader.

We have heard of the sort of treatment that some of our people were receiving in America in the days past when slavery was being practised; and when we come to think of how our people in America are being treated today I think it is fair for us to show our sincerity to the people of America because of their kindness. When education was being introduced into the Northern Territories it was some people from America who started educating us. For this alone we should thank the people of the United States of America.

We believe that the people of the United States of America are not only going to send a delegation to this country to witness the celebration of our independence which is being achieved by the endeavours of our leader, Dr. Kwame Nkrumah. I hope that when this country becomes self-governing, the people of the United States may continue to assist our leader and the people of the Gold Coast.

**Mr. J. Kodzo (Akan-Krachi):** I rise on behalf of Togoland, and especially on behalf of the intergration movement of Togoland under United Kingdom Trusteeship, to associate myself with the Prime Minister's motion which is calling upon this House to extend thanks to the Senate and the House of Representatives of the United States of America for the cordial greetings embodied in the Joint Resolution which our able Speaker read to us yesterday.

[Mr. Konzo]

I support also the second part of the Resolution which declares that we will welcome most cordially at the appropriate time a delegation to represent the United States at the ceremonies marking the attainment of independence for the Gold Coast.

Many reasons have been given why this motion should be supported. I have two reasons upon which I should like to speak and for which I support this motion. The first of these is that I felt very proud indeed when I notice in the Joint Resolution that the Congress of the United States of America extends most cordial greetings to the Gold Coast in recognition of the democratic ideals shared by the United States and the Gold Coast. This is a very vital point because it absolves this country and its accredited leaders from the wrong impression created outside this country by some people who term our leader as dictator.

The other reason for which I should like to support the motion is the United States' re-affirmation of its friendship with the people of Africa, and for that matter, the people of the Gold Coast as expressed in the last but one paragraph of the Resolution.

Before I am done I should like to point out that the Joint Resolution points out clearly that respectable nations have great regard for this country and it is our duty to keep up this prestige through unity.

**Mr. Kodzo Ayeke (Ho West):** On the strength of the administrative union which exists between Togoland and the Gold Coast, I think a word of gratitude from the people of Togoland who are also fighting for independence will not be out of place.

It is not a novelty on the part of the American Government to send a message to people who are fighting for independence because they know what true freedom and liberty mean and they know what it costs a people to gain independence. As the people of America know that there is no country which can be integrated with another, and for the people of that country to become subject to another people, I do not think the American Government, in its sincere wishes can endorse the statement of the British Government on the integration of Togoland. Moreover, integration is not contained in the Charter of the United Nations. We know that America likes people to become independent, and there will be a time

[MR. AYER]

when this very Gold Coast Government will send greetings to the people of Togoland because we too will be on the threshold of independence soon.

To end my speech I would say that we the people in Togoland who are making all efforts to have Togoland unified and get independence send our appreciation to the American Government.

**Mr. M. K. Apaloo (Anlo-South):**

That the great American people through their Eighty-third Congress and with the concurrence of their thirty-third President have sent to us a message of friendship and good-will on our progress towards self-government must be taken to mean that in the opinion of the world, at least in the opinion of the most powerful people on this side of the Iron Curtain, Gold Coast Self-Government is no more a matter for speculation. It has been removed from the realms of doubt and probability and given an assurance of certainty.

This offer of friendship and encouragement on the part of the people of the United States must mean to us, in our peaceful struggle to be masters of our own destiny and country, what nearly 180 years ago it must have meant to their fore-fathers when, after their epoch-making declaration of independence, France accorded to them the status of belligerency in their violent struggle to liberate themselves from the yoke of King George III and his short-sighted advisers. But I believe that it is not too much to hope that had our own struggle been one of physical violence with Britain we could expect American volunteers and American George Lafayettes, to come to our aid in the same way as the French volunteers and the great Frenchman, George Lafayette, fought on the side of the Colonists in the American War of independence.

We in the Gold Coast and in this part of Africa are generally proud of our links with the United States of America; for America is a country which negro people, our fore-fathers and mothers, uprooted from their native land, in their tragic endurance of slavehood, have helped to develop with their blood and sweat no less than with their touching songs, christened "The Negro Spirituals". True it is that it was in America that the black people, the negro people whose original home is Africa, particularly south of the Sahara, have suffered their worst degradation in the abysmal depths of slavery. And although they

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did not suffer without protests and struggles to free themselves—for we recall the gallant uprising of Dessalines and Toussaint L'Overture, the latter immortalised in a sonnet by the poet Wordsworth—and their countless unnamed colleagues, it is America that produced Dr. Carver and Dr. Ralphe Bunche, to name only two negroes, whose contributions to science and to peace are on a world scale.

10 a.m.

On an occasion like this we remember some of the distinguished personalities who have shaped the destiny of America and contributed to the liberty of mankind; we remember Thomas Paine, an Englishman whose revolutionary book, *The Rights of Man*, found room to be published in America but who was later prosecuted for it when he returned to his own country, England, whence his book was smuggled; we remember Thomas Jefferson, Benjamin Franklin, Alexander Hamilton, the two brothers Adams—a few of the Fathers of the American Constitution; we remember President George Washington, who after leading his countrymen to victory and liberation, refused to be president for a third term in order not to create a precedent for autocracy, or one man or one party-rule; we remember President Abraham Lincoln who abolished slavery, thus making it possible for the liberation of the energies and genius of black or negro people everywhere; we remember Dr. Buckhardt du Bois, a negro, and stalwart fighter in the vanguard for the emancipation of the negro people from centuries of prejudice and injustice against them in the country they have helped to develop; we remember President Franklin Delano Roosevelt who built the great Tennessee Valley Authority, the financing and development of which can be a shining model for our own Volta River Project; and from him we borrow the words "New Deal" to beguile our farmers; and last but by no means least, we remember the present President of America, Dwight D. Eisenhower, not so much for his brilliant and masterly leadership of the Allied Armies in World War II but for his courageous championing of the equal rights of all in his own country by his immortal saying: "If I do not defend the rights of others, no one will be left to defend my own rights." And finally, we remember the great free institutions of the United States which

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obliged a world-conquering hero, General of the Army, Dwight D. Eisenhower, to assume the presidency as plain Mr. Eisenhower.

One more thought and I am done.

Whenever, in our life as men and women, we are betrothed, we leave all past frivolities aside, choose our friends with judicious caution, and watch our actions so as not only not to offend our partners but also positively to please them.

I liken our present motion of thanks to Congress as an acceptance of their offer of engagement. I shall presently outline, briefly what in my opinion, America expects of us. But I venture to outline first, what we expect of America. That we shall not be overlooked in American aid to underdeveloped territories we are assured. So we shall, in addition to that, expect America to help us, though a small country, to attain the proportions of a truly great nation, not so much in the material sense as in the spiritual sense. America's great influence in the United Nations must be used to bring the solace of reunification to the peoples of our eastern frontiers, in the trust territories of Togoland, French and British, who are presently divided from North to South, through the greed of imperialist powers, by arbitrary frontiers. America should not let the interests of powers, great or small, blind her to the real wishes and aspirations of these people created by God to live together.

As to America's expectations of us: the very first paragraph of their Joint Resolution requires us to show our capabilities to establish and protect free institutions; and, from the last but one paragraph of the Resolution in which this message of goodwill and friendship is sent to us, I quote "in recognition of the democratic ideals shared" by the peoples of the United States and the Gold Coast.

America is passionately devoted to the ideals of democracy and free institutions: to the ideals of the worth and dignity of man; of the freedom of religion; of the freedom of thought and of association; of the freedom of the Press; to the ideals of efficiency and of constant vigilance against corruption in their public men; of the freedom of expression and criticism, however unpalatable to the powers-that-be, without being stigmatised as a foreign agent, or an imperialist agent, or a saboteur or a traitor to one's country.

Knowing all these, it must be our untiring and steadfast endeavour to establish and protect such free democratic institutions in Ghana, that it can always be said—to alter slightly the words of a great American, Thomas Jefferson—that our state, that is the Government of the day, is the servant, not the master, of the people; that it is a machine established for their use, hence subject to their superintendence, criticism and control; that it is a means, not an end; that it is a human contrivance, not a divine entity superior to its citizens, which they must worship and adore, before which they must bow down and sacrifice; that our state, that is the Government of the day, is merely a useful political machinery employed by the people to transact their public business; it is not a mystical, glorified, metaphysical monstrosity as in nations where totalitarianism and similar dogmas prevail.

When we have striven, established and do protect such free democratic institutions here then we can truly say, again, in the words of perhaps the greatest American who ever lived, that "government of the people, by the people and for the people shall not perish from the" face of Ghana.

**Mr. Mumuni Bawumia (South Mamprusi East):** Once again, we have received a message of goodwill, this time not from the imperialist Government of Britain but from the Congress of the United States of America.

Much has already been said by previous speakers on the reasons why we should support the motion before the House. I have only to add a little to what has already been said. This message of goodwill reminds us of our ability to run our own affairs. We who are taking part in leading the country towards independence must not only be anxious to attain independence but also see the working of it. We must, as statesmen, understand the problems of each other and find solutions so that we may, in our lifetime, bring about a united Gold Coast like the United States of America.

10.12 a.m.

I hope that this Government and the country at large will see to it that the confidence which is placed in us by the outside world does not wane in the near future.

Hon. Members should join the Prime Minister in expressing our thanks to the Senate and the House of Representatives and, especially, to President Eisenhower, for sending us this message of goodwill.

**Minister of Trade and Labour (Mr. Ako Adjei):** As a man who has been associated with America for quite a long time, I feel that I must say a few words on this occasion.

At the opening of this Assembly in July the Queen's gracious message was read to the House. There was one very significant statement in the message which, I have no doubt, has greatly influenced political thinking in America, not only in the Senate and the House of Representatives but also among the common citizens of America.

The Queen said that the present constitution of the Gold Coast was the last stage towards independence. That was very significant. It means that the Americans are now quite certain that there is nothing to intervene between the present constitution of the Gold Coast and the declaration of independence.

And if the American world as well as Britain are all quite convinced that there is nothing intervening between the present constitution and the declaration of independence it is rather odd that in this country some people still entertain certain doubts in their minds. As I said before, this declaration made by the Queen must have influenced the Americans. The Americans are a people who always like to look forward and rarely look backward. They look at the past, if at all, only as a source of inspiration and guidance. The Americans, I suppose, would therefore expect that the people of this country at the present stage in their development will be looking forward and not backward—Forward Ever, backward never!

The United States of America is the champion of modern democracy. We all remember that the Americans fought for their independence. It was a military fight as well as a moral fight, and since that titanic struggle for independence, which in fact they won, the Americans always have a tender heart for all people in all sections of the world who legitimately claim their inherent right to be independent in order to manage their own affairs.

I should like to observe that at a time like this when we are just on the threshold of independence we should look round and know quite clearly who are our friends or who are likely to be our friends. No nation can exist in isolation in the modern world. We are bound to make friends if we do not have them. Of course we have quite a number, but we still have to make friends.

[MR. AKO ADJEI]

There are many things that we can learn from our friends, especially in the case of the United States of America. I can say with a fair degree of authority and certainty that we can learn a lot from the United States of America in a progressive, economic and industrial development of this country. We may have to learn something from the application of the results of science and technology in America. I do not think that any hon. Members in this House would deny that, and I can only hope that when the time comes the American people will not withhold that knowledge from us—the technological know-how and all the other things attendant thereto. At a time like this, I think if the people of America expect anything from us at all, there is one very very significant thing they would want and that is they would expect us to preserve very seriously the unity of the nation. As I said they themselves fought for their independence and their oppressor would never stop short of any means, however devilish, to break the unity of the nation if it could. Everything was done to break the unity of the American Nation, but under the wise guidance of Abraham Lincoln the unity of the nation was preserved.

Hon. Members from both sides of the House would observe that just at the time when we are on the threshold of our independence, and just at the time when Her Gracious Majesty the Queen has said categorically that this is the last stage to our independence in this country, some people are trying to do certain things to break the unity of the nation. I hope that all Members of the House will agree with me that everything possible must be done to preserve the unity of this nation. And we all sincerely believe that under the wise guidance of our Prime Minister, Dr. Nkrumah, and his colleagues, the unity of this country will be preserved.

There is one last point. If you stand in front of the map of the world and you look at the geographical location of the Gold Coast, the new Ghana, and if you look at America and all the other territories, you will find quite clearly that the Gold Coast is an Atlantic nation. We border on the Atlantic Ocean and that has a great bearing on a lot of things which may happen in the future. I do not want to talk of the Atlantic Defence Community nor of defence; I am only calling attention

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to our geographical position as an Atlantic Nation. And when the proper time comes, I think the Gold Coast, this brave new nation, will play its proper part in its own home.

Those hon. Members who were present at Tema in May this year on the occasion of the opening of the Achimota/Shai Hills Railway, will remember the significant and statesmanlike speech made by the Prime Minister. He said, amongst many other things, that we were struggling to build a nation that all other nations in the world would emulate but none could surpass. He also said in the same speech—that very important speech—that when the proper time came the Gold Coast nation would not submit to the dictates of anybody; the Gold Coast would always look out for its interests and do everything possible to enhance world peace. That significant statement made by the Prime Minister was repeated recently in his speech delivered during the celebration of the United Nations Day and also at the historic 'Arena' on Sunday last. We are coming into our own with our eyes wide open. We are a progressive nation and under the wise guidance and leadership of our Prime Minister we shall continue to be progressive and wise. Every word said in this Assembly today, I have no doubt, will be re-echoed in many parts of the world and, especially, in America. I would therefore advise that hon. Members should continue in this important debate with the dignity that befits this progressive and emergent nation of Ghana.

10.24 a.m.

**Mr. J. A. Braimah (Gonja-East):** I also rise to associate myself with the speeches that have already been delivered.

It is true that when this Assembly met last His Excellency read a message from Her Majesty the Queen in which she said that this was the last stage of the Gold Coast in its constitutional advance. This, we admit, has gone a long way to convince the American people to feel that there is nothing at all that will retard the progress of this country.

A great deal will depend upon the leaders who are responsible for guiding the ship safely to anchor. Much depends upon those responsible between the present and the time when complete independence will be achieved by this country. We have met here today in this House—we are few as compared

with the number of people in the whole country—to discuss matters which affect the interest of the whole people. We can understand ourselves. We can advance arguments and understand them better, but we must not forget that we also have some representatives who try to interpret our policy to the people outside and these people do a great deal of harm. We have to educate those who are also responsible for the uneasiness that seems to be taking place in the country today. We should be careful that towards the last stage we all march together without any dissentient voice from any quarter at all. For today we find that some people in other parts of the country are raising dissentient voices. What we have to ask ourselves is, "what is wrong?" If only our leaders would regard themselves as servants and not masters of the people I think much good could be done to this country and we could surely claim the respect and honour of other great nations.

The United Kingdom and the United States of America are two great countries that are the champions of democracy and we are very happy that those are the countries from which we have received messages of good wishes. From the American resolution we find clearly that free democratic institutions can be established. There is quite another side of the picture. We have to be reminded that it is one thing to establish democracy and another thing to see it thrive when established. And I hope the leaders of this country would bear this in mind.

**Minister of the Interior (Mr. Casely-Hayford):** I propose to be as brief as possible. This resolution of the United States Congress is indeed a historic one, in that it lays down that the continent of Africa is a vital part of the free world; and the world cannot be free unless every part of Africa is also free, and there can be no peace in the world until every other country is also free. Having visited the United States I feel I should place on record the very warm feeling of cordiality and goodwill that is always shown towards those who come from Africa, particularly towards those of us from the Gold Coast. The United States has made a very rich contribution towards democracy.

It is significant that more than one hundred years ago, at the time when this country was about to sign the Bond with Great Britain, after the end of

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[MR. CASELY HAYFORD]

slavery in America by the instrumentality of Missionary Societies the people who were sent to America as slaves were sent back to Africa to settle and found the Republic of Liberia. It is significant that today the President of Liberia, President Tubman, is visiting the United States to cement the good relationship and cordiality that exists between those two countries.

We in Africa here, and indeed the rest of the world, are very greatly impressed by the significance of the recent decision of the Supreme Court of the United States of America abolishing segregation in schools with regard to education of white and coloured Americans. It is an example indeed to other parts of the world that have similar problems to face.

About two years ago I had the opportunity of recommending someone from the Gold Coast in the Government service to visit the United States on what is called the Leaders Scholarship in connection with one of our departments that are scientific. During his travels in America he came across one or two rather unpleasant experiences of segregation. When he came back to his department he could not but point out this particular experience by recording it in his report. It was felt that in order not to discredit the United States he should delete that impression. But I am happy to tell the House that there is a test case before the Court sponsored by the present President of the United States to try to abolish things that do not conduce to happy race relationships in the United States. When I read from the *London Times* of only two or three days ago that everything was being done to file a petition to abolish segregation throughout the whole of the United States, I did not doubt that within a short time a test case might come before the Court as a result of which segregation would be abolished also with regard to travel over the whole of the United States of America.

There is this characteristic about the white American that I have always observed and I feel that I should put it on record. He is always the type of human being that you can discuss any model subject with without any fear of wounding his susceptibilities. And I think that that is a very fine character in any type of human being that one is to have relationship with generally.

I should like to place on record also the great contribution that the Americans made in this country during the last war. It is this. It was the white American who for the first time in this country taught us the dignity of labour. For the first time in our lives we saw a white American stripped to the waist with shirt off carrying on his shoulder a load from an Army lorry, perhaps a railway truck, without feeling that there was anything shameful in that; that taught us a greater lesson we shall always remember in this country.

And so it is that we appreciate this resolution which has been sent and we reciprocate the good wishes sent to us and assure the United States that we look forward to their contribution towards the progress of this country and their assistance to us with technical advice any time we call upon them. We also ask them to take greater interest in our progress; particularly they may ever be willing to be helpful to us in our march forward towards freedom.

10.36 a.m.

**Miss Mabel Dove (Ga):** I rise, on behalf of the women of the Gold Coast who fought so nobly and bravely in the cause of freedom, to support the motion of the hon. Prime Minister. I thank hon. Members of the Senate and the House of Representatives for their most cordial greetings.

There is already a bond of friendship between the United States of America and Africa. Some of the great sons of Africa went to the United States, worked there and studied in their Universities. They brought back the light of knowledge which has been an inspiration to millions of us in Africa. I recall to mind our own Aggrey of Africa, Azikiwe of Nigeria, and last but not the least our great leader, Kwame Nkrumah, who has brought self-government to us in our day and generation.

I am sure my Government will welcome heartily delegates from the United States of America on that great day when Ghana is declared an independent sovereign state within the British Commonwealth of Nations.

**Minister of Finance (Mr. K. A. Gbedemah):** It is my humble duty to wind up the motion of the hon. Prime Minister conveying the thanks of this august House to the Senate and the House of Representatives of the United States of America for the message of goodwill which they sent to us. In doing so I will refrain from a show of

[MR. GBEDEMAH]

pedantry or from the use of language likely to detract from the lofty tenor of the motion before this House. On other occasion I would have taken time to reply to some of the criticisms which have been levelled against the Government in some of the speeches which have been made this morning. But as I have said I will refrain from doing so.

The Gold Coast has cause to be proud that such a gracious message should have been sent from the representatives of the people of America. Five years ago it might have been wishful to hope that such a message would be sent from the representatives of America because at that time affairs in this country were in an unsettled state; but I think this country has cause to be proud that in five short years it has caught the attention not only of smaller nations of the world but of the greatest nation of the day, the United States of America which is the bulwark of peace and of free living people in the world. I am sure that this is not the only message that this House will receive before the time comes for the celebration of independence which as the Prime Minister has told us in the statement is already being considered. I do hope that affairs in this country will not belie the hope which many people outside this country have for us and I do hope that in the shortest time between now and the celebration of independence political leadership in this country will show that the African people and, especially people of Ghana, in spite of differences of opinion as to the methods of approach to problems of the country, have come to understanding over great issues which affect the country as a whole. It is a credit to the political leadership which has brought events to this present position and I do hope that this message which the American people through their representatives have sent to us will not be regarded as premature but that during the next few months before independence this country will prove that the American people and those who have confidence in us will be justified in extending that confidence and in sending this message.

Many speeches have been given this morning on the motion before this House which is, "That this Assembly extends its thanks to the Senate and House of Representatives of the United States of America for the greetings contained in the Joint Resolution made

at the Second Session of the Eighty-Third Congress, and declares that it will welcome most cordially at the appropriate time a delegation to represent the United States at the ceremonies marking the attainment of independence for the Gold Coast."

This is a very lofty and hopeful message and I hope that those who today are critical of the Government as being dictatorial will think carefully before they utter such statements, because democracy itself is a form of Government which admits that the views of the majority should prevail. And if the views of the majority are being allowed to prevail, why should some people be critical and call that dictatorship? I am sure that the leader of the party in power today will be the first to denounce any charge of dictatorship. We are following the tenets of democracy, and we hope that this country will continue to follow the path of democracy which the American people in their gracious message have told us they are looking forward to.

I will now quote from the first paragraph of the message:—

" . . . it is the policy of the United States to encourage efforts toward independence and self-government truly expressive of the desires of the people . . . as they show their capability to establish and protect free institutions".

I think this country has shown that it has the capability to establish and protect free institutions and I am sure that we shall continue to do so.

I beg to move that the question be now put.

Question put, and agreed to.

Resolved:

That this Assembly extends its thanks to the Senate and House of Representatives of the United States of America for the greetings contained in the Joint Resolution made at the Second Session of the Eighty-Third Congress and declares that it will welcome most cordially at the appropriate time a delegation to represent the United States at the ceremonies marking the attainment of independence for the Gold Coast.

The House was suspended for 20 minutes.

House resumed.

11.15 a.m.

[MR. GBEDEMAH]

## BILLS—SECOND READING

**The 1953-54 Supplementary Appropriation Bill, 1954.**

**Minister of Finance (Mr. K. A. Gbedemah):** I beg to move that the Bill intituled An Ordinance for making Supplementary Appropriation for the Public Services of the Gold Coast for the year ended the 31st day of March, 1954, be read a second time.

The purpose of this Bill is to give formal authority for the appropriation of public money over the amounts provided in the Schedules to the 1953-54 Appropriation Ordinance. I should like to emphasise to hon. Members that this Bill deals with appropriation which is not always the same thing as expenditure in the ordinary sense. For example, hon. Members will see that in the First Schedule to the Ordinance an extra appropriation is made for the Ministry of Communications and Works of £2,339,107 but this does not mean that there has been extra expenditure of anything like this amount. What happened was that with effect from the financial year 1953-54 the former Assembly approved the setting up of a Road Fund into which were to be paid certain items of revenue such as Motor Vehicle Licence Fees, Petrol Import Duty, etc., and out of which were to be paid certain items of expenditure on roads. At the end of the year it was calculated that the revenue which should be paid to the Fund was £2,040,000. This revenue had actually been received but to get it into the Fund it was necessary to make a formal appropriation of this amount. In addition expenditure of £268,000 on road improvements and plant had been provided under another Head, that of Public Works Extraordinary, and in order that this expenditure might be borne by the Fund it was necessary to make a further appropriation of this amount by way of grant to the Fund. These two amounts total £2,311,000 leaving only £28,107 out of the amount provided in this Bill to represent extra expenditure less savings and of course all this extra expenditure has been approved at various times by the Finance Committee.

11.24 a.m.

Again, the former Assembly last March made an appropriation of £13,725,000 out of surplus assets. This represented a grant of £4,000,000 to the Development Fund, of £1,325,000 to the Supplementary Sinking Fund, of

£1,400,000 to the Widows' and Orphans' Pension Fund, of £2,000,000 to an Endowment Fund for the University College and of £3,000,000 to the country's General Reserve. Not one penny of this huge sum represented any real extra expenditure. The grant to the Development Fund was merely to assist in carrying out the Plan, the total of which had already been fixed. The grants to the Supplementary Sinking Fund and the Widows' and Orphans' Pension Fund merely enabled the country to meet its existing commitments to redeem its public loans at the due dates and to pay pensions under the Widows' and Orphans' Pensions Ordinance. The grant to the Endowment Fund of the University College was intended to relieve the country of a certain amount of its annual obligation to pay for the expenses of the University College. The £3,000,000 put to Reserve represented a book-keeping transaction and a prudent measure of saving on the part of the country.

I would also mention that this Bill only details the Heads under which extra appropriation is necessary. Under the other Heads which are not mentioned there were savings of over £2,000,000 and the net excess is accordingly just over £18,000,000.

All supplementary provision is invariably approved either by this House or its Standing Finance Committee and all that this Bill does is to put that approval into final legal form.

I beg to move.

**Ministerial Secretary to the Ministry of Finance (Mr. Amankwah):** I beg to second the motion.

Question put, and agreed to, and Bill read a Second Time.

**The Customs (Amendment) Bill, 1954**

**Mr. Gbedemah:** I beg to move that an Ordinance entitled An Ordinance to Amend the Customs Ordinance, 1947 be read a second time.

Hon. Members will be aware that the illegal export of cocoa across our land frontiers has increased considerably during the present year on account of the disparity between the world price of cocoa and the price paid to producers in the Gold Coast. The decision to restrict the price payable to producers was made by the Government as an integral part of its fiscal policy and that policy was approved by this House when

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it passed into law last August the Ordinance increasing the export duty on cocoa. It is clear that the Government cannot tolerate the organised efforts that are now being made to smuggle cocoa and thereby to deprive the country of much valuable revenue. I am sure all hon. Members will agree that vigorous measures must be taken to see that the law is fully enforced.

In view of the very great length of the land frontiers of this country it would be out of the question to prevent smuggling by a huge chain of fixed customs posts and action against cocoa smugglers has to be taken by mobile patrols operating some little way behind the frontier and stopping the smugglers while they are moving towards the frontiers. Orders have been made under The Carriage of Goods by Roads Ordinance restricting the movement of cocoa in certain directions along certain roads and across certain ferries with a saving permission for the movement of cocoa grown in any locality from farm to the buying point. The first orders made prohibited the movement of cocoa in an easterly direction across the Volta ferries. It is obvious that there is no honest reason for moving cocoa from the Eastern Region eastward across the Volta. Subsequent orders prohibited the movement of cocoa northward along the road leading to the Volta at Yeji and on certain roads towards the Western Frontier. All these orders are at the present moment being enforced by the Customs Preventive Service and the Police Force working in close co-operation.

These Orders, however, are not entirely satisfactory. In the first place the penalty under The Carriage of Goods by Roads Ordinance is only £100 or six months imprisonment and it may be doubted whether this is adequate to stop cocoa smuggling which is organised on a large scale. In the second place The Carriage of Goods by Roads Ordinance was originally enacted to protect the railways against excessive and unreasonable competition. What we want to do now is to enforce effectively the Customs Ordinance and the Government has therefore decided that further Orders should be made under a new section of that Ordinance.

Hon. Members will see that the Bill which is now before them proposes to insert a new Section 197a into that Ordinance giving the Governor power to declare that the conveyance of specified goods on specified roads or across

specified rivers shall be deemed to be an attempted breach of the Customs Ordinance and this will bring into play all the penalties laid down under that Ordinance. There will be power to except from that prohibition in certain cases and this power will be used to permit the movement of cocoa from farms to buying agents.

But this is not enough. It has come to the Government's notice that in certain frontier areas roads are being built which can have no other purpose than that of facilitating the smuggling of cocoa. The Bill therefore proposes a new Section 197b which will give the Government power to prohibit the construction of roads in frontier areas and which provides severe penalties for any person building a road in contravention of that Order.

The present Bill is essential if the fiscal policy and prosperity of this country are to be maintained and I trust that the House will give it a unanimous reading.

I beg to move.

Motion made, and Question proposed, that the Bill be read a second time.

**Mr. John Baidoo (Atwima-Nwabiga):** This is a very good Bill. It would be more effective if the Minister would add, "buying cocoa at a higher price in this country". Actually, it is not the farmers who are trying to smuggle, but certain brokers who are engaged by certain firms to purchase cocoa at a higher price than the local price: for instance, a broker can buy cocoa of 60 lbs. for eighty shillings instead of the seventy-two shillings. After buying the cocoa he conveys it across the border. If anybody tells you that it is the farmers who carry cocoa across the border it is not true, Sir. I should like the Minister to insert another clause to the effect that anybody who buys cocoa at a price higher than that fixed by Government should be arrested and punished.

**Mr. M. K. Apaloo (Anlo South):** This Bill strikes at the very root of the principles of liberty of the subject, in that its provisions are so wide that it seeks to entrap the farmers. I have the experience of certain farmers being arrested in Togoland over fifty miles from the frontier. In fact, they were arrested in their own houses for storing cocoa and it was alleged that the cocoa was stored there to be carried across the border in order to sell for higher price. There must, in my opinion, be some form of limitation in order to protect

[MR. APALOO]

the liberties and rights of the people and their movement in this country. I do not think the Government is entitled to ask for more than five miles within the frontier to arrest people for moving or carrying their cocoa. After all, people should be free. And there should be some form of arrangement whereby cocoa buyers and agents should get a few more shillings and pence than they now get (Shame, Shame). I am very serious about this matter. Surely, if the Government can prohibit movement anywhere in the Gold Coast of cocoa to any side of the frontier it is putting limitation on the liberty of the people. I am saying that the Government should not be entitled to prohibit the movement of cocoa to any place more than five miles from the frontier. The patrol men can do their work more effectively to ensure the keeping of the law in existence, but to make it impossible for me or for anybody to move his cocoa to any other place to sell is surely limiting the freedom of the people too much. I think this House ought to take a serious view of this matter. I must say that it is the Government's own short-sightedness with the whole question of cocoa that has brought it to this pass. We have always been saying that there are many other methods of getting the same sort of effect that the Government wants to get by stopping the smuggling of cocoa. To stop this smuggling of cocoa means having a large number of mobile patrols who are receiving handsome salaries which in the aggregate amount to what the farmers ought to receive and what they are actually receiving. (Mr. Gbedemah: You have not the least idea about this thing). The Finance Minister will tell me what it is costing the Government to maintain these mobile patrols when he comes to wind up. I feel that members should address themselves seriously to this Bill. It looks very small because it is on one sheet of paper folded into two but it is likely to limit very severely the liberty and the right of citizens of the Gold Coast to move freely in their own country.

**Mr. Jatoo Kaleo (Wala North):**

There is one point in this Bill and that is in the new sub-clause 1 which is restricting people from building roads near the frontier. I think that if the Government is not willing to build certain roads to other parts of the country it should not try to legislate in order to restrict people who are

[MR. KALEO]

willing to build such roads because some of these roads are not meant for transportation of cocoa alone. New roads encourage trade, transportation of animals and other items of merchandise which are beneficial to the Gold Coast. So that if there are people who want to build roads across the frontier to facilitate trade between the Gold Coast and its neighbours I do not think it is wise for the Government to try and restrict them. Again, Government could put people to guard these roads when constructed. There are preventive police and what is their use if they cannot guard these roads. Therefore this clause which intends to prevent people from building roads is not a good clause. It will not help in the opening up of the country. It will not create good relations between the Gold Coast and the people in French Togoland or in the Ivory Coast. This is my main point. There are certain roads in the Northern Territories that stop just at the frontier and if these roads were opened into the French Territories, much trade would be going on between these territories. But if such a law is passed it will certainly stifle this progress which the people themselves want. I think the Government will try to delete that section and encourage trade with the French territories.

**Mr. Krobo Edusei (Sekyere East):**

I rise to support the Bill and in doing so I want to tell hon. Members that the economic stability of this country rests mainly on cocoa. Who are the smugglers of this cocoa across the frontier? They are mostly Lagosian traders. In Ashanti no Ashanti farmers are smuggling cocoa. The Lagosians go about with the currency notes termed as 'Kwame Nkrumah's Five Pound Notes' in their pockets to buy cocoa from the farmers. Even now undried cocoa beans are sold to them and they smuggle it to the border. I feel that the amendment should be supported. On the question of the amendment clause 4 of the objects and reasons reads:

"This Bill gives the Governor wide powers to make Orders prohibiting the movement of Cocoa. A contravention of any such Order is deemed to be an attempt to export, without payment of customs duty, goods liable to customs duty (the proposed new section 197A in clause 2). This will permit the authorities to take effective action to circumvent attempts to export cocoa before it reaches the frontier and at the same

[Mr. KROBO EDUSEI]

time it brings in train the heavier penalties of treble the value of the cocoa or one hundred pounds whichever is the greater and the forfeiture of the cocoa and the vehicle in which it is carried as provided for in the Customs Ordinance, 1947”.

I want to add that when any stranger is found smuggling cocoa across the frontier he must be dealt with severely and then deported. The Governor stressed in his speech delivered at the last meeting that we must have respect for law and order, and any Government whose people have no respect for law and order is no Government. We came here as the accredited representatives of the people. We could have given £5 for a load of cocoa to boost our political popularity but we acted differently I know that our party has enemies but we do not know from what quarter and in what manner they will encounter us. That was why the Prime Minister made such a bold attempt and undertook to stabilise the cocoa price for four years. There are some strangers who are smuggling our cocoa across the frontier. It is for us as a nation struggling for self-determination to strongly reinforce the laws. In my opinion anybody who is found smuggling cocoa across the French border should have his cocoa confiscated and if he is a non-Gold Coast man he should be deported.

**Mr. C. E. Nimo (Akim Abuakwa North):** A point I should like to make is on the construction of roads near the boundaries of the Gold Coast.

Clause 2, 197B (1) says:

“The Governor may by Order prohibit, except with the written permission of a Government Agent, the construction of any road and the making of any motor track which leads to any point within a specified distance of any specified part of the boundary of the Gold Coast.”

11.48 a.m.

My observation on this is that if a written permit is granted to say a Government Agent for a new road to be constructed that Government Agent may not be able to guarantee that cocoa will not be smuggled on that road and I suggest that no such permission may be granted to any Government Agent for the construction of a new road which may be used by smugglers to carry their cocoa across the frontier.

**Mr. A. J. Dowuona-Hammond (Awutu):** I feel that this Bill should be welcomed by this House, especially Clause 5 of the Objects and Reasons. I do not see the reason why some hon. Members should be scared especially when it is considered necessary that roads and tracks in the areas adjacent to the frontiers should not be made. The clause referred to above makes it clear that for the sole purpose of smuggling cocoa out of the Gold Coast roads should not be made. Before the prohibition starts investigations will be made and if there is a genuine demand for the construction of a road by the people I think the demand may be granted.

Some of us who had been trained by these foreign capitalists and had tasted the cocoa business before will no doubt welcome this bill in this House. An hon. Member has just mentioned that some people were arrested fifty miles away from the border. I am sure hon. Members will be surprised to learn that from Nkum, a town just twelve miles from Swedru, cocoa was smuggled across the frontier—a distance of over two hundred miles from the frontier. The dealers in the cocoa trade are very good diplomats in the business and so they train their brokers and their buying agents very well. Smuggling of cocoa, as the bill says, is mainly carried on because the cocoa grower is not permitted to sell his cocoa to anybody except the Gold Coast Cocoa Marketing Board, and for that reason people refuse to sell their cocoa to the Cocoa Marketing Board and rather try to smuggle it.

Another fact is that storage of cocoa is being carried on. In some areas people take advantage of the price that we often hear of being offered in the nearby territories. Employees of a particular firm feel that they can do something better in enriching their own pockets by selling partly to the neighbouring firms and partly to their own employers. Hon. Members should not be worried because before the Government takes a decision, views are invited from experienced people and experts in the trade and all these views are collated before the Bill is enacted. So I feel that hon. members should support this Bill.

**Mr. J. R. Asiedu (Akwapim North):** In associating myself with the Bill I beg to refer to Section 197(A) sub-section (4). In the first line there is a typographical error which I want to correct. In the first line the word “be” immediately after “may” should be “by”.

[Mr. ASIEDU]

[Mr. BRAIMAH]

Commenting on 197(B) I think the amendment as it is put down is a good one. An hon. Member said that it would actually isolate some of our brethren on the border. I should like to call hon. Members' attention to one fact. We all know that a gun is a good instrument for the protection of mankind, yet in the interest of mankind guns are not distributed to everybody. We have to obtain a permit before keeping one, because we know that some people may harm themselves and also their neighbours if they possess guns.

Today, we are faced with difficulties in connection with the cocoa price, and we are all aware that smuggling is not being done by the farmer himself; it is being done by clever rascals. Therefore, in the interest of the nation and in the interest of the farmer, this Bill has been brought up with a view to protecting the farmer. I believe we are all aware that about fifteen to twenty years ago it was unlawful for one to go to the Northern Territories with trade spirits. Why was that done? It was done to protect our brethren there. But today I can open a spirit store in Tamale without anyone holding me back because it can now be done. I should like hon. Members to assist Government in protecting the interest of the nation. In fact, I would have been the first man to kick against this Bill if I knew that all was well on the border. But hon. Members are aware of the unlawful practices going on there whilst we need money for development. If we allow these rascals to collect all the money away, where do we expect the Government to get money to provide for our ferries, our roads, our pipe-borne water supplies, our hospitals and other amenities. We will never get these things without money, and the result will be that after cutting our own tongues to prepare our stew there would be no tongues for us to use in enjoying our attractive dish (*laughter*).

**Mr. J. A. Braimah (Gonja-East):**

I do not think there is anything wrong with the Bill. But there is one impression I want to correct which has been made by the hon. Member for Sekyere East (Mr. Krobo Edusei). He was trying to create the impression that in our laws we discriminate against strangers. The hon. Member is a popular figure in this country and so his speeches are given headlines and people may go about thinking that in the Gold Coast Legislative Assembly laws are made to discriminate against strangers. That

would be very wrong and we must do everything on our part to discourage it.

**Mr. Krobo Edusei:** There is a law in the Gold Coast that when you are a stranger from Togoland and you go and steal you should be deported. These people are criminals.

**Mr. Gbedemah:** In winding up the debate on the principles of the Bill I should like to make one or two points clear with special reference to certain statements or allegations which have been made by one or two hon. Members

This Bill has been necessitated by the experience which the Departments of Customs and Police have had since the price of cocoa began to rise in the world market, and as all hon. Members know, the price of cocoa in the Gold Coast is fixed once a year by the Cocoa Marketing Board with the consent of the Government. It was found that because of the difference in price in the neighbouring territories there was a very great incentive for people to smuggle cocoa, thus evading customs duty which was payable on cocoa. And this attempt at smuggling became quite an organised affair when in July last the fiscal policy was declared fixing the price of Gold Coast cocoa at the same price as for the last year.

The Government will not allow events to go on which deprive it of its just revenue which it should raise in the interest of the people, and therefore laws must be enacted to stop this smuggling. I should like to remind hon. Members that the incentive to smuggle is no longer as high as it was in July because the world price of cocoa has begun to fall already and as a result the smugglers do not find it quite a paying business to smuggle cocoa from the Gold Coast as they did three or four months ago. Nevertheless, since the world price of cocoa can fluctuate so violently the law must be enacted in order that it can be invoked if the position should recur.

12 noon

The hon. Member for Atwima/Nwabiygya raised a point that certain people go about buying cocoa at a higher price than the fixed price which is ruling in the country. Unfortunately, there is no law at the moment penalising anybody from paying a higher price for a commodity. The obvious reason for anybody paying a higher price for cocoa is that he attempts to smuggle and therefore an effort should be made to

[MR. GBEDEMAH]

prevent him from smuggling or to catch him in the attempt; but I do not think if people are foolish enough to pay a higher price for a commodity, Government should be bothered about such people at all.

The allegation made by the hon. Member for Anlo South that this law is an attempt to limit the liberty of the subject is quite wrong. Government has a law controlling dealings in cocoa and therefore Government must protect its own interest and the interest of the people, and people should not be allowed to do just as they like, especially when their act is criminal. The hon. Member knows very well that goods which are brought across from the French territory are described as smuggled goods and are forfeited. Therefore Government should make an effort to stop the smuggling which is going on and this law cannot be interpreted to mean a limitation of the liberty of the subject. The hon. Member has stated that people should only be caught when they are within five miles of the frontier. I should like to tell the hon. Member that if he should visit the Preventive Stations at Aferingba Nyovi and even Kpoglu he would see lorry-loads of cocoa brought from as far as Nkawkaw, nearly 120 miles away, in an attempt to smuggle the cocoa and if efforts are to be made within only five miles from the frontier I do not see how such attempts could be successful. If he reads the amendment he will find that it is a crime to attempt to transport cocoa across the ferry, and the ferry is at least 60 miles from the frontier.

This Bill cannot be interpreted to mean a limitation on the liberty of the subject and the Government in specifying what roads should be described as roads on which cocoa can not be carried has taken into account the experience of the last four or five months.

The hon. Member for Wala North (Mr. Jatoo Kaleo) criticised Section 197 (B) of the Bill which tries to limit or restrict the right or attempt of certain people to build roads at the frontier areas. I should like to inform the hon. Member that this section is very necessary; firstly, because the building of roads is quite an expensive undertaking and anybody who at his own expense is prepared to build a road must have very good reasons for doing so. If a cattle dealer wants to convey his cattle he does so without going to build a road and I should like to inform the hon. Member

also that this section will only be applicable to areas where cocoa is grown and will have no effect on that part of the country which he had in mind when criticising the Bill.

I should like to say that the hon. Member for Akim Abuakwa North (Mr. C. E. Nimo) who criticised the power which would be given to Government Agents to enable them to decide which roads should be built, must consider that it is not possible for the Ministry of Communications or for the Customs Department to send officers round to every section from which applications are sent in for the building of roads, and if any particular roads are necessary in order to increase the network of roads in the country and there are legitimate reasons for building them, the Government Agents will certify that those roads are necessary and His Excellency the Governor will transfer the power to them to allow those roads to be built. This amendment is only to stop people who have obvious reasons for building a road, at their own expense, from doing so and the only reason anyone can have is that he wants to smuggle cocoa across on these roads.

The hon. Member for Gonja East (Mr. J. A. Braimah) stated that the suggestions which an hon. Member made that strangers should be deported should not be given publicity. I should like to remind the hon. Member that he himself, having once been a Minister, can remember that there is a law in force for deporting people who are criminals and that strangers in this country who obey the laws of the country will not be molested in any way. But if strangers come into our midst and do break our laws and cheat the Government of its revenue, such strangers are undesirable and should be removed from our midst. I am sure the Government of any country would pass such a law if it becomes necessary. With these explanations on the principles of the Bill I should now like the question to be put.

Question put, and agreed to, and Bill read a second time.

Bill committed to a Committee of the whole House.

House in Committee.

**Mr. Gbedemah:** I should like to make two small amendments to the Bill both of which are very minor and are of a typographical nature. After Gold Coast, in the first line of the Bill, I should like a comma to be inserted and

[MR. GBEDEMAH]

it should then read "BE IT ENACTED by the Legislature of the Gold Coast, as follows."

Question put, and agreed to.

The Preamble as amended ordered to stand part of the Bill.

Clause 1 ordered to stand part of the Bill.

Clause 2:

**Mr. Gbedemah:** I should like the word "be" in the first line of page 2 to be read "by".

Question put, and agreed to.

12 noon

**Mr. P. K. K. Quaidoo (Amenfi-Aowin):** Clause 197 (b) (2):

"Any person who contravenes the provisions of subsection (1) of this section shall be guilty of an offence, and shall be liable on conviction to a fine not exceeding three hundred pounds or to imprisonment for a term not exceeding three years, or both such fine and imprisonment".

I think that is all right. But I wonder whether this penalty will hit those who organise smuggling of cocoa on a large scale. I do not know whether the Minister of Finance would accept an amendment to the effect that if any person is proved to be an accredited agent of a buying concern the penalty should be increased.

**Mr. Gbedemah:** I think this should be left to the discretion of the Court. If the Court finds that any attempted smuggling is an organised attempt behind which there is a large concern capable of paying a heavier penalty, I am sure the Court will use its discretion in imposing such a fine.

**Mr. Quaidoo:** Since there is no explicit statement to that effect perhaps the smugglers may get away with it.

**Mr. Gbedemah:** I think the Courts have already exercised their discretion in the matter by imposing heavier fines than are allowed by the law which is being amended.

**Mr. J. Kaleo:** In subsection 197 (b):

"The Governor may by Order prohibit, except with the written permission of a Government Agent, the construction of any road and the making of any motor track which leads to any point within a specified distance of any specified part of the boundary of the Gold Coast".

[MR. KALEO]

I should like the following words to be inserted after the word "track"—"in cocoa area".

**Mr. Gbedemah:** That is why the word "specified" is used there.

**Mr. K. O. Thompson (Elmina):** The Minister of Finance has just explained that section 197 (b) (2) should be left at the discretion of the Court. But I wonder whether the Court is not restricted in this case by the wording of the section:

"Any person who contravenes the provisions of subsection (1) of this section shall be guilty of an offence, and shall be liable on conviction to a fine not exceeding three hundred pounds . . ."

I think here the Court is restricted and cannot impose a fine of more than £300.

**Mr. Gbedemah:** The hon. Member has not given me a specific suggestion which should replace the section which he would like amended. But I should like to say that apart from this penalty, the contraband goods or the smuggled goods, which in this case is cocoa, are also forfeited.

**Mr. J. Kaleo:** I am on my point. I should still like that the words "in cocoa area" be inserted after "track" in the section because I feel that if it is passed into law, and the Governor in his discretion thinks that a road should be built say in the Northern Territories, where there is no cocoa, the law will still be binding on anybody who tries to build roads for other purposes.

**Mr. Gbedemah:** I must say categorically that I refuse to accept such an amendment. There are various means by which roads can be built in this country. The Ministry of Communications is in charge of the roads; there are district development committees in charge of roads; and if anybody thinks that a particular road is important he has some of these bodies to which he can appeal, and if he can get permission to do so, I do not see any reason why the Government should refuse the body the permission to do so.

Clause 2 as amended ordered to stand part of the Bill.

The Long Title ordered to stand part of the Bill.

House resumed.

Bill reported with slight amendments and notice given for its third reading at a later stage.

**The Guarantee Corporation (Amendment) Bill, 1954—Second Reading**

**Minister of Trade and Labour: (Mr. Ako Adjei):** I beg to move that a bill intituled An Ordinance to amend The Guarantee Corporation Ordinance be read a second time.

This is a straight forward amendment. Hon. Members will remember that the Guarantee Corporation Ordinance was passed at the early part of this year, and it came into operation on the 10th of April. In that Ordinance, references are made to the "Permanent Secretary, Ministry of Commerce and Industry". Under the new constitution and the subsequent reorganisation of the Ministries the Ministry of Commerce and Industry was abolished and incorporated into the new Ministry, the Ministry of Trade and Labour. It is therefore necessary to effect an amendment to the Ordinance to conform with the re-organisation of the Ministries, and hon. Members would see that all that the amendment seeks to do is that in the Ordinance for the words "Permanent Secretary, Ministry of Commerce and Industry" there shall be substituted the words "Permanent Secretary of the Ministry responsible for Trade". It is a very small amendment which is purely consequential.

I beg to move.

**Ministerial Secretary to the Ministry of Trade and Labour (Mr. E. K. Bensah):** I beg to second.

Question put, agreed to and Bill read a second time.

Bill committed to a Committee of the whole House.

House in Committee.

Clauses 1 and 2 and the Long Title ordered to stand part of the Bill.

House resumed.

Bill reported without amendment and Notice given for its Third Reading at a later stage.

**The Diamond Mining Industry Protection (Amendment) Bill, 1954**

**Mr. Ako Adjei:** I beg to move that the Bill intituled An Ordinance to amend the Diamond Mining Industry Ordinance be read a second time.

This amendment is also a straight-forward amendment. Hon. Members will remember that on the 12th of July this year the Government opened in Accra a Diamond Market which is still functioning. However, in the operation of transactions of the market, certain inconveniences have arisen. The Licensed Diamond Winners and the

**Mr. Ako Adjei:**

Licensed Diamond Dealers on the market find it difficult to operate successfully under the existing Ordinance regarding the granting of licences to the Winners. The existing position under the Ordinance is that when a Licensed Diamond Winner has diamonds to sell to a Licensed Diamond Dealer, the Licensed Diamond Winner has to report to a Government Agent of the district in which he won the diamonds that he has diamonds for sale on the market. Having reported he then deposits the diamonds with the Dealer. The Government Agent, upon the report, must satisfy himself as to the good faith of the Diamond Winner who has reported the diamonds. After satisfying himself, the Government Agent thereupon grants the licence to the Diamond Winner to sell his diamonds to the Dealer on the Government diamond market. This transaction or procedure entails a lot of travelling on the part of the Diamond Winner. For instance, if a Diamond Winner has diamond for sale in Accra, assuming this Diamond Winner comes from Oda, he has to report himself to the Government Agent at Oda that he has diamonds to sell at Accra. He comes to Accra and deposits the diamonds with the Dealer at the Accra market. Then he goes back to Oda to get the required licence from the Government Agent before the diamonds are finally disposed of. It is very cumbersome and very expensive to the Diamond Winners and it makes transactions on the market rather slow. Upon requests of the diamond winners as well as the dealers on the market, this amendment is being effected in order that an officer from my Ministry who is in charge of this market in Accra will be vested with the same powers as Government Agents have under the existing Ordinance. And in order to expedite matters on the market, I have caused administrative arrangements to be made whereby the present officer from my Ministry on the market has been vested with those powers of Government Agents in all districts of all parts of the Gold Coast but specifically for the purpose of the Diamond Industry, and this is working quite satisfactorily now. But, of course, it is purely a temporary arrangement and in order to get something more permanent, this amendment is being made to make those things easier for the winners as well as the diamond dealers. These are the main principles of the Bill and I beg to move.

**Mr. Bensah:** I beg to second the motion.

**Mr. Apaloo:** Sometimes we find it very difficult, without the original bills, to consider in their proper perspective the amendments which are before us, and I am wondering whether anything can be done about it so that hon. Members may be supplied, at least, for the purpose of amending these Ordinances, copies of the relevant ordinances. In this bill which we are amending, the hon. Minister has stated that we are trying to avoid some cumbersome transactions before the Diamond winners can sell their diamond. I do not see much gain from making an officer of the Ministry of Trade and Labour a Government Agent to certify before the winner sells a diamond. If we want to get efficiency in the transactions the best thing is to allow the licensed winners to dispose of their diamonds to the proper authority. After all, nobody digs diamonds and the people of this country are not diamond cutters. They win diamonds purposely and specifically so as to dispose of them for money. So I think that what the Government should come to us for is power to amend the bill so that once a winner has got the licence to win diamonds he goes to a person authorised in the Gold Coast Government Diamond Market to sell to him without the necessity of looking in Accra for the officer designated by the Government to issue a further authority before he can sell. (**An Hon. Member:** What is wrong with it?) Yes, but you know the difficulty of getting Government officers. It is bureaucracy you are extending all over! It was suggested that because the officers who will give this authority are in Accra there will be no difficulty. I suggest, Sir, that the difficulties of bureaucratic arrangements are there, and that in certain cases, it may be possible that certain people would require tips before people's papers are laid before officers for signature to obtain their licences. It is necessary that if such an amendment is to be made it should be made at once so as to simplify the transactions in the interests of the diamond winners who win these diamonds not because they want to adorn their bodies or that they want to find new means of keeping diamonds, but because they want to make money by winning diamonds.

**Mr. Gbedemah:** I should like to make a clarification of a point which the hon. Member for Anlo South made. The hon. Member said that this is

[**MR. GBEDEMAH**]

bureaucracy, which is quite wrong. The officer who is to certify that the person is a lawful winner of diamonds is there on the market from day to day, from the time the business opens in the morning till the time it closes in the evening. There is nobody to be seen before papers are laid before this officer and I do not think there is any suggestion of a tip being offered to the officer before signing the papers which are laid before him. Nobody is to be seen; he is there on the spot, on the market; and the winners can go to him without even opening any door.

**Mr. Ako Adjei:** What I should like to say is that the hon. Member for Anlo South regrets not having a copy of the principal Ordinance which it is now intended now to amend. I shall only say that there are volumes of the Laws of the Gold Coast and if the hon. Member was really interested he could have informed himself before coming to the House.

**Mr. Apaloo:** Thank you.

12.36 p.m.

**Mr. J. A. Braimah:** May I know from the Minister whether all the dealers are literates? Are some of them not illiterates and require the use of interpreters?

**Mr. Bensah:** In many cases the dealers come with their clerks, and it is more appropriate for the dealers to trust their own clerks to do the interpretation for them than to ask somebody else to do it for them.

**Mr. Mumuni Bawumia:** I feel that the Government should withdraw this amendment in view of the fact that by it it is increasing the work of the officers. After all once a man has been licensed to win diamonds there is no reason why somebody should inspect his licence before he wins diamonds. He has already got a licence and you are therefore requiring him to get two licences before he wins diamonds.

**Mr. Gbedemah:** While my colleague the Minister of Trade and Labour is busy somewhere I should like to explain that this is not a question of issuing another licence but it is merely a matter of checking up to find out whether the person producing diamond at the market for sale is somebody who is licensed by the Mining Department, because it is quite possible for a lot of people who are not licensed diamond winners

**[MR. GBEDEMAH]:** I wish to go about buying diamond with a view to making illicit money. Therefore the purpose of this amendment is to ensure that any man who produces diamond for sale at the market has the licence at all, and that is what the officer has to find out from the records.

Question put, and agreed to, and the Bill read a second time.

Bill committed to a Committee of the whole House. House resumed.

Clause 1:

**Mr. Ako Adjei:** I should like to make a small amendment. In line one insert a comma after the word "Coast".

Question put, and agreed to.

Clause 1 as amended ordered to stand part of the Bill.

Clause 2 ordered to stand part of the Bill.

Clause 3:

**Mr. Ako Adjei:** I should like to make a slight amendment in sub-clause (c) of clause 3. In the last line, add inverted commas after the fullstop after the word "Accra".

Question put, and agreed to.

Clause 3 as amended ordered to stand part of the Bill.

Clause 4:

**Mr. Bawumia:** I still maintain that we delete Clause 4 altogether from the Ordinance and re-number clause 5 as clause 4.

As I have already said a diamond dealer already has a licence and by detailing this officer there it will just mean that you are suspecting this man—

**Mr. Chairman:** Did you give any notice of the amendment?

**Mr. Bawumia:** No, Sir; I am doing this under a Certificate of Urgency (laughter)—

Clause 4 ordered to stand part of the Bill.

Clause 5 ordered to stand part of the Bill.

The Long Title ordered to stand part of the Bill.

House resumed.

Bill reported with amendments, and Notice given for its Third Reading at a later stage.

## The West African Council for Medical Research (Gold Coast Status) Bill, 1954

**Minister of Health (Mr. Imoru Egala):** I beg to move that the Bill intitled An Ordinance to provide for the status and functions, including the powers and duties, within the Gold Coast of the West African Council for Medical Research which was established in Nigeria by the West African Council for Medical Research Ordinance, 1954 be read a second time.

After prior consultation with the Governments of the other British West African Territories to arrange for the conduct and furtherance of Medical Research in these Territories, the West African Council for Medical Research was established in Nigeria by the Nigerian Ordinance No. 18 of 1954.

The object of this Bill is to give the West African Council for Medical Research the same status and powers in respect of its functions in the Gold Coast as it has in respect of its functions in Nigeria.

The Council will be established in the Gold Coast as a body corporate with the same status and functions in the Gold Coast as those which it has under the Nigerian Ordinance subject to the modifications set out under Clause 3. The modification incorporates the provisions of the existing Gold Coast Legislation on the subject of Land acquisition for public purposes.

The Gold Coast will benefit from the activities of the West African Council for Medical Research.

Certain research projects are already in progress, the results of which will be communicated to the West African Governments.

Other projects are planned and it is intended, for instance, to make an early start in the Gold Coast into research on Tuberculosis under the auspices of the Council in conjunction with the work begun by the Gold Coast Tuberculosis specialist.

Hon. Members are required to pass the Bill to enable the activities of the West African Council for Medical Research to be given a formal authority in the Gold Coast.

I beg to move.

**Ministerial Secretary to the Ministry of Health (Mr. Goka):** I beg to second.

Question put, and agreed to, and the Bill read a second time.

Bill committed to a Committee of the whole House.

House in Committee.

Clause 1 ordered to stand part of the Bill.

Clause 2 ordered to stand part of the Bill.

12.48 p.m.

Clause 3 ordered to stand part of the Bill.

The Schedule and the Preamble ordered to stand part of the Bill.

The Long Title ordered to stand part of the Bill.

House resumed.

Bill reported without amendment, and Notice given for Third Reading at a later stage.

### The Revised Edition of the Laws (Amendment) Bill, 1954

**Ministerial Secretary to the Ministry of the Interior (Mr. J. E. Hagan):** In the absence of my Minister, I beg to move that a Bill intituled An Ordinance to amend the Revised Edition of the Laws Ordinance, 1951 be read a second time.

The revised edition of the laws which has been laid on the Table at this meeting contains only the Ordinances enacted up to 31st December, 1951. A supplement is to be prepared which will embody Ordinances enacted after that date and up to 31st December, 1954. It is however, necessary to provide a revised edition of the subsidiary legislation with all Regulations and Orders etc. made under the Ordinance, but it is considered desirable that any such revision should include all subsidiary legislation up to the 31st December, 1954. The revised edition of the Laws Ordinance, 1951 does not permit of different terminal dates of Ordinances and subsidiary legislation and the object of this Bill is to make the necessary provision.

I beg to move.

**Ministerial Secretary to the Ministry of Local Government (Mr. F. Y. Asare):** I beg to second.

Question put, and agreed to, and the Bill read a second time.

Bill committed to a Committee of the whole House.

House in committee.

Clauses 1 and 2 and the Long Title ordered to stand part of the Bill.

House resumed.

Bill reported without amendment, and Notice given for its Third Reading at a later stage.

### The Revised Edition of the Ordinances (1952-1954 Supplement) Bill

**Mr. Speaker:** Mr. Casely-Hayford, do you want to go on now with your Bill? There is time now, or do you want to put it off till tomorrow?

**Minister of the Interior (Mr. Casely-Hayford):** Mr. Speaker, in order to save time, I beg to move that the Bill intituled The Revised Edition of the Ordinances (1952-1954 Supplement) Bill be read a second time.

Hon. Members will be aware that among the papers laid on the Table this morning is the revised edition of the Ordinances. This edition includes all Ordinances enacted up to 31st December, 1951 but not beyond that date. It is now necessary to effect such adaptation in the Ordinances enacted after that date as may be necessary to bring them into accord with the Ordinances printed in the revised edition.

The Bill now before the House accordingly provides for the preparation by the Attorney-General of a supplement to the revised edition which will embody all the Ordinances enacted between the 31st of December, 1951 and the 31st December, 1954. It grants the Attorney-General similar powers in regard to the preparation of a supplement as were given to the Commissioner who prepared the revised edition.

I beg to move.

**Mr. J. E. Hagan:** I beg to second the motion.

Motion made, and question proposed, that the Bill be read a second time.

**Mr. Mumuni Bawumia:** I should like that the debate on the Bill be deferred till tomorrow, because it seems that this will give the Attorney-General wide powers to amend the Ordinances without bringing them for approval by the Legislative Assembly.

**Mr. Casely-Hayford:** By way of explanation, there is nothing in Government's sleeves or my sleeves either. This is merely a revision of the Ordinances from the date when the first lot was passed by this House right up to a certain date; that is all, and nothing new will be brought here. It is merely a compilation of such Ordinances as exist today.

Question put, and agreed to, and the Bill read a second time.

The Long Title ordered to stand part of the Bill.

House resumed.

Bill committed to a Committee of the whole House.

Bill reported without amendment and Notice given for its Third Reading at a later stage.

House in committee.

Clauses 1 to 9 ordered to stand part of the Bill.

The House adjourned at one o'clock in the afternoon till Thursday, 28th October, at 9 o'clock in the forenoon.



PRIORITY

(Security Classification)

FOREIGN SERVICE DESPATCH

845k.2614/6-1053

XR 745k.521

FROM : American Consulate, Accra  
TO : THE DEPARTMENT OF STATE, WASHINGTON:  
REF : Accra's despatch No. 157 of June 10, 1953

Copy sent  
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June 10, 1953  
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SUBJECT: Discussion of Volta River Project with Head of Volta River Preparatory Commission

Supplementing my despatch referred to above there are enclosed copies of two press releases regarding Commander R. G. A. JACKSON and the Preparatory Commission which is to complete the investigations into the Volta River Project. The first of these releases, dated May 5, 1953, gives biographic data about Commander Jackson. The second, dated May 26, gives some background about the Commission, stating inter alia that "the Commission will be part of the administration of the Gold Coast Government."

Central Files

During the discussion with Commander Jackson reported in my despatch No. 157 he expressed an interest in the statute of the Port of New York Authority, which, he considered, might serve in some respects as a model for that of the prospective Volta River Authority. He asked if it might be possible for the Department to provide him with a copy.

845K.2614/6-1053

ACTION REQUESTED: If feasible it is requested that the Department obtain and forward a copy of the statute just mentioned for presentation to Commander Jackson.

William E. Cole  
American Consul

Enclosures: *7/22/53*  
Mr Bashkin, Commerce (ext 3173) requested copy of statute from Port of New York Authority - who replied that local lawyer claiming to represent local coast had secured copy, Bashkin was written for this lawyer's name.  
Mr Kourchnoff (some extension) said that this copy of the statute had been forwarded to Accra 8/24/53  
Copies of two press releases.  
Copy to: Lagos  
Department please send copies to: Embassy London; MSA London; Ottawa; Pretoria.

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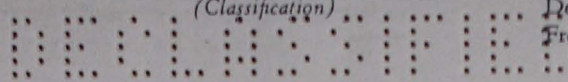
JUN 17 1953

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William E. Cole/ram  
REPORTER

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PRESS RELEASE NO. 611/53.  
FROM THE INFORMATION SERVICES DEPARTMENT, ACCRA.

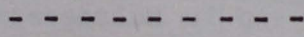
SPECIAL COMMISSIONER ARRIVES FOR  
VOLTA PROJECT INVESTIGATIONS.

Commander R. G. A. Jackson C.M.G., O.B.E., arrived by air in Accra on the 5th May, to assume his duties in the Gold Coast. As has already been announced, Commander Jackson has been appointed Special Commissioner of the Preparatory Commission which is to complete the investigations into the Volta River Project.

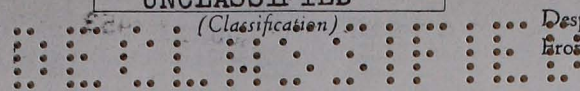
Commander Jackson who was a regular officer of the Royal Australian Navy has, during an outstanding career, held a number of important posts particularly in the fields of economic development and supply. Among the more recently held of these, he has been deputy Director General of U.N.R.R.A. in charge of the latter's operations in Europe from 1945-47, and Secretary to the Ministry of National Development in Australia in which latter capacity he was closely associated with a number of hydro-electric development schemes in that country.

More recently, Commander Jackson has been advising the Government of India on the implementation of the large scale development projects which are being undertaken under the Colombo Plan.

Commander Jackson is accompanied by his wife, who is the well-known economist and journalist, Barbara Ward. After taking an Honours Degree in Philosophy, Politics and Economics at Oxford University in 1935, Barbara Ward became assistant editor of "The Economist" four years later. She was a Governor of the British Broadcasting Corporation from 1946 to 1950 and is the author of several books on international affairs.



5TH MAY 1953  
BOL.



PRESS RELEASE NO. 727/53

THE VOLTA RIVER PROJECT - PREPARATORY COMMISSION

There has been some speculation in the Press as to what stage has been reached in the setting up of the Preparatory Commission of the Volta River Project. In particular, fears have been expressed that the Commission has already begun its work and that no action has been taken by Government to implement the undertaking given that the membership of the Commission would be enlarged.

In order that the public should be aware of the present position and of the fact that these fears need not be entertained, the Prime Minister has authorised the issue of the following statement:-

"Although the actual operations of the Commission in the Gold Coast are only now beginning, negotiations have in fact been under way for some time regarding the request contained in the resolution passed by the Legislative Assembly in February, that two additional members nominated by the Assembly should be appointed to the Commission.

"These negotiations have been directed toward securing the services of two men but selection cannot reach finality until the Assembly has been consulted. It is hoped that it will be possible to report the results of these negotiations to the Assembly when it next meets.

"The statement which has appeared in the "Daily Graphic" of Monday, May 25th, that two men have already been selected is not correct.

"Since the Special Commissioner has been in the Gold Coast, discussions have been held on the question of the status of the Preparatory Commission, and it has been agreed that the Commission will be part of the administration of the Gold Coast Government. The Special Commissioner, working in association with the Ministers of Commerce and Industry and of Finance, will keep the Prime Minister informed of the progress of the preparatory work".

(ISSUED BY THE MINISTRY OF DEVELOPMENT)



26TH MAY, 1953.  
WKA.

AIR POUCH  
PRIORITY

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FOREIGN SERVICE DESPATCH

31

FROM : American Consulate, Accra  
TO : THE DEPARTMENT OF STATE, WASHINGTON.

157

DESP. NO.

June 10, 1953  
DATE

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SUBJECT: Discussion with Head of Volta River Preparatory Commission

Central Files

The following summarizes information obtained from Commander R. G. A. JACKSON, Special Commissioner of the Volta River Preparatory Commission during a conversation I had with him on May 28.

Commander Jackson, who arrived in Accra on May 5, said that he is still busy getting organized and has not really settled down to business yet. He expects that the Commission will spend most of the first year of its existence in a "fact-finding" capacity. He explained that the Commission will have to do a substantial amount of research into the Gold Coast economy before endeavoring to prepare estimates of the cost of the various aspects of the project and to offer a definite opinion as to whether it is in fact feasible. In Commander Jackson's view accurate estimates are essential, since, if mistakes were made then the whole economic justification of the scheme would be destroyed. He had in mind a number of other large projects initiated since the end of World War II where the ultimate cost greatly exceeded the original estimates. His task is therefore essentially to answer the question: "Is the project feasible." It will, he believes, be 18 to 24 months before the answer to that question can be ascertained.

Commander Jackson said there was another reason for beginning his work with a considerable period of fact-finding before proceeding to recommend details of a Master Agreement between the parties to the project in compliance with the British White Paper on the Volta project. He did not want the subject to become a "political football". He therefore thinks it wise to defer submitting recommendations about the project until after the question of further constitutional changes in the Gold Coast has been thrashed out. In other words, he would rather have the project agreed to by the Africans after they are further advanced on the road to autonomy, since he feels there will in those circumstances be less likelihood of opposition to the Agreement as an instrument of "economic imperialism." Moreover, initiation of the Volta Project must await development of port facilities at Tema.

With regard to the fact-finding phase of his work, Commander

William E. Cole/ram  
REPORTER

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JUN 12 1953  
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Jackson expressed great interest in the Private Investment Survey which he understands is to be undertaken here by MSA. In his opinion information which would be developed by such a survey would be useful in connection with his planning for the Volta Project.

The membership of the Preparatory Commission is not yet complete, since the resolution of the Gold Coast Assembly advocating the addition of two members to be nominated by the Assembly remains to be dealt with. Two eminent persons in the engineering field have been mentioned. One of these is Arthur MORGAN; formerly chairman of the Tennessee Valley Administration. The other is a Mr. SAVAGE who, I believe, is a Canadian. Jackson said the Prime Minister, NKURUMAH, had recently written to Morgan on this subject without informing the British or the aluminum companies of what he was doing. They took a rather poor view of Nkrumah's unilateral approach, and Jackson feels part of his job will be to urge the need for coordination among those concerned. In any event, the desire of the Assembly to nominate two members may well be countered by requests to add other members from the aluminum companies and the British Government. Jackson feels that a Commission consisting of seven or more persons would be too large.

Details regarding the financing of the project are not yet available. In Jackson's opinion capital for overseas investment would not be too readily forthcoming from the United Kingdom Government. The latter would be quite happy to have the Gold Coast increase its prospective share of the total investment required, in accordance with the expressed desires of certain African politicians. Jackson has discussed the question of financing with the World Bank, which evidently may make some contribution. He also opined that it would be a good thing if "private venture capital" from the United States and Canada should interest itself in the project. He thought it a mistake for government to have to bear the entire financial burden of such large scale ventures. However, when he discussed the matter in the City (London) the reaction of financiers there was highly discouraging. Their main concern was evidently with possible future political instability in the Gold Coast.

Commander Jackson expressed the hope that the progress of the Volta project would not be marred by the vagaries of Gold Coast politics. He has discussed with NKURUMAH the possibility of forming a small committee to consider various aspects of the project on a "bi-partisan" basis. The group, which would meet occasionally with Nkrumah, would include certain Assembly "back-benchers" and members of the "opposition." Jackson doubted, however, that the Convention Peoples Party would view such an idea with favor. He said he had stated his position in such matters to all concerned: he didn't pretend to understand local politics but considered it his job to act on behalf of the best interests of the Gold Coast in the course of his work here. Since the project is obviously of great importance



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to the colony, he wishes to proceed carefully and take all steps necessary to assure its success.

I may add that Mr. R. H. SALOWAY, Minister of Defense and External Affairs, told me recently that Nkrumah had not followed through on his expressed intention to ask that the British Government approach the United States about a loan or grant for use in the Volta project (my despatch No. 112, March 25, 1953). Mr. Saloway said that he thought that Nkrumah's request would be well received, if and when put forward. He added, however, that Nkrumah frequently expressed such thoughts in an impulsive way, only to forget the matter amidst his other concerns.

*William E. Cole*  
William E. Cole,  
American Consul

Copy to: Lagos

Department please send copies to:  
Embassy London; MSA London;  
Ottawa; Pretoria.



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FOREIGN SERVICE DESPATCH

171

DESP. NO.

MESSAGE CENTER

Instruction

June 29, 1953

DATE

1953 JUL 16 AM 11 00

FROM : American Consulate, Accra  
TO : THE DEPARTMENT OF STATE, WASHINGTON.  
REF :

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SUBJECT: Request for Certain Information from Head of Volta River Project Preparatory Commission.

Central Files

There is quoted below an excerpt from a letter dated June 4, 1953, addressed to me by Commander R. G. A. JACKSON, head of the Volta River Project Preparatory Commission, with regard to the possible employment of two members of the staff of the University of Atlanta by the Commission:

845K.2614/6-2953

"First of all, The Prime Minister has been in touch with two members of the Faculty of Atlanta University (the first is Mr. Samuel Z. Westerfield who is Director of the School of Business Administration, and the second is Mr. Hylan Lewis who is acting Chairman of the Department of Sociology) with a view to ascertaining whether their qualifications are such that they could usefully help me in my work as Special Commissioner. From the information provided by these gentlemen it appears that they are both well qualified in their respective fields--Westerfield graduated in Economics (Major) and Banking and Labour (Minor), whilst Lewis's subjects were Sociology (Major) and Labour and Personnel (Minor).

"As things stand at the moment, I believe that I should, (initially at least) be able to use the services of only one of these men. The field which I wish to cover primarily is that of the labour requirements of the project in the fullest sense, and the social and economic problems which may arise as a result of this scheme.

"I wonder if it would be possible for the Department to provide you, confidentially, with its views about these two men and which of them the Department feels would be better suited for the work which I have mentioned?"

With respect to the last quoted paragraph, I informed Commander Jackson that it was unlikely that the Department would express any opinion as to which of the two men would be better qualified for the work in question. However, he thought it possible that the Department might have some record regarding Messers Westerfield and

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From Accra

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Desp. No. \_\_\_\_\_  
From \_\_\_\_\_

(Classification)

Lewis which could properly be disclosed and which might be of assistance to him in considering the advisability of employing either of them.

ACTION REQUESTED: This office would be appreciative of the Department's comments with respect to the foregoing matter. Available information respecting the persons named which might properly be disclosed to Commander Jackson is likewise requested herewith.

*William E. Cole*  
William E. Cole,  
American Consul.

*RM*

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33

NO.: A-3 August 7, 1953

SUBJECT: Request for Certain Information from Head of Volta River Project Preparatory Commission.

845K.2614/6-2953

TO: ACCRA

Reference is made to the Consulate's despatch No. 171 of June 29, 1953, on the above subject.

The Department has no information in its files on either Mr. Samuel Z. Westerfield or Mr. Hylan Lewis. An officer of the Department, however, who is acquainted with both individuals, made inquiries on a strictly unofficial basis and has supplied the enclosed biographical data together with the following comments:

"Those who have worked with Mr. Westerfield and Mr. Lewis make the following comparison.

"Westerfield is a young, very energetic person who has had excellent training and some good experience. His experience, however, is not nearly as good as Lewis' and he is not nearly as mature a social scientist as Mr. Lewis.

"Mr. Lewis' experience in working and dealing with people and human problems has been good.

"If the responsibilities of this position are correctly understood, it is thought that Mr. Lewis is better qualified. The difference between the two seems mainly one of experience and maturity."

The above information may be transmitted to Commander Jackson under the clear understanding that the Department has conducted no official inquiries into the matter and that the views expressed are in no way to be taken as representing those of the Department.

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Enclosures: Biographical data.

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FROM: Accra  
TO: Secretary of State  
NO: 3, July 6

Prime Minister's statement before Assembly July 3 expressing government views Volta Project advised against proposed enlargement (My Despatch 157, June 10) preparatory commission and outlined following as intended program:

Establish national committee including members "opposition" in Assembly to work with head preparatory commission. Committee would make recommendations to government "in order safeguard interests of Gold Coast; obtain services experts international repute including Arthur Morgan, former chairman TVA; make all data regarding project available Assembly; reaffirm that government will debate in Assembly terms any contemplated agreement with Britain or aluminum interests; obtain technical and other assistance "where available" from International Bank and Mutual Security Administration. Above statement received warm approval of Assembly including opposition.

Pouched London and Paris for MSA/SRE.

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FOREIGN SERVICE DESPATCH

FROM : American Consulate, Accra

10

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON

July 13, 1953

DATE

REF : Accra's Telegram No. 3, July 6, 1953

7/2

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SUBJECT: Prime Minister's Statement on Volta Project.

Supplementing my telegram No. 3 of July 6 regarding the Prime Minister's statement on the Volta River Project, there are transmitted herewith five copies of the official report of the Legislative Assembly Debates for that date. The text of the statement which embodies the views of the Gold Coast Government on the subject appears at column 75, et seq.

*William E. Cole*  
William E. Cole,  
American Consul

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845K.2614/7-1353

Enclosure:

Five copies of Legislative Assembly Debates, July 3, 1953.

Copy with enclosure to London and Paris for MSA/SRE.

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FRIDAY  
3rd JULY, 1953



GOLD COAST

# LEGISLATIVE ASSEMBLY DEBATES

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## OFFICIAL REPORT

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### CONTENTS

FRIDAY, 3rd JULY, 1953

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CONFIRMATION OF MINUTES  
ORAL ANSWERS TO QUESTIONS  
ANNOUNCEMENT BY THE PRIME MINISTER  
PRIVATE MEMBERS' MOTIONS  
BILLS—SECOND READING

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Printed and published by the Government Printing Department. To be purchased from  
the Government Printing Department (Publications Branch), Accra, Gold Coast

THREEPENCE



THE GOLD COAST LEGISLATIVE  
ASSEMBLY DEBATES

THE LEGISLATIVE ASSEMBLY

FRIDAY 3RD JULY, 1953

The House resumed at 9 a.m.

(Mr. Speaker in the Chair).

PRAYERS

CONFIRMATION OF MINUTES

The minutes of the meeting held on 2nd July, 1953 were confirmed.

ORAL ANSWERS TO QUESTIONS

MINISTRY OF EDUCATION AND SOCIAL  
WELFARE

Overseas Scholarships for Women

25. **Dr. Ansah Koi** asked the Minister of Education and Social Welfare—

(a) How many overseas scholarships were given to women within 1951-52 for Domestic Science, Midwifery, Education, Medicine, Dental Surgery, Nursing, Social Welfare?

(b) How many of these women students have since returned?

(c) How many of them are in the Government Service?

Ministerial Secretary to the Ministry of Education and Social Welfare

(**Mr. J. B. Erzuah**):

(a) Domestic Science .. ..	1
Midwifery .. ..	None
Education .. ..	5
Medicine .. ..	None
Dental Surgery .. ..	None
Nursing .. ..	6
Social Welfare .. ..	1

(b) Four.

(c) Three of those who have returned are in Government Service and one in the service of an Educational Unit.

**Dr. Ansah Koi:** May I know from the Minister whether those taking the Domestic Science Course are being taught some technique of improving African meals?

**Mr. Erzuah:** I do not know the curriculum of the Domestic Science Course he is referring to.

**Dr. Ansah Koi:** We are Africans and you are sending people to learn how to cook European food. Are they learning how to cook African food as well? That is what I want to know.

**Mr. Erzuah:** When people are sent abroad to study I think the aim is to give them a broad view so that they can adapt themselves to any changing circumstances.

**Dr. Ansah Koi:** Why is it that in the answer it is stated: Midwifery, None; Medicine, None; Dental Surgery, None. Why is it that in these cases we have not got scholarships for training at all?

**Mr. Erzuah:** Some of these courses are obtainable in the Gold Coast and that is the reason why scholarships are not offered for training abroad.

**Dr. Ansah Koi:** May I know how many have been sent on scholarship for medicine?

**Mr. Erzuah:** The scholars were not available.

Overseas scholarships for Tailors and Seamstresses

28. **Dr. Ansah Koi** asked the Minister of Education and Social Welfare how many overseas scholarships were given for (a) Tailoring (b) Seamstressing (dressmaking) during the year 1951-52?

**Mr. Erzuah:** (a) 6  
(b) 1.

**Dr. Ansah Koi:** May I know from the Minister whether these students learning tailoring only learn how to sew European suits? Is there any chance of modifying the course so that they might learn how to sew African suits?

**Mr. Erzuah:** If they learn how to sew European suits they will sew African suits very nicely.

**Dr. Ansah Koi:** May I know in what way our African costumes are benefiting from these scholarships?

**Mr. Erzuah:** I do not know.

**Mr. Kwesi Lamptey:** I presume that these students learn to sew the costumes from abroad?

**Mr. Erzuah:** Yes, Sir.

Educational Supply Association

53. **Mr. W. E. A. Ofori Atta** asked the Minister of Education and Social Welfare—

(a) How far have the Government gone with the plan to establish an Educational Supply Association?

(b) What are the present obstacles?

**Mr. Erzuah:** The services of an expert in the book trade were obtained at the beginning of this year and he began his investigations in February. It is expected that he will take another month or so to complete them.

**Mr. Ofori Atta:** How soon are we likely to have these investigations?



**Mr. Erzuah:** I cannot put my finger on a definite date but it is expected that the expert will take about two months to complete his investigations and I think it will take about two or three months to compile his report.

*Discrimination Against Permitted Schools*

54. **Mr. Ofori Atta** asked the Minister of Education and Social Welfare whether in view of Government's policy to accelerate educational expansion and in view of the inability of the local government authorities and of the central government to provide sufficient number of schools for all children of school-going age, Government will review their present policy of discrimination against "Permitted" Schools, in particular against their school-leaving certificates and trained teachers?

**Mr. Erzuah:** I am not aware of any discrimination against "Permitted" Schools, and I would invite the attention of the Honourable Member to paragraph 7 of the Accelerated Development Plan for Education which has received the approval of this Assembly. No change in the existing policy is contemplated.

**Mr. Kusi:** Will you say that teachers in Permitted Schools are entitled to pension after their retirement?

**Mr. Erzuah:** They have no pension.

**Mr. Ofori Atta:** Is not that a discrimination?

**Mr. Erzuah:** No, Sir. It is a policy or a principle that has been laid down.

**Mr. Ofori Atta:** Are you further aware that pupils of Permitted Schools are discriminated against in the issue of certificates?

**Mr. Erzuah:** Pupils in Permitted Schools are issued with special certificates by the Headmasters.

**Mr. Bediako Poku:** Are you aware that there are some schools in Kumasi in which the school teachers still collect school fees from children?

**Mr. Erzuah:** I am not aware, and I will be grateful to the Honourable Member if he is prepared to give me the names of the schools in which school fees are collected; I will then go into the matter.

**Mr. Kusi:** If there is no discrimination in Permitted Schools, why should there be Permitted Schools and Approved Middle Schools?

**Mr. Erzuah:** I am not aware of any discrimination. This is a system of Government.

*Review of school text-books by Text-books Committee*

55. **Mr. Ofori Atta** asked the Minister of Education and Social Welfare whether in view of the large number of books which Primary and Middle School children are forced to buy and of the high cost of such books to poor parents and of the large number of such books which are not suitable to the children and which are not used at all by the children, Government will set up a special Text-books Committee to review all school text-books and to recommend a limited number of suitable text-books for use in each class of such schools?

**Mr. Erzuah:** As I am informed the Honourable Member in reply to the similar question he asked me during the last session of this House, I have still received no detailed evidence to persuade me that the assumption he makes has any substance in fact and, without such detailed evidence, which I again invite him to provide for me to have investigated, my answer is in the negative.

**Mr. Ofori Atta:** I am not going to make a speech to the Ministerial Secretary who was once a teacher, but is he not aware that school children are asked every year to buy about ten or eleven books costing about £3 and that during the course of the year some of these books are not used at all? This everybody knows except you.

**Mr. Erzuah:** If everybody knows except me, that is why I am asking the Honourable Member to give me the evidence.

**Mr. Ofori Atta:** That is why I am asking that a special Committee should be appointed to go into it.

**Mr. Erzuah:** It is not fair to ask Government to go round the country to investigate those things for which no evidence has been given. Certainly if the Honourable Member has seen a school or a particular teacher who is doing these things, what prevents him from bringing him forward for investigation?

**Mr. Ofori Atta:** As Minister of Education, are you sensitive to the cause of education in this country?

**Mr. Erzuah:** Yes, Sir.

9.15 a.m.

*Grants to Teacher Training Colleges*

**Mr. Magnus Sampson** asked the Minister of Education and Social Welfare whether he realises the need for the

[Mr. Magnus Sampson]

reintroduction of the system of paying grants to Training Colleges for the training of students?

**Mr. Erzuah:** The Honourable Member's question is not fully understood as Teacher Training Colleges are already fully assisted by Government in respect of the cost of tuition.

**Mr. Magnus Sampson:** Is it not true that you now pay salaries to the students in training instead of paying a block grant to the Training College?

**Mr. Erzuah:** It is true that salaries are paid to teachers, but it is also true that Government pay grant in respect of tuition fees.

**Mr. Kwesi Lamptey:** Have you found the payment of grants to students satisfactory?

**Mr. Erzuah:** I presume the Honourable Member means salaries to teachers; it is satisfactory.

**Mr. Bediako Poku:** When will the Government rescind the punishment meted out to the 18 teacher students who passed out of Wesley College in 1952?

**Mr. Erzuah:** This is an entirely different question.

**Mr. Bediako Poku:** It comes under Training Colleges.

**Mr. Erzuah:** We are talking about grants to Training Colleges.

**Mr. Speaker:** It does not arise.

**Mr. Kwesi Lamptey:** When will the teachers who were penalised at Wesley College get their grants?

**Mr. Ofori Atta:** Where grants are paid to Training Colleges in respect of scholars do the Government follow these grants up by checking the disbursement of these grants to the scholars concerned? I am referring particularly to Wesley College.

**Mr. Erzuah:** The accounts of the Training Colleges are checked from time to time.

**Mr. Bediako Poku:** Are you aware that when Wesley College grants were checked the Auditors found out that they had overspent grants given to them?

**Mr. Erzuah:** I am not aware.

**Mr. Bediako Poku:** Shame!

*Government Scholarship Policy re Secondary Schools*

60. **Mr. Magnus Sampson** asked the Minister of Education and Social Welfare (a) What is the present policy of Government towards Secondary Boarding Schools?

[Mr. Magnus Sampson]

(b) Does the Minister accept the fact that at the present stage of our development, secondary education should be given priority over elementary education by awarding more scholarships in the secondary schools?

**Mr. Erzuah:** (a) I would refer the Honourable Member to paragraphs 31 and 39 of the Accelerated Development Plan for Education wherein Government policy towards secondary boarding schools is clearly laid down.

(b) I am satisfied that, having regard to all our educational needs, due emphasis accorded to secondary education; with regard to the award of secondary school scholarships the number has been increased from 106 to 300 a year as provided in paragraph 83 of the Plan.

*Lowering of Educational Standards*

61. **Mr. Magnus Sampson** asked the Minister of Education and Social Welfare whether he accepts the fact that the Accelerated Plan is fast lowering the standard of education in this country?

**Mr. Erzuah:** I am unaware of any facts to support the Honourable Member's question and I believe his question to be based on an entirely fallacious premise.

**Mr. Magnus Sampson:** Is the Minister not aware of the dilution that is going on in our education system?

**Mr. Erzuah:** I would like to know exactly in what respect the Honourable Member uses the word "dilution"; otherwise I cannot answer.

**Mr. Kwesi Lamptey:** Does not the Honourable Minister agree that there is a lowering of standards of education in this country, particularly in the Primary and Middle Schools?

**Mr. Erzuah:** I do not agree, Sir.

*Grant-in-aid to Kumasi Night Secondary School*

75. **Nana Boakye Dankwa** asked the Minister of Education and Social Welfare whether he is aware of the existence of a Night Secondary School in Kumasi? If so, what steps is he taking to give a grant-in-aid to such an important enterprise?

**Mr. Erzuah:** Yes, Sir. As regards the second part of the Honourable Member's question, there is no provision in the Accelerated Development Plan for Education for financial aid to this kind of institution and such assistance is therefore out of the question during the present plan period.

**Nana Boakye Dankwa:** Is the Minister aware that two officers of the Social Welfare Department have since 1952 inspected this school with a view to considering the possibility of giving grants to that school?

**Mr. Erzuah:** I am not aware of this inspection, but the mere fact that an inspection has been conducted does not establish the right on the part of the school to a grant.

**Mr. Kusi:** In view of the fact that the Government submit Supplementary Provision to the Standing Finance Committee for approval, will the Government consider making Supplementary Provision in aid of this institution?

**Mr. Erzuah:** It is not felt proper to ask for money for such institutions because it is not the only one of the type; there are hundreds of them which fall outside the plan period.

*Financial Aid to Kumasi Girls' Training Home and College*

76. **Nana Boakye Dankwa** asked the Minister of Education and Social Welfare whether in view of the fact that a Girls' Training Home and College has been established in Kumasi for the past 11 years, the Minister has any plans to give financial aid to this institution?

**Mr. Erzuah:** No, Sir. There is no provision in the Accelerated Development Plan for Education for financial aid to this kind of institution, and I regret that such assistance is out of the question during the present Development Plan period.

*Strength of Social Welfare and Mass Education staff in Kumasi West Constituency*

94. **Mr. Kusi** asked the Minister of Education and Social Welfare how many Social Welfare Officers and Mass Education Officers are working in the following areas in the Kumasi West Rural:—

1. Atwima No. 2
2. Atwima Mponua
3. Teppa
4. Ahafo Areas?

**Mr. Erzuah:** There are eight Mass Education Officers working in the areas referred to—three in the Atwima No. 2 and Atwima Mponua areas, and five in the Teppa and Ahafo areas. There are no Welfare Officers working in these areas for the reason that Welfare Staff

[**Mr. Erzuah:**] are primarily responsible for welfare in urban areas, while the welfare of rural areas is primarily the concern of Mass Education staff.

**Mr. Kusi:** How does the percentage of Mass Education Officers working in this area compare with the percentage of Mass Education Officers working in other areas in Ashanti?

**Mr. Erzuah:** I cannot produce the figures. The staffs are not allocated on a percentage basis. They are allocated on a number of factors: first, the position of the number of staff and secondly, the area in which they work.

**Mr. Kusi:** In view of the fact that people in the Kumasi West Constituency are not satisfied with the work of the Mass Education Officers, will you see to it and recommend that the number should be increased in order to provide fair and satisfactory service to the people in that area?

**Mr. Erzuah:** The staff position at the moment does not allow of any increase in that area; when the staff position improves that will be considered.

ANNOUNCEMENT BY THE PRIME MINISTER

**The Prime Minister (Dr. Kwame Nkrumah):** I beg to give notice that on Friday 10th of July I shall move the following Motion in connection with Constitutional Reforms:

"That this Assembly, in adopting the Government's White Paper on Constitutional Reform, do authorise the Government to request that Her Majesty's Government, as soon as the necessary constitutional and administrative arrangements for independence are made, should introduce an Act of Independence into the United Kingdom Parliament declaring the Gold Coast a sovereign and independent State within the Commonwealth; and further, that this Assembly do authorise the Government to ask Her Majesty's Government, without prejudice to the above request, to amend as a matter of urgency the Gold Coast (Constitution) Order in Council, 1950, in such a way as to provide *inter alia* that the Legislative Assembly shall be composed of members directly elected by secret ballot, and that all members of the Cabinet shall be members of the Assembly and directly responsible to it".

I have another job to perform (*cheers*).  
Let us come to business now.

[DR. KWAME NKRUMAH]

Mr. Speaker, Honourable Members, I think it desirable that I should inform the House of the latest developments on a matter on which all of us are vitally concerned and, with your permission, I propose to take this opportunity of doing so.

I refer, of course, to the Volta River Project which Honourable Members will readily recall was very fully debated at our last meeting. On that occasion, this Assembly passed a resolution in the following terms :—

“That this House, in the light of the further stage reached in the negotiations on the Volta River Project as set out in Her Majesty’s Government White Paper Command 8702, and having regard to the terms of this resolution on the development of the Volta River Basin made on the 25th April, 1952, approves the continuation of the negotiations and establishment of a Preparatory Commission with a view to arriving at a final agreement, which will be in the best interest of the Gold Coast, and that the Gold Coast Government do take up with the United Kingdom Government the views expressed by the House on the Volta River Project, especially that of enlarging the Preparatory Commission to include two other members nominated by the Gold Coast Legislative Assembly”.

Honourable Members will readily agree that the salient point emerging from the Assembly debate, and which was the principal burden of the resolution to which I have referred, was the concern of Honourable Members that the interest of the Gold Coast people should in all respects be safeguarded. Government fully share that concern and have, in the interim period, been giving the most careful consideration as to how best the Assembly’s intention could be met.

A large number of considerations have had to be weighed by Government in endeavouring to find a satisfactory formula which would meet the Assembly’s intention. It is desirable that Honourable Members shall fully appreciate the factors which have guided the Government to their conclusion, and I therefore propose briefly to outline what the principal among these considerations are.

First of all, I would remind Honourable Members that the whole essence of the

Volta River Project is the principle of partnership based on honesty and equality. The scheme can be brought to reality only in this way, as no single one of the possible participants has all the resources necessary in his own hands. We must, therefore, carry the other partners with us in all we do in this matter.

9.30 a.m.

The Assembly Resolution primarily envisaged two African members being appointed to the Commission itself, and this suggestion has been carefully and sympathetically considered by Government and discussed with Her Majesty’s Government in the United Kingdom and with Messrs. Aluminium Ltd. in Canada. As a practical proposition, however, this proposal has three major disadvantages. (These are: first—it would be a unilateral departure from a method of procedure already agreed with the other partners; second—it would mean that other interested partners would almost certainly be forced to appoint their own representatives to the Preparatory Commission, with the result that the facility of operation by way of a single Commissioner, whom all three partners had accepted, would be lost; and thirdly—the resulting Commission of seven or possibly nine members would be unwieldy and much less effective in the assembling of facts about the scheme, for the reason that the additional members would be representing individual interests, and might well, in the nature of things, concentrate on continually trying to improve their own special position rather than on pure fact finding.

Thus, if we have a seven or nine-man Commission, we would have created quite the wrong piece of machinery for the job ahead of us.

However, the Government are now convinced that a more effective plan can be worked out by which the interests of the people of the Gold Coast will be safeguarded at every turn, and the wishes of the Assembly fully met.

Before putting this plan to the Assembly, I wish to emphasise the type of work which the Preparatory Commission must carry out. Its first duty must be to ascertain accurately every factor which will ultimately control the development of the project. For instance, we must find out whether the

[DR. KWAME NKRUMAH] hydro-electric scheme can be developed at a cost which will provide power at an economic price. It is quite obvious that if we cannot produce cheap power, the entire scheme falls to the ground; we must be absolutely certain on this point. Can we build the port of Tema and the new railways at a cost which would ensure that the movement of bauxite and aluminium could be carried out at reasonable rates? Again, if we cannot do this, the scheme will never start. Can we obtain the right kind of labour and the right number of workers? Can we house them properly? What arrangements will be necessary for their feeding? Again, as was recognized at the last meeting of the Assembly, we must be supremely careful of the entire health problem.

These are the kind of facts which the Preparatory Commission must first ascertain—and there are many more—before any of the partners will be able to decide whether he will participate in the scheme. For instance, the Government have not been unmindful of other points raised in the last debate and particularly on methods of financing the Gold Coast share of the scheme, and the maximum benefit that the Gold Coast can derive from it. These are both vital matters but they cannot be considered properly until we know, with absolute certainty, whether the project is technically sound. The first work facing the Preparatory Commission is to carry out detailed investigations into every aspect of the problem. This stage of the Preparatory Commission's work can be regarded as the *Fact-finding Stage*, and will probably take at least another eighteen months.

Now it is obvious that a seven-or nine-man Commission is neither necessary nor suitable for that kind of job. On the other hand, each of the partners wishes to be reassured that the Preparatory Commission does, in fact, do its work efficiently and accurately, and to this end, so far as the Gold Coast is concerned, Government have prepared proposals which I shall now put to Honourable Members.

First of all, the Government intend to establish immediately a Gold Coast National Committee for the Volta River Project. This Committee would have as members, the Ministers of Finance and of Commerce and Industry, and three persons nominated by the

Assembly. The Special Commissioner would be available to attend meetings of this Committee whenever so required. The Chairman would be a representative Minister and the Committee would meet regularly, receive frequent reports from the Special Commissioner and make whatever recommendations it thought desirable to Government in order to safeguard the interests of the Gold Coast and its people. Office accommodation for the Committee will be provided in the office buildings occupied by the Preparatory Commission, and the Special Commissioner will give the members of the Gold Coast National Committee every access to all the information collected by the Commission as it proceeds with its work of establishing the facts by which this scheme must ultimately be controlled. The Gold Coast National Committee will thus be kept fully and constantly informed of all aspects of the Preparatory Commission's work.

Secondly, the Government intend to invite at the appropriate times, men of international repute in the fields of hydro-electric engineering, economics and finance to come to the Gold Coast as advisers to the Gold Coast National Committee and the Government of the Gold Coast. These men would be paid by the Gold Coast Government and would be the servants of the Gold Coast Government. They would have it as their primary responsibility to safeguard the interests of the Gold Coast and its people, although there would be no objection to their advice being made available to the Preparatory Commission. In this connection, I wish to inform Honourable Members that Government have approached Dr. Arthur Morgan, the first Chairman of the Tennessee Valley Authority, and Professor Arthur Lewis of Manchester University—an economist of world-wide reputation. I am happy to say that both these experts have accepted our invitation. In addition, General Russell one of the foremost authorities in the world transport, has also indicated his willingness to help us. There is no doubt that the attitude of these distinguished men can be regarded as a sincere indication of the confidence in, and goodwill towards, this country which is felt overseas.

Thirdly, the Government intend to make available to the Legislative Assembly the official reports of these

[DR. KWAME NERUMAH]

experts and the official reports of the Preparatory Commission. Every member of this Assembly will then be in a position to know every fact bearing on the development of the Volta Project. The Government are determined that this Assembly and every person in the Gold Coast should have the opportunity of being fully informed about every aspect of this great scheme.

Fourthly, the Government reaffirm that they will not enter into any agreement with the British Government and the Aluminium Companies without first debating the terms of any proposed agreement in the Legislative Assembly.

Fifthly, the Government intend to obtain technical and other assistance where available, from the International Bank for Reconstruction and Development, which is an international institution, and from the Mutual Security Administration, an agency of the United States Government.

With the establishment of a permanent Gold Coast National Committee of the Volta River Project, and the great array of technical talent contemplated in this plan, the Government are certain that the interests of the Gold Coast and its people would be safeguarded most effectively.

I am happy to say that this plan of action has been explained to Her Majesty's Government in the United Kingdom and to Aluminium Limited in Montreal, and after full and careful consultation, has been accepted by them. It must be remembered that both the British Government and the Aluminium Companies are quite as interested as our own Government in ensuring that all the facts surrounding this project are ascertained accurately. Indeed, it is principally because it will have full access to these facts that Her Majesty's Government have agreed to pay for half the cost of the Preparatory Commission. All that shows that each of the partners in the Volta Project has exceedingly good reasons for wanting to be reassured that the scheme is sound in every respect.

Mr. Speaker, I do not wish to take up too much of Members' time, but before I conclude, there are some points which I particularly wish to emphasise and, I ask Honourable Members to bear them clearly in mind.

First of all, the agreement to set up a Preparatory Commission was made with the British Government and the Aluminium Companies after extensive negotiations about the scheme as a whole, and the Government have no intention of disturbing the present agreement for the very good reason that to re-open negotiations about the Preparatory Commission could only lead to delay and to loss of confidence in London, and Montreal, that the Gold Coast is really determined to play its part in the scheme if ultimately it is demonstrated to be sound. World wide publicity has already been given to this scheme, and we are naturally determined to show the world that, with our independence not far distant, we are going to demonstrate the sound sense which is expected of this country.

Then, as I have already said, the Preparatory Commission is primarily a *Fact-finding* body set up to ascertain the facts influencing the project and whether it is feasible. That is the Commission's first task, and can be regarded as the *Fact-finding Stage*.

It is only when all the facts are available, and when the interested partners can decide whether the scheme is feasible or not, that a second stage will arise. This stage can be regarded as the *Negotiating Stage* and would probably arise towards the end of next year. That is the time when we would need to consider the basic problem of our investment in the project. During this stage it would be for the partners themselves (in our case that would be the Government of the Gold Coast) to take the main responsibility for the negotiations and the Commission would play a secondary role. Thus, the safeguarding of our own interests will ultimately remain in our own hands. I can assure Honourable Members that Government themselves, and not the Preparatory Commission, will take charge of these negotiations.

The next and vital point is that the Preparatory Commission—which intends to employ Africans wherever possible—is itself part of the administrative machinery of our own Gold Coast Government. Members will recall that the Special Commissioner was appointed by the Gold Coast Government. He will work in constant collaboration with the Ministers of Finance and of

[**DR. KWAME NKRUMAH**] . . . . .  
 Commerce and Industry, and as we now plan, would be available to the proposed Gold Coast National Committee whenever so required. Ultimately, he will report to me, your Prime Minister.

9.45 a.m.

I hope very much that this statement which I have made to Honourable Members will assure everyone that this Government fully support the intention of the Assembly's resolution and is fully determined to ensure that the interests of the Gold Coast and its people are protected at every turn. Government are convinced that the measures which I have now proposed will, in fact, ensure that no step is taken at any time which could possibly be prejudicial to our interests.

Lastly, I want to appeal most strongly to Members on the other side of the House, to join in this Gold Coast National Committee. The Volta River Project is too important to the Gold Coast and its people to be permitted to get into the realm of party politics. This is a national project and we must demonstrate to the rest of the world that, when national interests are concerned, this Assembly speaks with one voice. It is for that reason that I now invite all Members to join with the Government in establishing this National Committee and participating in the other steps which I have outlined—steps which I am convinced will not only safeguard our interests, but will materially assist the Preparatory Commission in its work of demonstrating to all those concerned with the project the real factors which must ultimately control its development. (*Cheer*).

**Dr. J. B. Danquah (First Rural Member, Akim Abuakwa):** Mr. Speaker, may I with your permission and with the permission of the House congratulate the Government on having come to this very wise decision on the Volta River Project. I need hardly assure our Prime Minister of the Gold Coast—

**An Honourable Member:** Good! Your Prime Minister indeed!

**Dr. Danquah:**—that we of the Opposition give our very warm approval to the scheme outlined to-day. I sincerely trust that Members appointed to the Committee will be truly independent and nationally representative.

**Mr. Chenq-Djan:** Good psychology!

**Dr. Danquah:** I also hope that they will speak with one voice—the voice of the country. I would also like to express the hope that not only on this question of the Volta Scheme but also on the greater question of Constitution the Government will try to co-operate with the Opposition. (*Cheers*).

Lastly, Mr. Speaker, I would like to mention that the number of the Opposition has been increased to-day by one—Mr. Kusi, the Honourable Member for Kumasi West.

**Mr. Kwesi Lamptey:** He is a jolly good fellow!

#### PRIVATE MEMBERS' MOTIONS

##### *Naturopathic Profession*

**Dr. P. D. Adjani (Rural, Peki-Tongu):** Mr. Speaker, Paracelsus, one of the celebrated ancient physicians and scientists said as follows: "That which is looked upon by one generation as the apex of human knowledge is often considered as absurdity by the next, and that which is regarded as a superstition in one century, may form the basis of science for the following one".

Mr. Speaker, in introducing this motion into this House, I am fully aware of the very strong opposition I shall have to meet from the Orthodox medical profession—a profession that has received the approval of many great monarchs, intellectuals and nations. In spite of this great honour that has been conferred on the medical profession, we have come here to-day to find out whether the medical profession still holds the honour and respect it had held in the past. This motion being a peculiar one, during the course of my speech, I shall crave the indulgence of Mr. Speaker to quote some of the medical authorities to support my argument in order to show that all is not well with the orthodox medical profession and that a new healing profession has arisen in the West which is taking the whole world by storm. This new healing profession is either equal to the medical profession in status or it has come to take its place. Its practitioners are therefore asking for a legal recognition. The origin of any new invention is always meagre. Most of us have known the early history of orthodox medicine. In fact the physicians of the most ancient days were at the same time the Priests as well. The first medical schools were

(DR. ADJANI)

founded and directed by the Priests. From that time up till to-day we have all witnessed the progress in medical science. We have seen what science has been able to do and what it has not been able to do. In spite of the health progress medical science has achieved, humanity still feels that there is something very lacking which medical science has failed to do. For example medical science has failed to cure cancer, tuberculosis or consumption, diabetes, epilepsy, impotency and some forms of syphilis and has failed to prolong life; but Naturopathy is able to cure all these diseases.

Naturopathy is a very wide term and covers every field of natural healing. It includes the practice of Biochemistry, Homoeopathy, Electro-Homoeopathy, Osteopathy, Chiropractic, Electrotherapy, Herbalism, Dietetics, Scientific fasting, Water science, psycho-analysis, etc. This system which people ignorantly call Herbalism is something highly scientific. It cures consumption, barrenness, impotency and other diseases as I have said earlier. This is the practical work of this new healing. (Dr. Adjani produces a picture). Now, this is a picture taken at my Institute. As a result of Naturopathic healing these barren women you see in the picture became mothers. This photograph was taken in January, 1941, when some of our eminent public men were invited, among whom were the late Honourable Kojo Thompson, the Honourable Akilagpa Sawyer, Revd. J. T. Roberts of Accra High School, who was the chairman of the occasion, Chief Braimah and several others. So this new method was introduced into this country twenty years ago by the speaker—

**An Honourable Member:** By whom ?

**Dr. Adjani:** By the man who is speaking. Now I want to read something for your information. The Health Commission in India have found it absolutely necessary to incorporate this new healing system in their Health Service and this extract sets out their proposals:—

“The Planning Commission in India is about to publish the final Five-year Plan. The Commission was desirous of incorporating systems other than allopathy also into the National Health Service. With this object in view the Commission had

invited prominent members of the Ayurvedic, Homoeopathic and Nature-Cure profession for a discussion. The two Nature-Curists who were invited were Professor Ramachandra Sharma, m.sc., Head of the Department of Chemistry, Vaish College, Rohtak, Punjab, and Mr. Dinshaw K. Mehta, Director, Nature-Cure Clinic, Poona. Apart from members of these professions there were also half a dozen allopathic doctors including the Director-General of Health Services, Dr. K. C. K. E. Raja. The main contention of the non-allopaths was that the control of their professions must be in the hands of their own organisations and that they must be treated on an equal footing with the members of the allopathic profession.”

At the time this was happening in India, the Speaker had introduced this system here. Dr. Carrey speaking on this new healing system said, “The cause and cure of disease was never known until the sun of biochemistry shed its beams over the world. It comes as a great light to the dwellers in darkness and error. It is at once as simple and sublime as all truth. Before its refulgent rays, poisons flee away. Disease is changed to a phantom of the night. The aged and infirm rejoice and hope once again comes to dwell in their habitations. Children learn its glorious matters and wonder why every one has not always understood it”. Dr. Carrey who practised orthodox medicine for many years said that the cause and cure of disease was never known until the sun of biochemistry shed its beams over the world. In fact, it is a high tribute and well deserved eulogy paid by a medical practitioner to biochemic doctors and to biochemistry as a true science. Marconi, that great Italian scientist and inventor of wireless, said, that there was no scientific reason why matter should not renew itself indefinitely and why biochemistry and hygiene should not teach mankind to prolong life to a very considerable extent. One of the Arcane scientists said that if biochemic principles are carefully followed the average span of life of an individual should be 250 years.

**An Honourable Member:** Still living ?

**Dr. Adjani:** Dr. Christopherson of the City of London Hospital went further than that. He said if biochemic principles were strictly followed by humanity,

[DR. ADJANI]

man might live a thousand years or more. This is something really unbelievable but is a great truth.

In spite of this great scientific therapeutic age my Honourable Minister the Minister of Health asked me to see him in his Ministry so as to have the matter settled. In view of this promise to me, I beg to withdraw the motion. (*Laughter*).

10.00 a.m.

**Dr. Ansah Koi** (*rose*)

**Honourable Members:** Order! Order! Order! Sit down.

**Mr. Speaker:** The motion is withdrawn and there is no need to speak on it again. What do you want to say?

**Dr. Ansah Koi:** What I want to say is this, that I am very glad that the Honourable Member has withdrawn his motion. (*Uproar Laughter*).

*Instruments ordered by Dr. J. E. Kofie*

**Mr. A. R. Boakye** (*Rural Member, Amansie*): I wish to state in connection with the motion:

"That Government do consider releasing Dr. J. E. Kofie's Delewar Colorscope Instrument ordered from his Tutors in Britain for the purpose of his Homoeopathic Practices and detained by Her Majesty's Customs Takoradi"

standing in my name on the Order Paper that the Ministry responsible has fully explained the whole matter and therefore I crave your indulgence, Sir, to withdraw the motion.

**BILLS—SECOND READING**

*The Fruit Industry Regulation (Amendment) Ordinance, 1953—Second Reading*

**Minister of Commerce and Industry**

**(Mr. K. A. Gbedemah):** I beg to move the second reading of the Bill intituled "An Ordinance to amend the Fruit Industry Regulation Ordinance".

In the light of experience gained it has been decided that the Produce Inspection service would be more logically placed under the Ministry of Commerce and Industry, than under the Ministry of Agriculture and Natural Resources because whereas Produce is solely a matter for the Department of Agriculture, the question of preparation for disposal and sale of the produce is properly the function of a Marketing or Commercial Organization. The Ministry of Agriculture and Natural

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Resources and the Departments concerned have therefore agreed that the Ministry of Commerce and Industry is the appropriate ultimate authority to be responsible for the inspection of all produce including coconuts. The proposed amendment is purely formal and its object is to substitute the Commissioner for Commerce for the Director of Agriculture as the authority for the inspection of fruits.

**Ministerial Secretary to the Ministry of Commerce and Industry**

**(Mr. E. K. Bensah):** I beg to second the motion.

Question put, and agreed to, and the Bill was read a second time.

Bill committed to a Committee of the whole House.

Bill in Committee.

Clauses 1 and 2 and the Long Title ordered to stand part of the Bill.

House resumed.

Bill reported without amendment, read a third time, and passed into law.

*The Coconut Industry Regulation (Amendment) Ordinance 1953—Second Reading*

**Mr. Gbedemah:** I beg to move the second reading of the Bill intituled "An Ordinance further to amend the Coconut Industry Regulation Ordinance".

The purpose of this Bill is similar to the Fruit Industry Regulations Ordinance which has just been passed, that is, to give statutory effect to the transfer of Produce Inspection from under the authority of the Department of Agriculture to under the authority of the Commissioner for Commerce.

Like the preceding Bill, all it does is to substitute the Commissioner for Commerce for the Director of Agriculture as the authority for the inspection of coconuts.

Mr. Speaker, I beg to move.

**Mr. Bensah:** I beg to second the motion. Motion made, and question proposed, that the Bill be read a second time.

**Mr. J. K. Quashie** (*Rural Member for Anlo*): I would have wished that for the present the coconut industry remained a subject under the Ministry of Agriculture and Natural Resources in view of the fact that coconut production in this country is rapidly declining. If it remained the subject of the Ministry of Agriculture and Natural Resources, the Minister would be forced to see to it that the coconut disease was stamped out. As soon as the industry is placed under the Ministry of Commerce and

[MR. J. K. QUASHIE]

Industry, however, I feel that the policy adopted by the Minister of Agriculture and Natural Resources towards coconut industry will cease to be effected.

**Minister of Agriculture and Natural Resources (Mr. Casely-Hayford):** I object to the *laissez-faire* suggestion as to the attitude of the Minister of Agriculture. We shall do all we can to save the coconut industry.

**Mr. Quashie:** I am still developing my point. In 1951 it was first brought to the notice of the Minister of Agriculture and Natural Resources that there was coconut disease along the littoral of the Anlo State. He gave an assurance that as soon as was possible this disease would be stamped out. We have often been told that a Plant Pathologist would be invited into the country. So far we have only seen one or two Europeans going here and there without saying anything at all to the coconut plantation owners who are losing every now and again. They travelled to the area to find that thousands and thousands of coconut trees are dying out and therefore the coconut industry is declining appreciably in this country.

In the 1920's we found that coconut industry—

**Mr. Speaker:** Do you think that the Minister of Commerce and Industry will take no interest in the coconut industry?

**Mr. Quashie:** Yes, Mr. Speaker, as far as the coconut trees are concerned, he will take no interest.

**Mr. Gbedemah:** May I take the opportunity to correct the impression which the Honourable Member is trying to give to this Bill. All we are trying to do is to make the sale of coconut the responsibility of the Department of Commerce. I am sure my colleague the Minister of Agriculture is doing everything to remove or check the spread of the coconut disease; but that does not come in for discussion in this simple amendment Bill. I think my first speech on the previous Bill made it quite clear that the sale of produce is properly a commercial organisation rather than an agricultural enterprise.

**Mr. Quashie:** Mr. Speaker, thank you very much. I was only saying that at the moment the industry should remain a subject under the Ministry of Agriculture and Natural Resources because we have no coconuts there. Coconut trees are all dying out and the industry is not

progressing, and that he should take more interest in the industry and put it on a firm basis. I do not say that the Minister of Commerce will not take interest in it; he will take interest in it as a native of the area but as far as the industry is concerned he will not take any interest in it.

**Mr. Gbedemah:** I think the Honourable Member wants further explanation. Let us take the analogy of the cocoa industry in this country. The care of the industry is the responsibility of the Ministry of Agriculture and Natural Resources, but the sale of cocoa and its organisation is the responsibility of the Ministry of Commerce and Industry. This Bill is trying to effect the same arrangement with regard to copra.

**Mr. Quashie:** I just want to clear a point for the Minister of Commerce and Industry. The Minister of Agriculture and Natural Resources takes more interest in the cocoa disease, the cutting out and payment of remuneration to people whose trees are cut down.

**Mr. Speaker:** He has told you that the industry is still under the Ministry of Agriculture and Natural Resources. It is only the sale of the copra that is being transferred to the Ministry of Commerce.

**Mr. Casely-Hayford:** I would like to give further assurance to the Honourable Member. The Honourable Member must not think that the coconut industry is being neglected in any way. I myself have been there three times; I am always looking out for anything that may shed further light on the cause of the disease. Experiments have been made, certain trees are being wiped out so as to avoid the disease getting to the healthy trees, and I can assure the Honourable Member that everything will be done so as to eliminate that disease and to save the coconut trees in the province just as we want to save them in the Western Province.

Question put, and agreed to, and the Bill was read a second time.

Bill committed to a Committee of the whole House.

Bill in Committee.

Clauses 1 and 2 and the Long Title ordered to stand part of the Bill.

House resumed.

Bill reported without amendment, read a third time, and passed into law.

*Cocoa Industry Regulation (Amendment) Ordinance—Second Reading*

**Mr. Gbedemah:** I beg to move the second reading of the Bill intituled "An Ordinance further to amend the Cocoa Industry (Regulation) Ordinance, 1937".

The purpose of this Bill is similar to those of the Coconut Industry Regulation (Amendment) Ordinance and the Fruit Industry Regulation (Amendment) Ordinance which have just been passed; that is, to give statutory effect to the transfer of responsibility for produce inspection from the Department of Agriculture to the Commissioner for Commerce.

Like the two preceding Bills it substitutes the Commissioner for Commerce for the Director of Agriculture as the authority for the inspection of cocoa.

10.15 a.m.

In addition it is proposed to delete from the Ordinance all reference to Licensed Graders who under the new scheme proposed will be paid by the Government Grading Personnel.

It is also proposed that the Commissioner for Commerce should have power to control traffic in wet and adulterated cocoa in all areas. As to the principal Ordinance the power exercised by the Central Government in this respect does not operate in areas where Native Authority bye-laws on the subject are in force. The present system has proved unsatisfactory in practice in that Native Authorities have not enforced their bye-laws and the Inspection Service has been powerless to intervene.

Finally, advantage has been taken of the opportunity to increase the maximum penalty as this has not been amended since the enactment of the 1937 Ordinance. The price of cocoa has increased to such an extent as to render the present maximum penalty inadequate and ineffective. The penalties now proposed are considered to be adequate and can be sufficient check to mal-practices.

Mr. Speaker, I beg to move.

**Mr. E. K. Bensah:** I beg to second the motion.

Motion made, and question proposed, that the motion be agreed to.

**Mr. B. F. Kusi:** Cocoa farmers in my constituency would be pleased if the Minister would give assurance as to how

[Mr. B. F. Kusi]

this new scheme of grading would be to their advantage; that is, if the Minister will give them any protection that they will not be exploited by the graders, because these people have no knowledge of grading and they are all mostly illiterates, and the very industry that gives them their living is the cocoa industry. If a new scheme is being introduced they must be protected so that their labour must not be in vain to the profit and advantage of the graders. So I will respectfully request the Minister of Commerce to state the process by which this new scheme will be carried out in the interests of the cocoa farmers, so that they may not be exploited.

**Mr. Ofori Atta:** I think we should use this occasion to review the general system of grading, and I should begin first with this question. I have learnt that when farmers cocoa is upgraded at the port, that is to say, if a farmer's cocoa at a place called Odumase is graded as Grade II and is sent to the port and is graded there as Grade I the farmer does not get the benefit of the upgrading. But when it is graded as I at Odumase and it is downgraded at the port then he is asked to bring back some money. Now if that is the true position I would like the Minister to do something about it and correct this injustice.

Secondly, we are dealing with a very helpless lot, farmers. Most of them are illiterates and do not understand this system of grading. We ought therefore to have very reliable men to do this business of grading for them. They must be absolutely reliable. We can have absolutely reliable persons if we attract the right kind of person. At the moment the salary rates which are being paid to these graders are extremely low and there are two dangers one is we shall not get the best men for the job, and secondly, we shall be encouraging them to accept all kinds of offers.

There is a point I would like the Minister to investigate. This grading is not fool-proof, and the best of men do make occasional errors. I am told that one grader in my area downgraded cocoa belonging to a certain firm. This cocoa was sent to the port and it was upgraded and because this cocoa belonged to that particular firm a strong letter was written to this grader

(Mr. OFORI ATTA)

condemning him and in fact asking him to answer all kinds of queries and up to the present day he has not finished answering those queries. I can give you more particulars about this particular case if you desire. But if Firms are using that kind of threat then we ought to protect our officers and I would like the Minister to go into it, and if he wants further particulars I shall give him.

**Dr. Ansah Koi:** I am unable to agree with the Minister that inspection of cocoa should be taken from the Minister of Agriculture and given to the Minister of Commerce. I think the inspection of cocoa has nothing to do with the sale of cocoa, and I feel that the Agriculture Department know more about cocoa than the Ministry of Commerce, and therefore the inspection of cocoa should remain with the Ministry of Agriculture.

The farmers also are actually ignorant as to how to produce the best cocoa and I think the officers in the Agriculture Department are those who are responsible for teaching these farmers how to produce the best cocoa, and if this comes under Agriculture then equally the inspection of cocoa should also come under Agriculture. Secondly, as has been stated by the previous speaker most of the farmers are at a loss when the cocoa is being graded at the port. I would like to know from the Minister how a farmer receives any benefit when his cocoa which is downgraded in his farm is upgraded at the port. How does he get that difference? I would like to know this from the Minister, as I have been told that they lose this benefit. And here also we must find some means to educate the farmers to know to grade the cocoa themselves so that they will not have to rely on others.

I think the farmers are suffering a great deal and are not in favour of this grading system. The farmers are so ignorant about it.

**Mr. Boakye:** I appreciate the Government's view of transferring the power from the Director of Agriculture to the Commissioner for Commerce. The adage says, "He who pays the piper calls the tune". But I have one fear and that is, since we are going to get different prices during this season and the Government are going to be responsible for the grading of cocoa, and in this Ordinance you are deleting all references

(Mr. BOAKYE)

to graders and substituting Government Inspection Officers, does that imply that farmers are no more going to engage graders to be responsible for the pre-sale of cocoa? My fear is that if there is no grader at the buying centre and the receiving clerk is not competent at grading he may buy cocoa of inferior quality and after a Government Officer has come to grade the cocoa the ultimate result may be that he either gets an upgrading or a downgrading. There are advantages and disadvantages on both sides.

Secondly, the question of ranging the penalty between £1 and £100. I know we are trying to give some discretionary powers to the Magistrate but there is some danger in that as well. If a farmer appears before a Magistrate and the farmer is not bold enough to establish his case and a fine of £50 or £60 is imposed on the poor farmer where does he stand. I am suggesting respectfully to the Minister if he would try to stipulate clearly, say, a fine of £25. We must not be too optimistic that cocoa is now going to sell at £3 10s. or £4 therefore farmers will get money. Farmers really have no money and if a farmer happens to appear before a Magistrate and he is not able to establish his case to win the sympathy of the Magistrate he falls a victim, and I would entreat the Minister to consider this matter carefully. The Ordinance says that the fine ranges from £1 to £100 and this means that the Magistrate can fine anything between £1 and £100; but at times a farmer does not know how to put his case clearly, and therefore I would ask the Minister to consider this matter in the best interest of the farmers.

**Mr. J. G. Awuah (Rural Member, Sunyani North-West):** I stand up here as an experienced cocoa buyer and seller. I have been a grader myself for a considerable number of years; so I know much about grading. What I feel is that a farmer may bring about 40 bags of cocoa and as the difference between Grade I and Grade II is about 5s. in this case it will amount to about £25, and the grader may come and tell the farmer that his cocoa is Grade II. This farmer does not know anything about grading at all, but the grader may grade his cocoa and say that it is Grade II instead of it being a Grade I; and what is going to happen is the

[MR. AWUAH]

alternative, that is, the farmer will go to the corner with the grader and say: "What can you do for me?" Then it will come about that the farmer will push something to him (*interruption*).

10.30 a.m.

**An Honourable Member:** Push what?

**Mr. Awuah:** That will bring about bribery and corruption, as I may say. So I want to know from the Minister, as the Honourable Member for Kumasi West said, if there will be safeguards in the interest of the farmers in the country so as to prevent these cocoa inspectors or graders from taking bribes and other things from the farmers; otherwise the farmers in this country will be nowhere at all, because I have been in the cocoa field myself and I am telling you from experience (*interruption*).

Again, another point I want to raise is about the price. I feel that the price should be changed or there should be Grades I and II as the Government have done. I appreciate that and I like that idea. But what I feel is that a farmer in the bush does not seem to understand it properly and I wish if the Minister of Agriculture or the Minister of Commerce will get some people to educate the farmers about the way and manner in which they should ferment their cocoa so as to get Grade I cocoa, otherwise they will not know anything about grading and whenever they are told anything, whether it is Grade I or Grade II they will take it and they may not know the correct grade. So I wish the Minister will send people out to educate the farmers in that regard. That is all I have to say.

**Mr. Gbedemah:** I should like to state generally to allay the fears of those Honourable Members who feel that the introduction of grading might give occasion for ignorant farmers to be exploited that this scheme is not being rushed through by Government, but is being introduced after very good care has been taken to make sure that there is a sufficient number of graders who have had the necessary training and they themselves know what is expected of them. In fact, since the scheme has been accepted by Government provision has been made for the employment of not less than 765 Produce Examiners and 18 Produce Inspectors Grade I and 85 Produce Inspectors Grade II, who will

[MR. GBEDEMAH]

be scattered all over the cocoa producing areas; and also the Department of Agriculture which will still be supervising the production of cocoa has its own staff of demonstrators who will go round and teach the farmers how to produce better quality cocoa. That has been done for a long time and it will continue, and if after all that trouble a farmer does not take the trouble to prepare his cocoa as he ought to do, well, it is only fair that if he tries to sell it off he should be penalized.

Recently, we have been having complaints from the users of our cocoa that the quality of our cocoa is falling. I remember a year ago, the Cocoa Manufacturers' Association of the United Kingdom lodged a complaint, and we have recently received a similar complaint from the Cocoa Manufacturers of the United States, and if the people who are going to buy our cocoa continually complain about our cocoa and we do not take steps to improve the quality, the result on the country's economy can easily be conjectured. So this measure is accepted to be in the best interest of the country, and I hope Honourable Members will support the proposal to make it a fruitful scheme.

The Second Rural Member for Akim Abuakwa said that he would like to know if when cocoa had been graded as Grade II and was subsequently upgraded, the farmers would get the benefit. It is very rare for the quality of the cocoa to increase if it has not been properly prepared. On the other hand, if the cocoa is very well prepared and is thoroughly dried, the quality continues to remain as it is unless it is neglected in storage. After all the farmer will be given every opportunity to handle the quality of his cocoa; he can even appeal against the decision of any officer. But when that has been finally settled then the price which is paid remains.

Now he also raised the point that he would like—(*interruption*)—

**Mr. Ofori Atta:** May I just ask for information? He may run away with it. (*Laughter*). Are you suggesting that after you have graded cocoa as Grade I at a place called Odumase and the storage which may be your own fault has caused the deterioration of that cocoa you will hold the farmer responsible for the change in the quality of that cocoa?

**Mr. Gbedemah:** I am not suggesting that. In fact I did not imply that by what I said.

The condition of service of the Graders has been very seriously considered at present, and I am sure that those who accept that kind of work will be satisfied with the salary and the conditions under which (*interruption*)—

**An Honourable Member:** They are not satisfied!

**Mr. Gbedemah:** Well, I am afraid if they are not satisfied, they ought to leave it and find some other work to do.

The Honourable the Second Territorial Member for the Colony still raised the point that he thought that this marketing and grading of cocoa for export should be left to the Ministry of Agriculture. I am afraid we cannot accept that suggestion. The responsibility for producing and preparing cocoa for marketing will still be the prime responsibility of the farmer under instruction from the Ministry and Department of Agriculture. But when the cocoa has been fully prepared and is offered for sale then the authority for deciding whether that cocoa is Grade I or Grade II should come under a commercial organisation; and if the principle has been accepted for other produce, I do not see why we should make an exception for cocoa.

The Honourable Member for Amansie asked to know whether private graders will be eliminated. This scheme is to provide Government grading, and private licensed agents who are still operating in cocoa would have the option to engage their own graders, and if there is any doubt or if there is any dispute between the quality as declared by these agents then the farmers will have the right to appeal to a Government Grading Officer and his decision will be final; and it is the Government Officer who will finally grade the cocoa and seal it for export. (*Interruption*)—

**Mr. A. R. Boakye:** I would like to know from my Minister the reason for removing the names of these private graders from the Register? Because hitherto these peoples' names have been in the Government Register and they were being paid by the firms.

**Mr. Gbedemah:** The explanation to that is that before Government took up the responsibility for grading cocoa, any certificates issued by the licensed buying agent graders were accepted,

[**Mr. Gbedemah**]

but now that the Government are taking full responsibility, the licensed buying agents will only act on behalf of their employers; but if their decision is in any dispute then they have to appeal to the Government Graders.

**Dr. Ansah Koi:** I would like to ask the Minister to clear one point. I think there is a complaint from the farmers that when their cocoa is upgraded at the port the difference is not received by them. I would therefore like to know from the Minister who gets the difference when the farmers' cocoa is upgraded at the port.

**Mr. Gbedemah:** I would try to explain this point although it is very difficult. The Honourable Member knows very well that farmers sell their cocoa and when they have been paid for their cocoa their responsibility ceases in connection with the cocoa. It is impossible when the cocoa has been bought in small bits and bagged and transported from far away to the port for any officer to be sure that a particular bag of cocoa belongs to a farmer called Kwesi Abuah in Odumase (*laughter*). So I am afraid, Sir, that after the farmer has had every opportunity while the cocoa is still in his presence for him to deal with it, after that stage the responsibility ceases and devolves on the Government.

**Dr. Ansah Koi:** In that case that will bring some sort of hardship to the farmers. I would therefore like to know from the Government whether they will devise some method so that the difference in price of the cocoa will be given to the owner.

**Mr. Gbedemah:** May I suggest to the Honourable Member that as a responsible citizen he has every right to make contributions to this scheme to make it a success in the interest of the country, and if he has any useful suggestions which will improve what we are trying to do, we shall accept them. With these remarks, Sir, I beg to move that the question be now put.

Question put, and agreed to, and the Bill was read a second time.

Bill committed to a Committee of the whole House.

Bill in Committee.

The Short Title ordered to stand part of the Bill.

Clauses 2, 3, 4, 5, 6 and 7 ordered to stand part of the Bill.

Clause 8:

**Mr. C. E. Osei (Third Territorial Member, Ashanti):** I want to ask a question about this clause. The factory buys the cocoa, let us say as Grade II, but when an Inspector later on finds it to be Grade I, may I know who is going to get the difference?

**Mr. Gbedemah:** I think the Honourable Member was outside this House when I dealt with that point. But for his benefit, I will reiterate it. The farmer before he sells his cocoa has every right in raising up points about the quality as he wants; but when the final decision has been taken and he accepts it, it is finished there. After all the cocoa has been bought, mixed and bagged you cannot be sure whether farmer Kojo Abuah was responsible for selling Grade II cocoa.

**Mr. C. E. Osei:** I want to know what is the intention of the Government in including the poor farmers (*not heard*).

**Mr. Gbedemah:** We have already dealt with this matter and if the Honourable Member shows so much interest it was up to him to remain in the House when the matter was being discussed. I would not like to waste the time of Honourable Members.

10.45 a.m.

**Mr. Boakye:** This question as I see it is double-edged. Now we are only thinking of one side where the farmer's cocoa may be Grade II and is upgraded as Grade I. What will happen when a farmer's cocoa is graded as Grade I and Government find out after two weeks that it is Grade II? It naturally goes to the credit of the buyer; therefore it is double work. It is always the responsibility of whoever is responsible for buying the cocoa to see to it that the cocoa is thoroughly dry before he buys it.

**Mr. Kusi:** A penalty of £100 is too much and I will ask the Minister to consider it.

**Mr. Casely-Hayford:** May I contribute an answer. In the light of my experience as an ex-Magistrate there is seldom the need to impose the highest penalty except according to the circumstances of the case. The fine may be £10 or so in the light of the previous offence or seriousness of the case. All these things are taken into consideration before a Magistrate exercises his discretion which he does judicially and not capriciously.

**Mr. Kusi:** I understand the explanation, Sir. But a Magistrate cannot be blamed if he imposes the maximum penalty because it has been laid down by the law.

**Mr. Gbedemah:** I think this point ought to be cleared up. At the time when this Ordinance was first passed and the penalty fixed the cost of cocoa was 7s. 6d. a load. But now the price is quite high compared with that. And if the farmer knows that he can try to cheat, because after all if he is caught he will be fined only £10 there will not be any deterrent; but if he knows that if he commits the offence deliberately and he is caught he will be fined heavily he will not try to do it and it is not on every occasion that a Magistrate will impose the maximum penalty.

**Mr. Boakye:** On this point, we will try our best to persuade our Minister to consider it. The idea is that when there is rain the cocoa may be wet, and if the Government Inspecting Officer happens to see this cocoa, action will be taken but it may not be the fault of the farmer who is bringing the cocoa to the buyer. If he is put before the court and is not able to defend himself, the penalty will be imposed on him. Even in the days when the price used to be 3s. 6d. and 7s. 6d. and the fine £25, most of those farmers who contravened this section were imprisoned as a result because they were not able to pay the fine. The farmers individually are not rich but collectively they are. You may say that the Cocoa Marketing Board's funds are there for them, but individually they are very very poor and I call upon the Minister to reconsider it.

**Mr. Chairman:** There is no proposed amendment to this clause, so clause 8 stands part of the Bill.

Clauses 8 and 9 and the Long Title ordered to stand part of the Bill.

House resumed.

Bill reported without amendment, read a third time, and passed into law.

*The Customs (Amendment) (No. 2)  
Ordinance, 1953*

**Mr. Gbedemah:** I beg to move the second reading of the Bill intituled "An Ordinance further to amend the Customs Ordinance, 1947".

Members will recall that at the last meeting of the Legislative Assembly the Customs Amendment Ordinance,

[MR. K. A. GBEDEMAH]

1953, was enacted which enabled the Governor in Council to delegate to the Commissioner of Commerce or any other officer by an order the prescribing of importation or exportation conditions in respect of goods which have been made a subject of preservation. After the enactment of the Ordinance it was noticed that the words "or may prohibit importation, carriage coastwise or exportation" in section 1 of the new subsection (41) had inadvertently been omitted. This error has now been rectified by the amendment Ordinance 1953 which Bill is now laid before the House. Mr. Speaker, I beg to move.

**Mr. Bensah:** I beg to second the motion.

Question put, and agreed to, and the Bill was read a second time.

Bill committed to a Committee of the whole House.

Bill in Committee.

Clauses 1, 2, 3 and the Long Title ordered to stand part of the Bill.

House resumed.

Bill reported without amendment, read a third time, and passed into law.

**Mr. Speaker:** This concludes the business of the day.

House adjourned at 11 o'clock to Monday the 6th of July, 1953, at 9 o'clock.

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68

Control: 3479  
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12:28 p.m.

FROM: Accra  
TO: Secretary of State  
NO: 18, August 12, Noon

Nkrumah hopeful Department comment re Westerfield subject my despatch 171 June 29. Intends offer employment unless derogatory information forthcoming. Advise.

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(Westerfield subject)

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FOREIGN SERVICE DESPATCH

845k.2614/8-1253

33

FROM : American Consulate, Accra Gold Coast

23  
DESP. NO.

NEA

MESSAGE CENTER

TO : THE DEPARTMENT OF STATE, WASHINGTON.

August 12, 1953  
DATE

REF : CERP, November 14, 1952, Section D-3; Accra's despatch of July 13, 1953

17 For Dept. Use Only hm	ACTION NEA	DEPT. I N F O	REP	EUR	OLI	E	IBS	IPS	UNA	VO	IES
	REC'D AUG 14	OTHER	COM	FOA	IN	ARMY	CIA	LONDON	MONTREAL		

SUBJECT: Recent Occurrences Regarding Volta Project.

Supplementing earlier communications regarding the Volta Project there are transmitted herewith copies of two press releases (unclassified) on that subject. The first of these, dated July 8, 1953, gives the membership and terms of reference of the Gold Coast National Committee for the Volta Project. The second, dated August 6, announces the forthcoming visit of Ministers and members of the National Committee to Canada in September, 1953.

On August 10, I discussed the visit to Canada with Commander JACKSON, head of the Volta River Preparatory Commission. He said that in view of the brief period of time during which the leading members of the delegation could be absent from the Gold Coast, he did not think it practicable that they should endeavor to include points of interest in the United States in their itinerary. He added that there were plans to send a larger delegation to Canada in about March, 1954. At that time, he felt sure, the question of inspecting hydroelectric and smelting installations in the United States would be seriously considered.

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Enclosures:

✓ Two press releases of Gold Coast Government.

Department please send copies to London and Montreal.

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PRESS RELEASE NO. 932/53

GOLD COAST NATIONAL COMMITTEE FOR THE  
VOLTA RIVER PROJECT

STATEMENT BY THE PRIME MINISTER TO BE  
MADE IN THE ASSEMBLY ON 8TH  
JULY, 1953.

Mr. Speaker, Honourable Members, in the statement concerning the Volta River Project which I made to the House last Friday I outlined Government's intention to establish forthwith a Gold Coast National Committee for the Volta River Project.

Government has since given the most serious consideration to the composition and terms of reference of this Committee and as a result of our deliberations it has been agreed that the membership of the Committee shall be as follows:-

Chairman. The Minister of Development, or a representative Minister nominated by him to represent him.

Members. The Minister of Commerce and Industry

The Minister of Finance

Dr. J. C. de Graft-Johnson

Mr. T. M. K. Mercer

Mr. William E. A. Ofori-Atta

The Special Commissioner, Volta River Preparatory Commission, will be available for consultation whenever required.

The terms of reference of the Committee will be as follows:-

- (1) To consider the Volta River Project and to make any necessary recommendations to the Government of the Gold Coast.
- (2) To consider, as a special aspect of its responsibility under (1) above, any steps which may be thought desirable to protect the interests of the people and the Government of the Gold Coast.
- (3) To consider reports from the Special Commissioner on any aspect of the scheme submitted to them.
- (4) To advise the Preparatory Commission for the Volta River Project on any problems which the Special Commissioner may refer to it.

- (5) To consider reports from any experts called in to advise the Government and the National Committee on the Project.

I have every confidence that this Committee, working to those terms of reference, will most competently serve to safeguard the interests of the Gulf Coast and its people in the great project which lies before us. I am sure the House will agree with this proposal, and I propose to call a meeting of this Committee at an early date.

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(ISSUED BY THE MINISTRY OF DEVELOPMENT)

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8TH JULY, 1953.  
DD.

UNCLASSIFIED

Encl. No. 1

Desp. No. 23

From Accra, G. C.

PRESS RELEASE NO. 1055  
FROM THE INFORMATION SERVICES DEPARTMENT, ACCRA.  
GOLD COAST DELEGATION TO VISIT CANADA

The Gold Coast Government is to send an important delegation of Ministers and members of the National Committee for the Volta River Project to Canada in September. The party will inspect installations for the production of power and aluminium, in order to assist them in their work in connection with the Volta Project.

The delegation will be headed by Mr. K. A. Gbedemah, Minister of Commerce and Industry. With him will be Mr. K. C. Tours, Acting Minister of Finance; Mr. K. Kojo Botsio, Minister of Education; Mr. W. E. Ofori-Atta, Mr. T. M. Kodwo Mercer, Dr. E. K. Kurankyi Taylor, and Dr. J. C. de Graft Johnson, members of the National Committee for the Gold Coast; Mr. Kofi Baako, Personal Assistant to the Prime Minister; Mr. Gerald Plange, who will act as Press Officer to the party; and Mr. S. M. Codjoe, Secretary of the National Committee, who will accompany the delegation as secretary.

Leaving Accra by air on September 9, the party will pass through London and reach Montreal on September 12. They will spend several days visiting plants belonging to the Aluminium Company of Canada, both in operation and under construction. On September 21 it is hoped that they may visit Ottawa, the seat of the Canadian Government.

On September 23 the party will return to the United Kingdom for a further six days. There it is hoped that they may be shown various aspects of British aluminium production, and one of the large-scale projects being carried out under the supervision of Sir William Halcrow and Partners, consulting engineers to the Volta River Project. The party will return to the Gold Coast on September 30.

Mr. Gerald Plange, of the Information Services Department, will provide the Gold Coast press and broadcasting service with frequent accounts of the activities of the delegation.

(ISSUED BY MINISTRY OF DEVELOPMENT)

THURSDAY  
6th AUGUST, 1953.

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845k.2614/8-14

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FROM : AmEmbassy, London

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DESP NO 8/24/53

TO : THE DEPARTMENT OF STATE, WASHINGTON

August 14, 1953

DATE

39  
8/19/53

REF : Embassy's Despatch No. 2668 of December 5, 1952

7 For Dept.	ACTION NEA* EUR	DEPT. I N F O	REP	OLI*	E							Central Files
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SUBJECT: Note on "Volta River" Aluminum Project

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The Times of London reported on August 8, 1953, that the Gold Coast Government was to send "a delegation of Ministers and members of the national committee for the Volta River Project to Canada in September". The party would leave Accra on September 9, pass through London and arrive in Montreal, Canada, on September 12. They hoped to visit Ottawa on September 21, and then return to the Gold Coast by way of this country, where they "may be shown various aspects of British aluminium production". The Times also reported that:

"The delegation will be headed by Mr. K. A. Gbedemah, Minister of Commerce and Industry. With him will be Mr. K. C. Tours, acting Minister of Finance; Mr. Kojo Botsio, Minister of Education; Mr. W. E. Ofori Atta, Mr. T. M. Kodwo Mercer, Dr. E. K. Kurankyi Taylor, and Dr. J. C. de Graft Johnson, members of the national committee for the Gold Coast; Mr. Kofi Baako, personal assistant to the Prime Minister; Mr. Gerald Plange, who will act as Press Officer to the party; and Mr. S. M. Codjoe, secretary of the national committee who will accompany the delegation as secretary."

Enclosed are five copies of a clipping from the Financial Times of July 28th entitled "The Volta River Project", which reviews briefly some of the features of the plan and points to some of the problems and difficulties. It utters the opinion that whereas "caution and restraint in a matter of involving a capital outlay of this size are thoroughly justified", and Parliament will not "grant the necessary financial powers" until a favorable report from the Preparatory Commission has been rendered, there would not appear to be any reason for regarding the project as other than "economically attractive and eminently practical".

It ends on the interesting note that "the fate of the Volta River Scheme is likely to be a major influence in the shaping of future Colonial Development".

845K.2614/8-1453

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REPORTER

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Dep. No. 745

From London

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(Classification)

Encl. No. \_\_\_\_\_

Dep. No. \_\_\_\_\_

From \_\_\_\_\_

The White Paper and other data concerning the project were transmitted to the Department with the Embassy's despatch No. 2068 of December 5, 1952, entitled "The 'Volta River Aluminium Scheme'".

Enclosure

*Att.*

✓ Clipping from Fin. Times,  
July 28, 1953

Approved by:

*Kathleen Molesworth*

Kathleen Molesworth,  
Commercial Attache

Submitted by:

*William F. Bussar*

William F. Bussar,  
First Secretary of Embassy

Journal D-745  
8/1/53 WEA

# THE VOLTA RIVER PROJECT

THE Volta, from its source in French West Africa, flows some 900 miles southward to empty into the Gulf of Guinea, about fifty miles east of Accra. Its course is marked by abrupt bends and rapids that make it practically useless to navigation. In the past, its main contribution to the economy of the Gold Coast has been by way of supporting a small fishing industry.

## MAJOR SCHEME

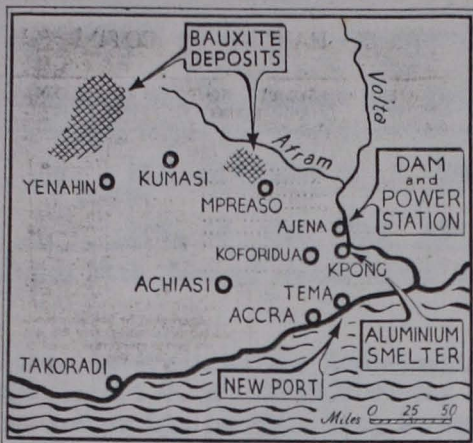
BUT to-day its name is linked to one of the greatest schemes of Colonial development ever contemplated. By this scheme the Governments of the United Kingdom and the Gold Coast, together with British and Canadian aluminium companies, would establish large-scale aluminium production in the Gold Coast by developing the resources of bauxite and water-power that are found there.

The history of this project goes back as far as 1914, when deposits of bauxite were first discovered on Mount Ejuanema, near Nkawkaw. This discovery drew attention to the possibility of generating hydro-electricity for use in producing aluminium from the local ore. The inter-war years saw the appearance of two detailed schemes, one originating with the Gold Coast Government, and the second, some years later, the work of Mr. E. D. C. Rose and a firm of South African engineers.

## WHITE PAPER

AFTER the interruptions of war, in 1950 work was begun on investigating the possibilities of developing the full resources of the Volta. The stage has now been reached where a Government White Paper on the Volta River Scheme was published in 1952, and, early this year, after a three-day debate in the Gold Coast Legislative Assembly, the establishment of a Preparatory Commission was approved. Until this Commission's report is published, any dogmatic prediction as to the success or otherwise of the scheme is out of court. The practical difficulties are considerable, the capital expenditure involved is immense, and matters purely political are likely to affect its progress.

As to the advantages of the scheme—if it is successfully



Ironically enough, some critics in the United Kingdom have drawn attention to the danger of pouring money into what they have called a potential Abadan, while, in the Gold Coast Legislative Assembly, voices have been heard demanding that the Gold Coast be given a larger share in the whole project to allow less reliance on British financial help.

## FINANCIAL BASIS

WHATEVER modifications the Preparatory Commission may suggest, it is doubtful whether their financial estimates will depart substantially from those already published. These allow for an ultimate total capital outlay of some £144m. The Gold Coast Government would be entirely responsible for the cost of the new port, for transport and for other public works and would share with the British Government in the power project, though the major share in this would be contributed by the United Kingdom. The two Governments and the aluminium companies will share in the cost of the smelter, but the Gold Coast Government would have the right to provide 10 per cent. of the equity capital. On the present estimates, the maximum expenditure by the United Kingdom Government would be somewhat in excess of £56m.

## COMING REPORT

UNDOUBTEDLY, caution and restraint in a matter involving a capital outlay of this size are thoroughly justified, and, in fact, the Government has been careful to emphasise that it has not gone beyond stating that it is in principle favourable to participation in the scheme. Not until a favourable report from the Preparatory Commission will Parliament be asked to grant the necessary financial powers. As far as can be seen at this stage, the project is economically attractive and eminently practical; given thorough planning and preparatory deliberation, there is no reason why Abadan, or the groundnuts scheme, should put a stop to all ambitious schemes of Colonial development.

Meanwhile, the fate of the Volta River Scheme is likely to be of major influence in the shaping of future Colonial development.

accomplished—there can be no doubt. Its impact on the economy of the Gold Coast would be decisive, not only in broadening the comparatively narrow basis on which that economy now rests and in providing a constant and very valuable export material, but also by encouraging the multiplication of trained native engineers and by supplying hydro-electric power to manufacturing industries of which the country is in great need.

For the United Kingdom it would mean an assured supply of aluminium, a material which in less than half a century has established itself as a non-ferrous metal of major importance. In 1951 British consumption of aluminium was 316,000 tons, and it has been calculated that United Kingdom requirements are likely to increase at an average rate of 5 per cent. over the period 1950-1960. At present, the United Kingdom obtains more than four-fifths of its virgin aluminium from foreign sources.

## THREE PARTS

THE Volta River project falls into three parts. First, it involves the construction of a power station at Ajena, 70 miles from the river mouth, and the building of a reservoir with an area of 2,000 square miles. It is expected that hydro-electric power would become available

from 5-7 years after the work begins.

At Kpong, 12 miles distant from Ajena, the aluminium smelter would be erected; it would have an annual capacity of 80,000, eventually rising to 210,000 tons. The bauxite deposits at Mpreaso and Yenahin would be developed to supply it. It is worth noting that known reserves of bauxite in the Gold Coast exceed 200m. tons.

Finally, along with the construction of the power-station, the reservoir and the smelter, would be a large-scale extension of public works, ranging from the provision of new port facilities to the building of new railways, roads and houses. Work is, in fact, already well in hand on the construction of a new port at Tema, which the Gold Coast Government has decided necessary, apart from its integration into the Volta project.

## MAIN CRITICISM

THE practical challenge presented by the scheme to engineering skill and planning, as well as to the ability of the Gold Coast Government to cope with the demand it will make on, for example, labour resources, is obvious enough. What has attracted most criticism, however, both in the Gold Coast and the United Kingdom, has been the proposed method of financing the scheme.

AIR POUCH  
PRIORITY

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(Security Classification)

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845k.2614/9-1653

FOREIGN SERVICE DESPATCH

40  
9/24

FROM : American Consulate General, Accra

45  
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

September 16, 1953

REF : Accra's despatch No. 23, August 12, 1953

DATE

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SUBJECT: Conversation with Head of Volta River Commission about British Attitudes.

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845K.2614/9-1653

As of possible interest to the Department, there are summarized below comments made by Commander Robert G. A. JACKSON during a conversation I had with him on August 10. I called on him on that date to inquire whether the party from the Gold Coast who are to visit Canadian aluminum installations during September might wish to include United States points of interest in their itinerary.

Commander Jackson said that he and his wife (Barbara WARD--the prominent English writer on economic subjects) have to be careful not to appear too "pre-American." He is after all an Australian and her internationally-minded orientation is well-known. It would affect his usefulness here adversely if he appeared to favor American contacts and methods too openly.

For that reason he did not wish to advocate openly that the Gold Coast personalities (mostly members of the National Committee on the Volta Project) should visit the United States following their trip to Canada next month (September, 1953). In any case, he felt sure that Nkrumah would strongly support the idea that a group from the Gold Coast should see hydroelectric and aluminum producing installations in the United States as well as Canada some time next year, when more time would be available to those making a trip planned for March, 1954.

Commander Jackson remarked that many officials here were narrow in their outlook on international matters such as Anglo-American cooperation. He included "Government House"--i.e. the Governor within that category. Jackson said he had recently suggested that the American system of mechanized operations in dam building--as followed for instance in the Oahe dam (in South Dakota) project--might well be studied as a useful precedent for the Volta Project. He added that he got some very "glum looks" from "Government House" when he made this suggestion with its implication that the British might have something to learn from American practices.

When Commander Jackson arrived here he found the British engineering firm of Sir William Halcrow and Partners--consulting engineers to the Gold Coast Government on the Volta Project--thinking in terms of a need for some 20,000 laborers

William E. Cole/ram  
REPORTER

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Desp. No. 45

From Accra, Gold Coast

Page \_\_\_\_\_  
Encl. No. \_\_\_\_\_

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From \_\_\_\_\_

(Classification)

for construction of the dam. The Oahe Dam was being built by a force of about 150, using highly mechanized techniques. Halcrow is now looking into the pros and cons of mechanization versus mass man power.

*William E. Cole*  
William E. Cole  
American Consul

Copy to London.

CONFIDENTIAL

*Mud*

FOREIGN SERVICE DESPATCH

(41) J.F.

FROM : American Consulate General, Accra

114  
DESP. NO.

September 16, 1953

TO : THE DEPARTMENT OF STATE, WASHINGTON.

DATE

REF : CERP, November 14, 1952, Section D-3.

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SUBJECT: Timing of Volta River Project.

As of possible interest to the Department there is set forth below a tentative estimate of the timing, or "phasing" of the Volta River Project. Commander Robert G. A. JACKSON, head of the Volta River Preparatory Commission, prepared the following timetable during August, 1953, and it represents his current thinking about the sequence and timing of the various aspects of the Project.

- (a) By the end of 1953 a decision about tenders for the port of Tema.
- (b) By about April or May, 1954, general agreement that the Volta Project is technically feasible and it is worth while going out to tender to ascertain if any contractor in the world would build the power project for a figure approximating that estimated by the consulting engineers. At this time it could be decided whether the World Bank should be invited to survey the project with a view to making a loan to the Volta River Authority later on if requested to do so.
- (c) By June, 1954, work on Tema to have started.
- (d) By about November, 1954, consideration by the consulting engineers of any tenders received for construction of the power project.
- (e) End of 1954, report from the consulting engineers on those tenders which would be most satisfactory for the construction of the power project. During the same period the Preparatory Commission could finish its work in analysing the possible impact of the project on the national economy as a whole. (This is when Professors Lewis of Manchester University and Kahn of Cambridge might be most useful.
- (f) First quarter of 1955, negotiation between the principals whether the scheme should proceed or not, and if agreement is reached, action to draw up the main headings of a master agreement as called for by the White Paper on the Volta Project.
- (g) Rest of 1955 to be regarded as a "Year of Grace". This period will almost certainly be required for completing the master agreement, drawing up a statute for the Volta River Authority, introducing

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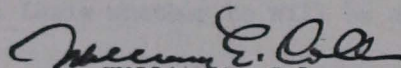
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(Classification)

appropriate legislation, conducting negotiations with the World Bank (if necessary) and making preliminary arrangements in the Gold Coast for the provision of housing, and the appointment of key staff. There is general agreement here that such a "Year of Grace" would be essential to the smooth initiation of the scheme.

- (h) 1st January, 1956, possible date for starting construction on the Volta Project. (This date would synchronise conveniently with the next development programme for the Gold Coast).
- (i) By 30th June, 1956, port of Tema available on a small scale to assist the Volta Project if required (two ships).
- (j) Some time in 1957, preparation of housing for workers required for smelter project.
- (k) 1958 (depending on scientific research) start of work on the smelter and the building of new railway lines. First stage of Tema should be completed by this date, if all goes well (four ships).
- (l) 1961/1962, possible date of completion of power project and of railways and smelter.

  
William E. Cole  
American Consul

Department please send copies to: Lagos  
London  
Montreal

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(Security Classification)

FOREIGN SERVICE DESPATCH

845K.2614/9-2153

42

*Handwritten initials and scribbles*

FROM : American Consulate General, Accra

49  
DESP. NO.

September 21, 1953

DATE

TO : THE DEPARTMENT OF STATE, WASHINGTON.

REF : Accra's despatch 171, June 29; Dept's A-8 August 7, 1953

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SUBJECT: Employment in the Gold Coast of Mr. Hylan Lewis.

As of possible interest to the Department, there is quoted below the text of a letter of September 16, 1953, from Commander R. G. A. JACKSON, head of the Volta River Preparatory Commission, concerning Mr. Lewis.

.....

"I am writing to let you know that the Preparatory Commission, after consultation with the Gold Coast Government and H.M.G., has extended an invitation to Mr. Lewis of Atlanta University to come to this country and assist the Preparatory Commission with its work (in particular the problems of labour and sociological factors) for two or three months from the end of November, 1953.

"We are now waiting to hear from Mr. Lewis whether he will be able to accept this invitation.

"Mr. Westerfield has been informed that it is felt that the scale of work involved with the original surveys could, at this stage, only justify the employment of Mr. Lewis."

.....

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*William E. Cole*  
William E. Cole  
American Consul

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William E. Cole/ram

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FOREIGN SERVICE DESPATCH

43

845K. 2614/9-2853  
XR 845K. 394 10/5/53

FROM : AMCONGEN MONTREAL

64  
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

September 29, 1953  
DATE

REF : CERP - ITEM C4-II. Accra's No. 23 dated August 12, 1953 and Montreal's No. 157 dated December 1, 1952.

9 For Dept. Use Only	ACTION	DEPT.	I N F O	OTHER	file 10/2
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	NEA-4				DC/R-2 EUR-5 OLI-6 E-4
	10/2				COM-8 FOA-10 IN-5 ARMY-4 CIA-10

SUBJECT: Visit of Gold Coast Committee to Study Aluminum and Hydro-Electric Plants.

ACCRA

The Gold Coast National Committee, referred to in Accra's despatch No. 23 of August 12, 1953, arrived in Montreal on September 12 and departed for the United Kingdom as scheduled on September 23, 1953. According to sources in the Aluminum Company of Canada, the Gold Coast committee, consisting of three Cabinet Ministers and seven senior officials, came to Canada as a "fact-finding mission" to inspect plants of the Canadian aluminum industry and hydro-electric installations, and was interested also in studying other types of industry and in observing modern construction methods such as might be used in the hydro-electric and aluminum project for the Gold Coast known as the Volta Project.

The itinerary of the visitors was as follows:

- 1) Visit to Quebec City, for a reception given in honor of the visitors by the Governor General of Canada who was at the time in residence at Quebec City.
- 2) Three days in the Saguenay area visiting Alcan's aluminum smelter and hydro-electric plants at Arvida, and also the docks, bauxite storage facilities and other installations at Port Alfred. A visit was also made to a newsprint mill.
- 3) One day at Kingston, Ontario, to visit Alcan's research laboratories and fabricating plant.
- 4) Visit to Ottawa. Conducted on a tour of Parliament Buildings, interviewed by the Prime Minister of Canada, and entertained at luncheon by the Canadian Minister of Finance. Visited models of St. Lawrence Seaway and hydro-electric developments at National Research Council laboratories.
- 5) Two days in Montreal, September 19 and 20, for sightseeing and rest over the week-end.
- 6) One day in Toronto. Visited the Oakville assembly plant of the Ford Motor Company and made a tour of the Toronto industrial area.

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- 7) One day at Niagara Falls. Visited the new hydro-electric plant under construction.
- 8) Returned to Montreal September 23. Departed in the afternoon by air for the United Kingdom.

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Comment by Sources in Aluminum Company of Canada

A summary is given below of information obtained from a source in the Aluminum Company of Canada regarding the visit of the Gold Coast delegation.

The visit to Canada by the committee from the Gold Coast does not indicate that the Gold Coast aluminum and hydro-electric project is any closer to a start. Under the recommendations in the United Kingdom white paper published about a year ago regarding the project, an impartial commission has been appointed to study the feasibility of the project and to make a report. Actually this commission consists of one man, Commander R.G.A. Jackson, an Australian appointed by the Gold Coast government with the consent of the United Kingdom government. This "commissioner" in his investigations is to consider the interests of all parties. His report is not expected to be completed until at least one year longer.

The Gold Coast government decided to appoint a special committee of Gold Coast people to study the desirability of the project from the point of view of the interests of the Gold Coast. According to reports received here this was a move on the part of the Gold Coast Prime Minister to allay opposition by appointing some of the principal opponents of the project as members of the committee, thus affording them an opportunity to find out at first hand what the project will mean for the development of their country.

Although two or three members of the committee were educated in England, others were persons who have seldom been out of the Gold Coast, have had experience only with the agricultural economy of that country, and have not had an opportunity until this Canadian visit to observe large scale industrial and construction developments requiring heavy expenditures of capital.

It was difficult to determine just what were the impressions and opinions of the Gold Coast visitors. As they came only for educational purposes and not to negotiate, they were not obliged to give their views. For the most part they were undemonstrative and not inclined to express opinions. They were obviously impressed, however, by the high living standards of Canadian workers, the number of motor cars parked outside of factories, the comfort and conveniences of railways and hotels, et cetera.

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From Montreal, Canada

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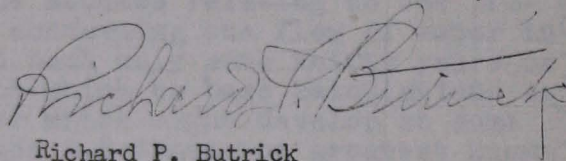
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Desp. No. \_\_\_\_\_  
From \_\_\_\_\_

In speeches made by some of the visitors at dinners and on other occasions, the general theme was that if the project in the Gold Coast is to succeed it must be a benefit to all of the parties concerned; namely, the Gold Coast, the United Kingdom, and the private interests involved. No views were heard opposing the scheme or objecting to participation by private enterprise. Most of the visitors seemed aware of the great possibilities which the aluminum and hydro-electric project will have for the Gold Coast. Some appeared to be concerned that it may be too big a scheme and that the Gold Coast government may have difficulty in financing its part of the scheme.

The visit of the Gold Coast committee received little publicity in the Canadian press other than brief announcements of the committee's arrival. Arrangements were made for the holding of a press interview on September 23 when the committee returned from Montreal prior to their departure for England, but as the representatives of the press were showing little interest this conference was not held.

No arrangements were made for a visit to Alcan's power and smelter development at Kitimat, British Columbia, as there was not enough time to fit such a visit into the schedule.



Richard P. Butrick  
Consul General of the  
United States of America

Note: Department please send copies of this despatch to London, England, and Accra, Gold Coast.

cc:  
Mr. A.B. Foster, BNA  
Embassy, Ottawa  
Consulate, Quebec.

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FOREIGN SERVICE DESPATCH

845 R. 2614/11-2353  
XR 845 R. 394  
XR 945 R. 5301

FROM : American Consulate General, Accra 94

TO : THE DEPARTMENT OF STATE, WASHINGTON.

November 23, 1953

REF : DAKAR-1 LAGOS-1 LONDON-1 MONROVIA-1 MONTREAL-1

15 For Dept.	ACTION NEA-4	DEPT. REP-1 DC/R-2 OLI-6 EUR-5 E-4 PD-1
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SUBJECT: Conversation with Arthur E. MORGAN about Volta River Project.

3

The following summarizes comments made by Dr. Morgan, formerly Chairman of the Tennessee Valley Authority, during a conversation had with him on November 23. He is now in the Gold Coast to advise on certain aspects of that project, (i.e. the Volta River Project).

Dr. Morgan, one of the foremost authorities on hydro-electric projects, believes the engineering firm of Sir William HALCROWE is doing a sound job in connection with the studies relating to the project. He added, however, that records concerning the flow of water in the Volta, high water marks, etc., went back only some thirty years or so. That is far too short a period upon which to base calculations as to the greatest possible volume of water which might develop at some future time. Halcrowe had decided to use 2.5 times the greatest known volume of water in the Volta as the figure acceptable for safety purposes in designing the dam, but Morgan preferred even more--he would increase the figure to 3.0. He did not think silting a serious problem, since the water does not carry a heavy volume of eroded soil.

Dr. Morgan thought that any contract between the Gold Coast Government and the aluminum companies should be the subject of very careful preliminary studies. While the latter were evidently considering that they would require 90% of the electric output from the Volta, he believed it preferable that the Government should arrange to have some 40 per cent--rather than 10 per cent---available for eventual use in the Gold Coast for purposes other than smelting bauxite. He thought such an electricity supply would be needed in the future for use in the southern part of the country. He said there would be a great need for some disinterested party to review the proposed contract and render an opinion as to its fairness to all concerned, and especially to the Gold Coast. He mentioned Danish or Swedish hydroelectric experts as qualified for such a task. He thought it possible that such a review and opinion would prove a safeguard in case the contract should be attacked by future political demagogues in the Gold Coast seeking to capitalize on "anti-imperialist" sentiment. Dr. Morgan considered it wise to avoid overly rigid provisions about rates of payment for electricity, since technical advances in the fields of atomic or solar energy might make present hydroelectric projects obsolete.

William E. Cole/ram

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MAR 15 1954

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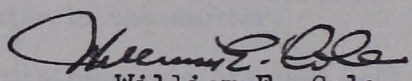
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Dr. Morgan said that the Volta River Project site is the only feasible large-scale source of electrical energy in the Gold Coast. However, technical difficulties would make it impractical to deliver electricity from that source to distant parts of the country, such as the Northern Territories. Any distribution system which could be built would be too expensive to serve the needs of scattered communities. However, certain species of wood grew rapidly in the Gold Coast and could readily be converted into gas for use in internal combustion engines. The latter could drive small generators. In that way villages remote from a main electrical supply could be provided with electricity for lighting and local industries. He had recently seen such a system operating at one of the Gold mines and supplying all the electricity needed for mining operations. An area of several hundred acres there provided a constant source of fuel in adequate quantity for that operation. As present timber is cut off, it is replaced with Acacia, which grows rapidly and provides some 200 cords per acre in ten years. Dr. Morgan considered it important to avoid the congregation of increasing numbers of detribalized Africans in the large towns and viewed small-scale industries and village improvements as having a particular value in that respect.

Dr. Morgan said that he has impressed upon Nkrumah, the Prime Minister, the necessity for retaining European technicians. He pointed out that it would take a very long time for the Gold Coast to develop its own technicians in sufficient numbers to meet the foreseeable needs.

Dr. Morgan is returning to the United States in a few days. He expects to proceed to the Gold Coast again about August, 1954.

  
William E. Cole  
American Consul

Department Please send copies to Dakar, Lagos, London, Monrovia, Montreal.



CONFIDENTIAL

FOREIGN SERVICE DESPATCH

(Security Classification)

245K. 2614/12-1453  
XR 945K. 530

FROM : American Consulate General, Accra  
TO : THE DEPARTMENT OF STATE, WASHINGTON  
REF : CERP, November 14, 1952, Section D, Item 3.

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DESP. 100  
43

December 14, 1953  
DATE

ARMY-3 MONTREAL-1

4 For Dept.	ACTION NEA-4	DEPT. IN	DC/R-2 REP-1 OLA-6 E-4 EUR-5 DAKAR-1 LAGOS
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SUBJECT: Interview with Head of Volta River Project Preparatory Commission.

For supplement see

D-127 from Accra

There follows a summary of information given me on December 10, 1953, by Commander Robert G. A. JACKSON, Special Commissioner, Volta River Project Preparatory Commission, in the course of a discussion of the current status of the Project.

(1) Aluminium Limited (the Canadian company) have now exercised an option which they held to take over certain of the interests of West African Aluminium Limited, a company formed in 1945 with a view to the eventual exploitation of the bauxite resources of the Gold Coast.

(2) Some additional thought has been given to the question of moving the bauxite from Yenahin, west of Kumasi to Kpong, on the Volta, the proposed site of the smelter. The earlier thinking on the subject contemplated that a branch line would be built to connect Yenahin with Kumasi. After having traversed that line the car-loads of ore would proceed along the existing Kumasi-Accra railway to somewhere in the neighborhood of Koforidua. From that point an additional branch line would carry the ore on to Kpong. An alternative suggestion proposed building a branch line from the existing railway somewhere below Kumasi to reach the artificial lake to be created by the dam at the nearest point possible. Transport of the ore thereafter would continue by water to the smelter.

(3) Dr. Arthur MORGAN, former TVA Chairman, who has just left the Gold Coast on his return to the United States, raised the question of the suitability of the existing railway system with its one meter gauge to carry the volume of ore involved, estimated at 1 million tons per year. He has suggested that it might be preferable to build an entirely new railway of two meter gauge directly from the bauxite deposits to the nearest point where water transport would be available.

(4) While in general quite satisfied as to the feasibility of the scheme, Dr. Morgan had questioned estimates as to the amount of evaporation which would be experienced from the lake to be formed behind the dam. He considered that existing data on this point were too scanty to permit a proper estimate to be made. He had especial doubts about the volume of evaporation which would take place at the north end of the lake, which would be shallow and located in the hot, dry area of the Northern Territories. The Commission is now endeavoring to assemble additional information on this matter which may have been developed in other comparable parts of the world. Dr. Morgan also raised the question of the

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need for clearing forest growth or "bush" from the area to be flooded. He thought the presence of quantities of vegetation floating in or under the water would deplete its oxygen supply and provide places where mosquitos would breed.

(5) The consulting engineers, Sir William Halcrow and Partners, have now modified their earlier estimate of the labor force needed for the project. It will be recalled (my despatch No. 45 of September 16, 1953) that Halcrows had earlier been thinking in terms of some 15 to 20 thousand men, and that that figure had been questioned by Jackson, who had favored a much more highly mechanized approach with a correspondingly reduced labor force. Halcrows have reviewed the matter and are now basing their estimates on a total labor force of about five thousand. Having established the basic dimensions of the problem, it will soon be possible to begin studies of the feeding, housing, health and labor problems to be dealt with. The Commission, the consulting engineers, and certain departments of the Gold Coast Government, expect to be engaged in producing reports on these matters for consideration of the interested parties from now until about May, 1954. At that time, interest of Gold Coast personalities in the Project will doubtless fall into abeyance, since it is expected that the elections to the new representative Assembly will be in progress during May and June of that year. However, the technicians will continue to assemble data during the balance of the year for consideration by those concerned as soon as practicable.

(6) By early 1955 Commander Jackson opined, all information needed to decide whether to proceed with the project should be available to the aluminum companies and to the Gold Coast and British Governments. In addition, the political situation should be somewhat clearer by then, when the Gold Coast should have completed some six months under the new regime expected to begin with the institution of the further constitutional changes about June or July, 1954. It appears probable, then, that the final decision as to whether to embark upon the project could be taken toward the middle of 1955. Construction of the dam and all installations will take an estimated seven to 10 years, with seven years as the preferable figure, should it be found feasible after further study of the problem. Commander Jackson said that the earlier estimate of the "phasing" of the project (my despatch No. 44 of September 16, 1953) has now been revised somewhat and that he would send me a memorandum giving the current estimates within the next few days.

There is enclosed a copy of a press statement (Unclassified) prepared by Dr. Morgan in connection with a press conference he held on December 3, shortly before his departure from the Gold Coast which summarizes his views about the Volta Project.

*W*

*William E. Cole*  
William E. Cole  
American Consul

Enclosure: Press statement.

Department, Please send copies to: Dakar, Lagos, London, Monrovia, Montreal

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PRESS STATEMENT BY DR. ARTHUR E. MORGAN FOR  
RELEASE AT PRESS CONFERENCE ON THURSDAY  
3RD DECEMBER, 1953, AT 11 A. M.

During several months past I have gone over the plans of the Volta River Project, as they were sent to me in America, as I saw them in the London office, and in the consulting engineers' office in Accra. Also I have visited the site of the proposed dam by land, air and river in examining the proposed reservoir site and the proposed route for hauling bauxite. I have endeavoured to understand the health problems involved in the light of my previous experience in malaria control.

My overall judgement is that the Volta River Project is feasible, and on the whole is well considered and well planned. The final working plans are not complete. It is almost certain that in the process of completing them it will be found that in some respects the estimated costs will be increased, and in other respects it will be reduced. I understand that no final decision as to whether to under take the Project will be made until the Gold Coast has assumed the position of an independent nation, and can act on its own judgement. By that time the final plans should be far enough along to enable the Gold Coast Government to make its own independent appraisal of the undertaking, and to reach its own conclusions as to whether to adopt the Project.

There is a strong tendency on the part of the public in any country, when a programme of development has been adopted, to be impatient of delay, and to want to proceed at once. It is important that plans be thoroughly developed before construction is begun, and so it seems to be fortunate that studies and plans are now under way, so that there may be no unnecessary delay when the public may be calling for action.

As I compare the possibilities of power development on the Volta with similar possibilities in other parts of the world, it seems that this may be an exceptionally low cost project for electric power. In earlier days, when the world level of prices was much lower, there were projects developed at a lower cost. However, under present world conditions I doubt whether many better opportunities for power development and for use of the power for aluminium production, can be found in any country.

The immediate demand for aluminium production will fluctuate with changing economic conditions, but the widespread use of aluminium is steadily growing, and will continue to grow, and so I think that it will supply a market for a large amount of power.

In some countries, as in the State of Massachusetts in America, and in the State of Travencore in India, the location of rivers and the lay of the land are such that it is possible to begin electrical development on a small scale with small, but economical, projects, and to add more power as the demand grows. However, nature has not been favourable to the Gold Coast in that respect. It seems that you must either develop water power on a large scale, or not at all. Except possibly in the far north, as at Bui, it seems not to be feasible to develop power on the Volta except by a single large dam. That is a physical condition imposed by nature.

(The only exception that I can see to this statement is a remote possibility that a limited amount of power might be developed by relatively small dams on the Bib River or the Tano River or the Ankobra River or the Pre River in the southwest part of the country.

I believe it would be desirable, as a matter of public policy, to have a brief, inexpensive examination made on each of these rivers to determine whether there are possible dam sites where a relatively small amount of power could be developed).

For a project like that on the Volta River, the only chance for making it an economic success is that some large industries will use the greater part of the power. The proposed works would have a capacity of somewhere between 500,000 and 700,000 kilowatt hours of electric power. The total use of power in the Gold Coast at the present time, aside from the mines, is only about 15,000 kilowatts. Even if the use of power should double every five years, which is about twice the rate of the world increase, it would take between fifteen and twenty years for the use to amount to a quarter of what the Volta Project could produce.

The T.V.A. project of power development was made economically feasible by selling most of the power to large industries. Of the total power generated at T.V.A. plants, probably three quarters is sold to large industries, either directly or to large cities where industries are located, or to the Government atomic energy plant, which uses a very large amount. Perhaps fifteen or twenty per cent more is sold to large cities for residential use, street lighting, commercial use, etc. Probably not more than about five, or at most, ten per cent is needed to supply farm homes and all towns and villages of less than 50,000 population, including such industries as mines, sawmills, cotton gins and small manufacturing industries; this in a highly mechanized country where electric power is used for a large amount of mechanical equipment in homes and on farms, and even

for house heating. These figures concerning the T.V.A. are from memory, and are only approximately correct, but I believe they truly represent the actual conditions.

In the progressive native State of Mysore in India, with about three times the population of the Gold Coast, after a forty year programme of electrification, with attention to rural electrification, the total use in the country in 1950 was about 50,000 kilowatt hours, if my memory is correct.

While, so far as I can see, the preparation of plans for the Volta River Project are sound and well handled, further studies are necessary before any final decision is reached on the Project. There are five matters on which, it seems to me, further careful study is especially called for. First is that of the amount of evaporation which will take place in the reservoir. Second is the problem of acquiring land in the reservoir and of insuring that those who must move out are satisfactorily relocated. Third is the matter of insuring the health of the people around the reservoir, especially with reference to malaria and river blindness. When the T.V.A. was organised a quarter of the people in that area had malaria. It has been so completely eliminated that during the three years of 1949, 1950 and 1951 (the last years on which I have reports) the regular inspectors found not a single case of malaria, except three or four that were brought home from Korea. With proper preparation and administration somewhat similar results might be achieved here. Fourth is the matter of hauling bauxite from the mines to the plant. The more cheaply that can be done, the more income will there be for everyone concerned. Fifth is the matter of clearing the reservoir for the purpose of navigation and fisheries, as well as for mosquito control, I have discussed these problems with the Preparatory Commission, and find that they are already working on them.

In my opinion a careful study should be made of housing for the workers on the dam, at the aluminium plant, and at the town of Tema. I hope it will be possible to build a number of small villages with suitable conveniences and with opportunity for gardens, the workmen to be carried from their villages to the places of work by bus or on their bicycles. This would result in much more wholesome and convenient living than the construction of a big, crowded town. If some of these villages are located between the dam and the proposed aluminium plant, they could be occupied by workers constructing the dam and aluminium plant, and then be occupied by workers in the aluminium plant.

During my stay in the Gold Coast I have had several conferences with the Prime Minister, and have talked with most of the Ministers, and with their staffs in the fields of health, agriculture, fisheries, forestry, railroad transportation, meteorology (on rainfall and evaporation), electricity, housing,

education and welfare (with reference to opportunities for workers and their families), and have had a meeting with the Gold Coast National Committee. Also I have consulted frequently with Commander Jackson of the Volta River Preparatory Commission, and on several occasions with his associates on that Commission. Also I have talked over the situation on several occasions with His Excellency the Governor, Sir Charles Arden-Clarke. I have been very favourably impressed with the energy and thoroughness with which the Preparatory Commission has gone about its work, including such problems as those of health around the reservoir, the methods of compensating for land to be covered by the reservoir, the housing of workers, and the effort to get economical results.

It is fortunate that they can be working on these and similar problems now, so that dependable information will be available before the Gold Coast is called on to make any decision as to whether or not to undertake the Project. A year or two of such study may find answers to questions which now may seem serious, such as malaria or river blindness, or, if it should turn out that there are serious questions not now realised, they will have time to become aware of the fact. I find that distinguished experts on tropical medicine, already had been engaged by the Preparatory Commission for a thorough study of health problems.

It has been a thrilling experience to visit the Gold Coast in person, and to observe the process of setting up a free, democratic African nation. The people of America have been much stirred by what is going on here, and are eagerly wishing for the success of the great undertaking. Having read criticism that has been published, I confess that it has been a surprise to me to find with what keen interest, friendliness and sincerity the representatives of the British Government here in the Gold Coast are cooperating to make the great undertaking a success. I have talked with many of them intimately, and if there had been a lack of sincerity and genuine cooperation I should have found it out. It has been an unusual privilege to make the acquaintance of your Prime Minister, and to observe the energy and buoyancy of spirit with which he carries his very heavy burdens. I hope that the way in which the Volta River Project is considered and dealt with will not add to his burdens. The creation of a new nation calls for all the strength, wisdom and energy any man ever possessed, and I am sure that the people of the Gold Coast will want to save their leader from unnecessary tax upon his time and strength.

# DEVELOPING ALUMINIUM PRODUCTION

## £144 Million Plan for Gold Coast

FROM OUR POLITICAL CORRESPONDENT

WESTMINSTER, TUESDAY.

The Government announced to-day its approval in principle of the Volta River scheme for the production of aluminium in the Gold Coast. The scheme is intended ultimately to produce aluminium at a rate of 210,000 tons a year. The total capital expenditure needed to start the scheme would be about £100 millions, but would finally total £144 millions, shared between the Governments of the United Kingdom and the Gold Coast and the Canadian and United Kingdom aluminium producers.

Reserves of bauxite in the Gold Coast would provide two hundred years' supply at the maximum rate of production of aluminium. Power would be supplied from an artificial lake of some two thousand square miles in area to be created about seventy miles up the Volta River.

The first part of the scheme which would take from five to seven years to complete would give an annual production of 80,000 tons of aluminium. Demand for aluminium is expected to



go on rising, and the creation of a new source of supply in the sterling area would relieve expenditure on dollar imports.

### Cost to Britain

The British Government, though believing that the results of careful preliminary surveys justify a declaration of approval in principle of the scheme, is naturally anxious not to repeat the mistake of the late Government in developing the East African groundnuts scheme precipitately. The British Government's share of the proposed capital investment would be £43,000,000 at the start and might rise to £57,000,000. It is a vast project.

Ministers, therefore, propose, with the agreement of the Gold Coast Government, and the aluminium producers, that a preparatory commission of experts and technicians should be set up at once to follow up the work already done and to examine in greater detail the chief problems to be overcome. Apart from the construction of the Volta dam and the smelter works, the scheme would involve the supply of various services, including houses, and some railway buildings. The com-

mission would be instructed to report with all practicable speed, but might need anything up to twelve months to do its work thoroughly.

A supplementary estimate covering the cost of the commission during the current financial year will be presented to Parliament. The United Kingdom and Gold Coast Governments will share this cost at present, but ultimately it will fall upon the scheme as a whole.

### Lack of Publicity

The news of this ambitious development plan was not advertised to the House of Commons to-day by Mr Lyttelton, the Colonial Secretary, who had to deal instead with a private notice question about the latest disturbances in Kenya. All the Government did to-day was to issue a White Paper on the Volta River scheme through the Vote office. This seems to have been a curious neglect of public relations.

Private enterprise is to be primarily responsible for aluminium production, and the Governments of the Gold Coast and the United Kingdom for the hydro-electric scheme and the public works and services. The private companies involved are Aluminium Limited, of Canada, and the British Aluminium Company. The smelter company would be obliged for thirty years from the start of production to offer buyers in the United Kingdom not less than 75 per cent of the metal used.

### NEED FOR NEW PORT

Referring to port facilities in the Gold Coast the Government White Paper on the development of aluminium production states that the Gold Coast Government had decided that a new port at Tema was required in any case for the general needs of the territory. Work on this was already in hand.

On the capital needed for the smelter company, the White Paper says:

"The Gold Coast Government, Aluminium Limited, and the British Aluminium Company would provide the equity capital of the smelter company, Aluminium Limited contributing the major part. The Gold Coast Government, as trustees of the people of the Gold Coast, would have the right to provide 10 per cent of the equity capital as it was issued from time to time.

"After the smelter company had been in production 25 years, and upon the request of the Gold Coast Government, the smelter company would in addition undertake to offer for sale at a reasonable price to private Gold Coast investors equity stock (either new stock or stock then in the hands of the aluminium companies) in an amount equal to the amount of equity stock previously transferred to private Gold Coast investors from the Gold Coast Government's original holdings.

"The aluminium companies attach importance to private enterprise and are anxious that Gold Coast private investors should participate in the equity of the smelter, but realise that for some time it is unlikely that private Gold Coast funds will be available."

# MORE ALUMINIUM FOR U.K.

## DETAILS OF GOLD COAST PROJECT

### GOVT. AND INDUSTRY IN £144m. VOLTA RIVER PLAN ANNUAL OUTPUT PLANNED OF 210,000 TONS

Financial Times Reporter

The Volta River Aluminium scheme, a £144m. project for developing production of aluminium in the Gold Coast to an ultimate rate of 210,000 tons a year, is outlined in a White Paper published yesterday.

The plan envisages a partnership, in which private enterprise would be primarily responsible for aluminium output, and the U.K. and Gold Coast Governments for a big hydro-electric scheme and public works and services. The scheme would guarantee to U.K. industry sterling area supplies of aluminium at competitive prices.

The first stage of development, yielding 80,000 tons of aluminium a year, would take five to seven years, and would cost £100m. The full scheme might require 20 years.

While the U.K. Government has approved the project in principle, in view of its magnitude a Preparatory Commission is to be set up immediately to follow up work already done and to make recommendations on which a final decision can be taken.

The White Paper records the view of the Aluminium Industry Council, the representative body of the various sections of the U.K. industry, that on a conservative estimate U.K. requirements of aluminium will increase at an average annual rate of 5 per cent. over the period 1950-60.

#### RISE IN DEMAND

##### Trebled by 1975

By 1975 three times as much aluminium may be needed as in 1951, when consumption was 316,000 tons (including 113,000 tons of secondary metal). The U.K. fabricating industry now has a capacity of  $\frac{1}{2}$ m. tons a year.

Almost 20 years ago the possibility of aluminium production on the Volta River was first considered. Commercial investigations, started in 1938 but postponed by the war, resulted in 1945 in formation of West African Aluminium (in which Aluminium of Canada now has an interest) to carry the scheme forward.

The two companies principally interested in the scheme are British Aluminium and Aluminium of Canada.

An important point in aluminium production is the heavy demand on electric power which the extraction processes make. Unless cheap power is already available in large quantities, a major new development of aluminium-producing capacity in

£29m. The full development, to 210,000 tons annual capacity, is estimated to cost £64m. Aluminium production would begin as soon as the power project was in operation.

3. Extensive public works at an estimated cost of about £26m, would be required. They would include new port facilities, railway and road developments, and housing, schools, and other amenities. Of this, some £11m. would be for a new port. The

Gold Coast Government has decided that a new port at Tema is required in any case for the general needs of the territory, and preliminary work is already in hand.

The Gold Coast Government is to be responsible for financing and carrying out the public works, such as a new port, railways, roads, and townships at the dam site and port.

#### POWER FINANCING

##### U.K. Responsibility

The U.K. Government will have major responsibility for financing the power project, but the Gold Coast Government will contribute at least £8m.

Development and operation of the aluminium smelter and the bauxite mines will be the responsibility of a company, the equity in which would be provided by the aluminium companies, except for a minority in Gold Coast hands.

It is, however, proposed that the

### THREE-PART PLAN Cost of Plant

The plan, favourably reported on by Sir William Halcrow and Partners, is in three parts. All estimates given are based on 1952 prices and costs:—

1. The construction of a power station at Ajena, about 70 miles from the mouth of the Volta River, involving the creation of a reservoir with an area of 2,000 square miles. This would ultimately have a continuous generating capacity of 564,000 kw. and would, it is provisionally estimated, cost £54m., but the full capacity would not be installed at the outset and it is estimated that the cost of the initial stage would be £45.5m.

By far the greater part of available power would be used for aluminium production, but power would also be available for other consumers.

2. The erection of an aluminium smelter in the vicinity of Kpong, 12 miles from Ajena. This would have an initial capacity of 80,000 tons and an ultimate capacity of 210,000 tons of aluminium a year.

The bauxite deposits (from which aluminium is derived) at Mpraeso and Yenahin would be developed to supply the smelter. The cost of a plant and ancillary works to produce 80,000 tons a year is estimated to be

upon, also to provide up to half the cost of expanding the capacity from 80,000 to 120,000 tons, these contributions to be on a suitable non-equity basis.

The U.K. investment in the power project would take the form of a loan to a Volta River Authority, and subsequently the Volta Electricity Board, which would be repayable over 80 years.

### SMELTER COMPANY 30-Year Obligation

The smelter company will be under an obligation for 30 years from initial production to offer buyers in the U.K. not less than 75 per cent. of the metal produced. The option would be in terms "ensuring that in normal circumstances the price would not compare unfavourably with North American prices."

As a result of the scheme, U.K. consumers should be able to count on at least 60,000 tons a year of additional sterling area aluminium in the early days of the smelter—on present expectations by 1960 or soon after—and on a minimum of 157,500 tons a year when the full capacity of 210,000 tons is being worked. The Preparatory Commission will be appointed as soon as possible, and will be instructed to proceed with all practicable speed.

## REARMAMENT NEEDS

The spectacular growth in world production and consumption of aluminium is reviewed in the White Paper. While there was a substantial fall after the war, output by 1951 was well on the way again to the 1943 peak of 1,850,000 tons, and may exceed it in 1952.

This is attributed in part to rearmament needs, but mainly to development of new uses for aluminium and its use in substitution for other metals.

Whereas in the late 1920s and early 1930s average total annual U.K. consumption only slightly exceeded 20,000 tons, in 1946 it was more than 200,000 tons, and had grown to 316,000 tons in 1951.

The increase in defence demand as a result of rearmament is thought, broadly speaking, to have been offset by restrictions on demand for other purposes.

On future supply prospects, the White Paper asserts that there is no danger that expansion of aluminium production will be restricted because of shortage of its raw material, bauxite. Known world ore reserves are about 1,500m. tons, or 350m. tons metal content.

The White Paper records that 30,000 tons of aluminium a year is produced by the British Aluminium Company, using hydro-electric power from the Scottish Highlands. Further large-scale production in the U.K. is not foreseen. Interesting possibilities of new processes are

under scientific investigation, "but it will be a long time before commercial development is a practical proposition."

### COST OF SCHEME

Estimates of the cost of the scheme are:—

Capacity in tons	80,000	120,000	210,000
Port, Rail, Road and other Public Works	£m	£m	£m
Gold Coast Govt. . . . .	26.0	26.0	26.0
The Power Project			
U.K. Govt. . . . .	37.5	41.5	46.0
Gold Coast Govt. . . . .	8.0	8.0	8.0
	45.5	49.5	54.0
The Aluminium Smelter			
U.K. Govt. . . . .	5.8	10.8	10.8
Gold Coast Govt. and private investors . . . . .	2.3	2.8	5.3-10.6
Aluminium cos. . . . .	20.9	25.4	47.9-42.6
	29.0	39.0	64.0
Total . . . . .	100.5	114.5	144.0
To be borne by:—			
U.K. Govt. . . . .	43.3	52.3	56.8
Gold Coast Govt. and private investors . . . . .	36.3	36.8	39.3-4
Aluminium cos. . . . .	20.9	25.4	47.9-4
Total . . . . .	100.5	114.5	144.0

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SUBJECT: Meeting of Trans-Volta Togoland Council on December 12, 1953.

As of possible interest to the Department there is quoted below the text of a memorandum prepared by Mr. Robert I. FLEMING, Vice Consul and Information Officer with the USIS, Accra, concerning his recent visit to British Togoland:

MEMORANDUM

"On Thursday, December 10, 1953, I drove to Ho, administrative center of British Togoland, accompanied by Mr. Robert RAYMOND, Press Officer for the Volta River Project Preparatory Commission. The purpose of our trip was to present an exhibition of photographs of the Tennessee Valley Authority and the Volta River Project, sponsored jointly by the United States Information Service and the V.R.P. Preparatory Commission. In addition, the U.S.I.S. planned to show films on the T.V.A. and related subjects on three successive nights. This exhibition was meant to coincide with the meeting in Ho of the Trans-Volta and Togoland Council, and with the visit to the Council of the Prime Minister (Nkrumah) and the Minister of Commerce and Industry (Gbedemah). Their purpose in appearing before the Council was to explain the views of the Gold Coast Government with regard to the "intergration" of British Togoland with the Gold Coast; and also to attempt to clarify their stand on the Volta River Project, and, if possible, to reduce opposition to the scheme.

"The exhibition, judging from the remarks written in the visitors book by members of the T.-V. T. Council, was a great success. By dramatizing the possible benefits of a hydro-electric power scheme, the exhibition apparently clarified for many the various aspects of such a project, and it is obvious that it helped put to rest some of the fears and suspicions which were prevalent in the area. We were congratulated by both Ministers and by the Chief Regional Officer, Mr. George SINCLAIR. All concerned expressed their appreciation for the assistance which the exhibition and the films had rendered. However, it was not the exhibition but rather the conversation at a dinner party held in the Residency at Ho which has given rise to this report.

"The Prime Minister and Mr. Gbedemah were expected to arrive in

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Ho late Friday afternoon, December 11. The Sinclairs had planned a Sherry Party for them to which leading members of the Trans-Volta and Togoland Council had been invited. They were late and arrived while the party was in progress. Afterward, they remained for supper, and Mr. Raymond and I, along with David Allen, the Assistant Regional Officer, were asked to remain as well.

"The conversation throughout dinner and afterward centered around 'integration', the recent representation to the Trusteeship Committee of the United Nations, and the Volta River Project. (I was especially struck by the fact that far from being the 'disinterested civil-servant', Mr. Sinclair was deeply involved in the pro-integration tactics in Togoland. Since this coincides with the stand of the British delegation at the United Nations, I assume that Mr. Sinclair is acting officially, and that this is not simply a tangent of his own.) It was obvious that they all had been annoyed by the decision (Resolutions?) of the U. N. Fourth Committee and by the position taken by the supposed friends of the Gold Coast, Liberia and India. Mr. Sinclair stated and the Ministers concurred with him that the Gold Coast must never again permit the "separationists" (Antor and R.E.G. Armattoo) to enjoy a monopoly of representation. Next time, they all agreed, a Togoland official would be sent to support the Government's view. The man named as the most likely candidate was Mr. B.C.B. NUTSUGAH, who has spent thirty years in the Government Service in Togoland and who is himself an Ewe.

"The Prime Minister gave Mr. Sinclair a copy of the speech which he planned to give before the T.V.T. Council the next morning. We learned later that Mr. Sinclair had made a number of changes, because, as he stated, "The Prime Minister had missed a number of points where he could crack down on his opponents."

"On the Volta River Project, Mr. Sinclair agreed with the Ministers that the United Africa Company must not be allowed to maintain a transport monopoly on the Volta Lake, should the project be completed. The U.A.C. now has such monopoly control over the ferries which cross the Volta at four different points, and apparently African interests had feared that a similar situation might prevail on the prospected Volta Lake, cutting them out of what should be a highly lucrative business. Mr. Sinclair said that he had already advised certain Africans how they might go about setting up such a transport company. The men talked at length about the meeting which was to take place the next morning, and of the best way to approach the councillors so as to allay their fears and align them with the promoters of the Volta River Project. Mr. Gbedemah was advised to stick strictly to the prepared questions and answers which had been worked out by the Preparatory Commission, the Ministry of Development, and Mr. Sinclair, though it was agreed that he might answer any supplementary questions which might be put. About eleven o'clock the Ministers left to confer with their Party colleagues on the rest of their itinerary.

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"The meeting of the T.V.T. Council took place at 9:30 Saturday morning, December 12. After a brief introductory address by the Chairman, the chief of Anfoega, the Prime Minister addressed the Council on his government's plans for developing the Trans-Volta-Togoland area. He made a number of appeals to their nationalist spirit and assured them that when the Gold Coast achieved its full independence, it would not leave its 'Togoland brothers' behind, but would attempt through 'integration' to afford them the same benefits and freedoms which they were to enjoy. Mr. Gbedemah spoke on the Volta River Project; read the prepared questions and answers, and then answered a number of supplementary questions which were put to him from the floor.

"At the conclusion of the meeting, everyone crossed the compound to inspect the T.V.A. - V.R.P. photographic exhibition.

"It is quite evident that if an integration of British Togoland with the Gold Coast does not take place, apart from other considerations, it will create a number of serious problems so far as the Volta River Project is concerned. Certainly, the 'separatists' will do all in their power to enlarge on current fears and suspicions in an attempt to thwart the Convention Peoples' Party of Dr. Kwame Nkrumah. This could seriously complicate the political aspects of the scheme."

There are also enclosed ~~three~~ copies of a press release of December 14 which gives the ~~text~~ of the speech made by the Prime Minister (Nkrumah) before the Trans-Volta Togoland Council on December 12. As may be observed, the speech outlines the use to be made of a sum of two million pounds for development in British Togoland and constitutes a plea for "integration" of the Trust Territory into the Gold Coast.

*William E. Cole*  
William E. Cole  
American Consul

Enclosure: *W*

- 1. Press Release No. 1670/53 (3 copies).

Department: Please send copies of despatch to: Dakar, Lagos, London, Monrovia, Paris.

*W*

CONFIDENTIAL

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Encl. No D. 124

Jan. 4/54 from

NEA  
DC/R

PRESS RELEASE NO. 1670/53

Accid

SPEECH GIVEN BY THE PRIME MINISTER TO THE TRANS-VOLTA  
TOGOLAND COUNCIL AT HO ON SATURDAY, 12TH  
DECEMBER, 1953.

Some five months ago, I announced in the Legislative Assembly that, so as to show its goodwill towards the people of this Region and to demonstrate in a practical manner its concern for their well-being, the Government had decided to make available, in addition to the considerable funds already allocated for that purpose under the development plan, a sum of £2 million for the further development of the area.

Of this sum, £1 million was to be spent on improving communications by providing a bridge across the Volta River in the Senchi area and by making a start on the reconstruction and improvements required to bring the Trusteeship section of the road from Bawku to Senchi up to main trunk road standard.

It has been decided that £550,000 will be earmarked for the construction of the bridge across the Volta and our technical advisers have agreed that the best site is at Adomi where a steel arch bridge can be constructed. The Government has accepted this advice and it is hoped that tenders for the construction of the bridge will issue shortly. I hope that in approximately two years' time the people of this Region will be able to visit Accra without being subjected to the delays and inconvenience which so often attend the crossing of the Volta at present.

£110,000 is to be spent in Northern Togoland on the improvement of the Pimballa-Bawku section of the main trunk road and £300,000 is to be spent on bringing the first stretch of the main road from Kpeve northwards up to the standard of a first class trunk road, while £30,000 is to be devoted to tarring the trunk road where it passes through towns and villages.

The Government asked your Council to suggest how the second £1 million which has been made available for the additional development of the region could best be spent. You put forward well balanced proposals to supplement our general development plan and I am glad to be able to tell you that the Standing Development Committee has approved these proposals in principle.

Subject to the approval of detailed plans by the Standing Finance Committee, it has been agreed:-

that the hospital at Worawora shall be extended and that another hospital shall be provided on a site to be decided later somewhere in the southern part of the region; it is estimated that these hospitals will cost about £80,000 each;

that medical facilities will be further extended by the provision of an improved dressing station and maternity home at Peki at a cost of £10,000 and by the provision of other dressing stations and maternity homes through the region at a total cost of a further £21,000;

that £300,000 shall be spent on meeting the urgent need for improved water supplies, particularly in the savannah areas south of Ho, and that this money shall be spent in accordance with a programme of work to be drawn up by the Departments of Geological Survey and Rural Water Development.

It is hoped that the supplies on which it is decided to spend these funds will be economic since I am confident that you all appreciate the need for making your Local Authorities self-supporting. In the spending of this money you will have an opportunity to set an

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example to the rest of the Gold Coast and I hope that you will not fail to avail yourselves of it;

that \$100,000 shall be devoted to building at Kpandu a Trade School which will help towards a better balance of education in the Region and will become of increasing importance as the quickening pace of development in the Region requires more and more young people with technical training; a further \$40,000 is to be set aside to assist your scholars to make the best use of the educational facilities already provided in the region and elsewhere and to ensure that no deserving young person fails, because of lack of money, to enjoy the higher education to which his ability entitles him.

that \$304,000 should be spent on the building of new roads and the reconstruction of some existing roads; it is hoped that advantage will be taken of the works programs made possible by the allocation of these funds to build up a properly staffed and equipped works organisation for each of the five District Councils in the region. It is proposed that, of this sum, \$5,500 should be made available for the tarring of the main roads in Ho;

that \$50,600 should be utilised to improve telecommunications in the region; it is hoped that when the proposed works are completed nearly all Local Council headquarters will have a telephone; and finally, that \$1,000 should be spent in completing the Community Centre at Afoega where the people have given us all such an excellent example of community development.

These are your own plans put forward by this Trans-Volta Togoland Council, which is made up of elected representatives of local and district councils from all over the Region. I congratulate you all on your work and on the spirit of unity and co-operation which has, I hear, been an outstanding feature of all your meetings. I would like to congratulate your Chairman for his share in this.

The Gold Coast Government has taken you into real and effective partnership in planning additional development for Trans-Volta Togoland. This is a step, which, I am sure, will bring great benefit to the people themselves.

This is what has been decided. In spite of misrepresentations which have been made by ill-disposed persons, the goodwill of Government towards all the people of Trans-Volta Togoland will continue to be shown not only in words but in deeds.

Among the many things said at Lake Success by these ill-disposed persons the most noteworthy has been the apparent fear of these persons of the processes of democracy. Not one of them, so far as I am aware, has sought to demonstrate the strength of his beliefs or of his following by standing for election to the present Assembly. They have expressed a similar fear of other forms of democracy, such as the plebiscite.

But we do not have those fears. We believe in the democratic principles.

While the United Nations have discussed in the last few weeks a Resolution requesting the application of universal suffrage and the secret ballot to the Trust Territory of Togoland we, the Gold Coast Government, in our proposals for constitutional reform have already provided for the application of direct elections to all parts of the Gold Coast and to the Trust Territory

under United Kingdom Trusteeship. We have arranged for universal suffrage and voting by secret ballot. And we have made it clear that representation in all Regions will be based upon the population of those Regions.

These proposals in regard to elections have been accepted by the United Kingdom Government and embodied in a new Ordinance passed and assented to before the United Nations came to approve its Resolution.

There have recently been many attempts to confuse the people of this region and the United Nations about the policy of the Gold Coast Government towards Togoland under United Kingdom Trusteeship. Our attitude has been made clear to you all and we have been very open with you.

Let me read what is said in the White Paper on the constitution:

"The Government takes this opportunity of defining its attitude to the Togoland problem. The Northern Territories Council has expressed grave concern regarding the future of the Northern Section of Togoland under United Kingdom Trusteeship; four of the most important Northern Territories States extend into Togoland, and the Paramount Chiefs and people are not prepared to see them dismembered by an international boundary. They therefore insist that a decision on the future of the Northern Section of Togoland should be taken before any further major advance is made towards self-government. The Prime Minister has assured the Northern Territories Council that, while the time has not come for formal proposals to be presented to the United Nations for the amendment of the Trusteeship Agreement, the Government of the Gold Coast is confident that, when the time comes, the United Nations Organisation will not fail to give satisfaction to the frequently reiterated and unanimous demand of the people of the Northern Section for their area to become part of the Northern Territories of the Gold Coast. Indeed for the United Nations Organisation to do otherwise would, it is considered, be contrary to the basic objectives set out in the United Nations Charter. The Chiefs and people concerned have made it abundantly clear that they have no intention of allowing an international boundary to divide the people living in the Northern Section of Togoland under United Kingdom Trusteeship from the Northern Territories.

There is a growing opinion in Southern Togoland in favour of integration with the Gold Coast and it is hoped that, when the advantages of joining a self-governing Gold Coast are fully appreciated by the people of that area, they will be in a position to make clear their wishes for their future status".

We have given many assurances that we want the ordinary people in British Togoland to decide in a democratic manner whether they want to be with the Gold Coast when very shortly we achieve full self-government.

The whole of the Northern Section and the Buem Krachi area have already demanded on many occasions to be allowed to become part of the Gold Coast. Many others, in all parts of the Southern Section, have made similar requests. We believe that when the mass of the people have had a full opportunity of seeing where their interests lie, they will demand, in an unmistakable and democratic manner, that they shall be allowed to join the Gold Coast in the attainment of self-government.

We have now been together for a very long time, nearly

40 years - and we have got on very well as friends. Since our new government came into power we have been even closer together and we are doing our best to meet any complaints that may have arisen in the past that the development of trust territory has lagged behind that of the Gold Coast. There has never been such development in trust territory as in these last three years and, as I have tried to show you, there is much more to come. We want you all to feel that if you are coming with us you will get a generous deal. That is the only basis on which my colleagues and I would wish you to join us. We, as a young and vigorous African nationalist government wish to build our new democracy by ordinary democratic methods and that is why, in the ultimate issue, we have insisted that the final choice, whether or not you join us, shall be left to majority opinion among you.

Some people wish to prevent the Northern Section and the Buem Krachi area joining the Gold Coast and wish again to cut off the Ewes and Peki/Anlo and Tongu from the Ewes in British Togoland just when we have given them real and immediate unification. We know that these people represent a minority and that they are trying by false claims made to the United Nations to impose their will on the vast majority of ordinary people in British Togoland. They have demanded that we should not be allowed to canvass public opinion in Trust territory. You have your own people all over trust territory who belong to the party on which the Gold Coast Government is based - people who are determined that they will march to Self-Government with the Gold Coast. How can they be denied the basic democratic right to express their own views and canvass support? Some people have asked that this political party should be prevented from organising in trust territory. They have tried to prevent by force free democratic meetings in Hohoe. We believe that this is a minority demand made because they fear that their claims to wide support will be found to be false. They wish to suppress public opinion. We, for our part, are determined that majority opinion shall be the deciding factor.

We have not based our claims to popular support on elaborate petitions and many journeys to the United Nations. We have tested public opinion locally time after time. Those who want to separate British trust territory from the Gold Coast have fought every measure of our Government to introduce a system of democratic local government; on every issue their leadership has been rejected by the people themselves with the result that today we have a system of local self-government on the Gold Coast pattern which is a happy union of modern local government procedures and our cherished institutions. Whenever the claims of the separationists have been put to a democratic test they have failed. You will shortly be electing representatives to the new Legislative Assembly under the new constitution, and you will in fact be enjoying your full share of the great measure of self-government for which we have fought together for so long.

We shall be managing our own affairs locally in our own territory as dignified men. We shall not be looking across the sea for approval for every measure we decide upon for our own good. We are already in command of our own local affairs and you are sharing that responsibility with us. We all know that this is the way for Africa. That is why the vast majority of you want to take the final step with us and end your "trustee" status. We do not want to leave you who have been with us for nearly 40 years behind in some form of trustee status, when we have gained our freedom.

We do not want to see the Ewes of trust territory split once more away from the Ewes in Anlo, Tongu and Peki: nor do you. We do not want to see the Dogombas split into two once more.

I know that when we enjoy full independence we shall work with redoubled efforts for wider freedom for all Africans. We want to be strong for that struggle and we want you who have helped us in this struggle so far to stay with us and bring help to all who have not yet succeeded in winning independence.

I have spoken plainly. This is a matter for ourselves to settle here by democratic methods. We don't want it settled for us by others. That has happened too often when the fate of African peoples has been at stake. Those days are finished for us here in West Africa. We believe that the United Nations will respect your right to self determination if your wishes are made plain beyond doubt.

This was the implication of its rejection only this week of a Resolution the effect of which would have been to deny the right of the people of Togoland under United Kingdom Trusteeship to choose with whom they would associate when the time came for them to be independent.

We, the Gold Coast Government, are prepared to abide by the decision of the majority of the people in British Trust Territory and we hope we shall find you with us on our day of independence.

(ISSUED BY THE PRIME MINISTER'S OFFICE)

14TH DECEMBER, 1953

/ENM./

FOREIGN SERVICE DESPATCH

845K.2614/11  
1-654  
1/12/54

FROM : American Consulate General, Accra 127

TO : THE DEPARTMENT OF STATE, WASHINGTON.

January 6, 1954

REF : CERP, November 14, 1952, Section D, Item 3; Accra's Despatch 109 December 14, 1953.

For Dept. Use Only	ACTION	DEPT.
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	NEA-4 1/11	IN O DEPT. 2 EUR-5 Rep-1 Jakar-Lagos-1 London-Munich Montreal Com-8 FOR-10 IN-5 Civ-5

SUBJECT: Timing of Volta River Project.

See D-109 12-14-53 from Accra

Supplementing my despatch No. 109 of December 14, 1953, entitled "Interview with Head of Volta River Preparatory Commission" there is set forth below a "tentative timetable for the Volta River Project" as given me by Commander Robert G. A. JACKSON on December 30. As may be observed this timetable modifies to some extent that contained in my despatch No. 44 of September 16, 1953, in that completion of the project would appear to take about two years longer (until 1964) than estimated earlier. Commander Jackson has pointed out that the dates given should be considered as applicable for planning purposes only and that they represent the best estimates which are possible on the information available at this time.

- 1.) Decision on tenders received for Port of Tema about mid-1954
- 2.) Construction of Tema to start by about Sept. 1954
- 3.) Preparatory Commission to conclude initial studies of technical and economic aspects of the scheme late 1954
- 4.) Intergovernmental and aluminium companies to discuss Preparatory Commission's report and decide whether tenders for the main project should be invited end 1954 or early 1955
- 5.) Tenders for the main Volta Project to be received by about Sept. 1955
- 6.) Preparatory Commission to have completed its work (draft of V.R.A. statute, Master-Agreement, etc.) about Sept. 1955
- 7.) Decision on tenders shortly after Sept. 1955

William E. Cole/ram  
REPORTER

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(Classification)

- 8.) "Year of Grace" in which preliminary work would be carried out (e.g. housing, medical services, access-roads, etc. end 1956
- 9.) Dam construction begins 1957
- 10.) One berth in Port of Tema available early 1957
- 11.) New railways from Aya to Kumasi and Koforidua to Kpong (if this method of transporting bauxite is decided upon) to start about 1958 or 1959
- 12.) Second berth at Tema available about 1959
- 13.) Construction of Alumina factory and Smelter to commence 1960 or 1961  
(Also development of deposits)
- 14.) Construction of Dam and Power Project completed 1963  
(construction of railways and Alumina factory and Smelter to be synchronized with this date).
- 15.) First power available towards end 1964

Commander Jackson also left with me a very tentative analysis of the labor force needed for construction of Tema Harbor, of the dam and power project, development of the bauxite mines, and for construction of the alumina factory and smelter. A copy is enclosed.

*William E. Cole*  
William E. Cole  
American Consul

Enclosure: *1*

Copy of estimate of labor force required for main elements of Volta River Project.

Department please send copies to: Dakar, Lagos, London, Monrovia, Montreal.

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(Classification)

ESTIMATED LABOUR FORCE REQUIRED FOR MAIN ELEMENTS OF VOLTA PROJECT  
(Railways excluded)

	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>
<u>PORT OF TEMA</u>						
Overseas	65	95	95	70		
Local	<u>1485</u>	<u>3455</u>	<u>4005</u>	<u>1480</u>		
TOTAL	<u>1550</u>	<u>3550</u>	<u>4100</u>	<u>1550</u>		

DAM AND POWER PROJECT

Overseas		24	181	195	209	245
Local		<u>1125</u>	<u>2442</u>	<u>2733</u>	<u>2012</u>	<u>3608</u>
TOTAL		<u>1149</u>	<u>2623</u>	<u>2928</u>	<u>3221</u>	<u>3853</u>

TOTAL

Overseas	65	119	276	265	209	245
Local	<u>1485</u>	<u>4580</u>	<u>6447</u>	<u>4213</u>	<u>3012</u>	<u>3608</u>
TOTAL	<u>1550</u>	<u>4699</u>	<u>6723</u>	<u>4478</u>	<u>3221</u>	<u>3853</u>

	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
<u>DAM AND POWER PROJECT</u>				
Overseas		270	254	174
Local		<u>3958</u>	<u>3592</u>	<u>1745</u>
TOTAL		<u>4228</u>	<u>3846</u>	<u>1919</u>

BAUXITE MINES

Overseas		10		
Local		<u>100</u>	30	50
TOTAL		<u>110</u>	<u>325</u>	<u>550</u>
			<u>355</u>	<u>600</u>

ALUMINA FACTORY AND SMELTER

Overseas		100	350	540	860
Local		<u>1000</u>	<u>3800</u>	<u>5300</u>	<u>8400</u>
TOTAL		<u>1100</u>	<u>4150</u>	<u>5840</u>	<u>9260</u>

TOTAL

Overseas		380	634	764	910
Local		<u>5058</u>	<u>7717</u>	<u>7595</u>	<u>8950</u>
TOTAL		<u>5438</u>	<u>8351</u>	<u>8359</u>	<u>9860</u>

48

JULY 28 1954

reply refer to

Dear Mrs. Cooper:

Reference is made to previous correspondence concerning the visit of Mr. H. C. Walker of the Gold Coast to the United States.

I am in receipt of a letter from Mr. William E. Hiatt, Chief, Hydrologic Services Division, United States Weather Bureau, stating that he would be glad to meet with Mr. Walker on Monday August 9 at 9:00 a.m., EDT., in room 310 of the Main Building of the Weather Bureau at 24th and M Streets, N. W., Washington, D.C.

Mr. Hiatt adds that although the Hydrologic Services Division, which deals with the evaporation problems in which Mr. Walker is interested, is located at Suitland, Maryland, he believes it best that Mr. Walker first meet with him at the main office of the Weather Bureau. Arrangements for continuation of the conversations at Suitland will be made at that time.

Sincerely yours,

John E. Utter  
Director  
Office of African Affairs

Mrs. Peggy Cooper,  
British Embassy,  
3100 Massachusetts Avenue,  
Washington, D.C.

NEA:AF:JJDurnan:lcm

7-27-54

S/S-CR

JUL 28 1954

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CS/VJ

DC/R  
Aug 31

UNITED STATES DEPARTMENT OF COMMERCE  
WEATHER BUREAU  
WASHINGTON

49

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IN REPLY, PLEASE ADDRESS  
CHIEF OF BUREAU  
AND REFER TO

0-6

July 21, 1954

DIRECTOR'S OFFICE *Division Embassy*  
*Planned to Mrs Cooper 7/27/54*  
July 26 1954  
*Letter to Mrs Cooper, Dept. Embassy*  
*date res. 7/27/54 for King & EU.*  
OFFICE OF AFRICAN AFFAIRS *NEA/AF:JJD*

~~46~~  
110

Mr. John E. Utter, Director  
Office of African Affairs  
Department of State  
Washington 25, D. C.

Reference: Your letter dated July 19, 1954, File AF.

Dear Mr. Utter:

Although our Division, which deals with the evaporation problems in which Mr. Walker is primarily interested, is located at Suitland, Md., I believe it best that I meet Mr. Walker on Monday morning, August 9, at the main Weather Bureau office at 24th and M Streets, N. W. I would suggest that Mr. Walker come to Room 310 in the Main Building at the above address, and I will plan to meet him there at 9:00 a.m. EDT. Arrangements for continuation of our talks at Suitland will be made at that time.

Sincerely yours,

*William E. Hiatt*  
William E. Hiatt, Chief  
Hydrologic Services Division

845K.2614/7-2154

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[Handwritten initials]

CS/WJ

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DEPARTMENT OF STATE INSTRUCTION



UNCLASSIFIED  
(Security Classification)

1721 1721 50  
FOR DC USE ONLY

NO.: A-29, January 21, 1954

SUBJECT: Visit to United States of Head of Volta River Preparatory Commission.

845 H. 2614/1-954

TO: Consulate General, ACCRA

Reference is made to the Consulate General's despatch no. 130 of January 9, 1954.

The Department assumes that Commander Jackson will be making his own arrangements with the International Bank for Reconstruction and Development. In so far as concerns the arrangement of appointments with the U. S. Government agencies mentioned in the despatch under reference, the Department has initiated inquiries in the matter and will keep the Consulate General informed of developments.

Meanwhile, it has been suggested by the United States Public Health Service that it would be helpful if you could obtain from Commander Jackson a summary of the areas of health and related housing problems he wishes to discuss with officials of that service.

Smith (Acting)

DC/R  
Central  
845K. 2614/1-954  
71100

DC/R  
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Asst \_\_\_\_\_  
Gen \_\_\_\_\_

S/S - CR

JAN 21 1954 A.M.

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DRAFTED BY: [Signature]

NEA:AF:JJ Durnan:lcm

1-20-54

APPROVED BY:

John E. Utter

CLEARANCES:

845 H. 2614/1-954  
cuc