

The Court of Proprietors seemed in some measure to be sensible of the equity hereof, by restraining themselves from increase of Dividend till this Debt was discharged.

Can it then be believed, that what is now called by the Directors the *Treasury Propositions* could have come from Administration? Does it not reflect on the Dignity of Parliament, by an implication that the Decision of the supreme Legislature in restraining the Increase of Dividend, whilst the simple Contract Debts remained unpaid, was unfair; or at least, if they do not come from Administration, that the Directors thought they might be bribed by the prospect of a large sum to let the Proprietors defraud their Creditors. Is it possible that the Treasury could not only hear these propositions with patience, but reply, that, " They could not have thought them-

" selves

“ selves authorifed to have recommend-
 “ ed to the wildom of Parliament, to
 “ permit the Proprietors to encrease their
 “ Dividend, had thefe Proprietors offer-
 “ ed a lefs fum than 400,000l.” If the
 Company’s Affairs can admit an Increase
 of Dividend, the grounds of the re-ferinding
 Bill are removed. If their Debts are
 not paid, Do the Adminiftration mean
 that they will recommend to Parliament
 to guarantee payment of the Company’s
 Debts? Are they fo little inquifitive into
 the ftate of the Company’s Affairs, as not
 to know that a very fmall part of thefe
 Debts are yet paid? Or Do they mean
 to leave the Creditors to fhift for them-
 felves, and get all *They* can?

“ A Kingdom divided againft itfelf can-
 “ not ftand;” if this prediction be univer-
 fal, the ruin of the Company is much to be
 feared, for the Individuals who form this
 Company and the Adminiftration, who
 ought

ought to superintend and protect it, are so divided and all so little attentive to the real Interest of the Company and of the Public, that nothing less than a miracle can save this important Matter from destruction, if these disorders are not speedily removed.

Before it is possible to form any plan of accommodation, it is necessary to examine into the circumstances of the Company.

The Company's Stock is nominally £ 3,200,000, on which Sum the Proprietors receive a Dividend; but as only $87\frac{1}{2}$ per Cent. has been paid in, the Company has only received £ 2,800,000 from the Proprietors, who are therefore liable to a Call of $12\frac{1}{2}$ per Cent. on their Stock.*

The Company's *Bond-Debt* is a subject, without a knowledge whereof, it is scarce

* This is a matter in which Men are not agreed; some think the valuation of the dead stock was accepted as an Equivalent for the $12\frac{1}{2}$ per Cent.

possible

possible to form a just idea of the State of the Company's affairs. The Company originally [9th and 10th William 3d, 1697-98] lent Government the Sum of £2,000,000, and afterwards [6th Ann 1707] a further Sum of £1,200,000, making the Capital £3,200,000. But afterwards, by agreement with the Company's Bond Creditors, £2,000,000 of this was turned into Annuities. In the late King's reign, 1743, the Company lent a further Sum of £1,000,000 raised on Annuities; so that the Government's Debt to the Proprietors of India Stock is only £1,200,000: For although the Debt to the Company is nominally £4,200,000, the Interest of £3,000,000 is payable to the Annuitants, and has no connexion with the Interest of the Proprietors; The Annuitant's Money being kept in a separate Cash, and the Company having an allowance of £8000 per Ann. from Government for keeping the Books. The Annuitants have the

colateral Security of the Company, but the present Bond-Creditors have only Government Security for £1,200,000 jointly with the Proprietors and all other Creditors of the Company, and the Interest of this Sum only, amounting to £36,000 goes into the Proprietary Stock.

The Company, on their making the loan of 2 Millions to Government in 1697, were impowered to borrow on Bond the Sum of £2,000,000.

Afterwards, in 1707, on making a further loan of £1,200,000 they had authority to borrow £1,500,000.

In 1720 an Act for supporting public Credit empowered the East-India Company to engraft £1,500,000 South Sea Stock, which a General Court of the India Company, 3d January, 1720, had agreed to admit to be engrafted, viz,

£640,000 to present Proprietors of £3,200,000.

860,000 to present and new Proprietors.

This

This Act enlarged the Company's power of borrowing, but at the same time very wisely regulated the grounds on which they might borrow, confining them in the strongest terms "not to borrow, owe, or
 " give security for, any other or greater sum
 " or sums of money than such as shall be
 " really and bona fide expended and laid
 " out in and for the buying of Goods,
 " Bullion or Commodities to be exported
 " for the proper account of the said Com-
 " pany, or shall be otherwise employed in
 " their Trade, or shall be really and bona
 " fide lent on Bottomry on any Vessel in
 " their Service." This Act enabled the Company to borrow such a Sum as might at the time of borrowing be due from the Public to the Company, or £5,000,000 in the whole.

Some alledge that as the proposed engrafting of South Sea Stock never took effect, the Company have no right to borrow by virtue of this Act; however the Act

remained in Force; and in a subsequent Act, in 1743, on the Company's agreeing to make a further loan of £1,000,000, all the powers and authorities that the Company then possessed are confirmed in as full and ample manner as if inserted in that act, and consequently there can be no question the Company are empowered to borrow the Sum specified in the former act, which stood un-repealed.—The act of 1743 empowered them to borrow one million more than they were before authorised to borrow. But a subsequent Act in 1749, for reducing the Interest, enacts “ That the several powers given to the said United Company by several Acts of Parliament *now in force* of raising Money by Bonds under their common seal for the carrying on the Trade of the said Company and lending Money on Bottomry or otherwise as in the said Acts, some or one of them, is mentioned, shall *continue* and *be in force*, but that the sums which the
said

" said Company shall raise by Sale of An-
 " nuities by virtue of this Act as aforesaid,
 " shall be by them applied towards the
 " discharge of their present Bond Debt,
 " and shall be computed and considered as
 " part of what they are so empowered to
 " borrow:" What change this act made in
 the *powers of borrowing* I do not under-
 stand, but it cannot be construed to extend
 farther than to Annuities subscribed sub-
 sequent to that Act.

It must be confessed the powers of bor-
 rowing are not so clearly defined in the
 Acts of Parliament as a Matter of this na-
 ture ought to be, Nor is it mentioned
 clearly whether their Bond-Debts abroad
 are included in the Sum; though it appears
 to me, that their Bond-Debt in general
 is meant as well abroad as at home.

By the Annual Account of June, 1766,
 the Company then owed on Bond
 £.2,900,000; the Government paying In-
 terest only on £.1,200,000, The Company
 therefore

therefore had to pay Interest on a Surplus of £.1,700,000, amounting to £.51,000 per annum.

Their Simple Contract Debts bearing Interest amounted to £.800,000.

They were also indebted for Freight the Sum of £.200,000, for which although they do not nominally pay Interest, they must in fact give an equivalent to the Owners by a higher rate of Freight, than they could engage Ships at, were their Payments immediate.

They also stood indebted to the Proprietors of Private Trade, and to the Supra Cargoes for Commission £.140,000. They pay no Interest on this Sum, but it is a very great injustice to the Proprietors thereof, to have their money withheld from them without any compensation, and is such a grievance as ought to be removed, either by prompt payment or by an allowance of Interest.

They

They also owed for Tradesmen's Bills £.157,000, which is parallel to the case of the Owners of the Shipping, for if the Company do not pay ready-money they cannot be served at the cheapest rate.

They also then stood indebted for Customs £.500,000.

The Nett Sales of the Company were, in 1768, £.3,200,000.

The Amount of Exports in Goods and Manufactures £.545,000.

The Amount of Customs estimated at £.850,000.

The Home Expences of the Company in lading and unlading their Goods, Wages, Salaries, &c. 5 per Cent. on Nett Sales £.160,000.

The Amount of Freight, &c. for their Shipping £.500,000.

The Commission to Supra Cargoes £60,000.

From hence we have a General View
of

of the National Advantage attending this Trade.

The General State of the Company's Affairs for one year will stand thus.

Nett Sales		£. 3,200,000
Exports at	£. 545,000	
Freight	500,000	
Home Expences	160,000	
Supra Cargoes	60,000	
Bills from India as per annual Account, 1766	300,000	
	<hr/> 1,565,000	
Customs	850,000	2,415,000

Ballance in favour of the Company. 785,000

Out of this Sum is to be paid

Interest to Bond Creditors	£. 50,000	
Do. on £. 800,000 Simple	} 24,000	
Contract Debts		
Dividend 10 per Cent:	320,000	
	<hr/> 394,000	
Government	400,000	794,000
	<hr/>	
	* Deficiency	£. 9,000

So that by this Statement the Company would at *home* annually have a Ballance against them of £. 9,000 after paying the Dividend,

Dividend, Interest on Bonds and Simple Contract Debts, and the Stipend to Government. It is indeed alledged the Simple Contract Debts are *now* only £.500,000 and consequently the Interest only £.15,000 instead of £.24,000, which would make the Accompt of Receipts and Disbursements equal. But if the Accompts drawn up by the Directors be just, this cannot be true, for the Amount of the Sales is taken from the *State of Sales* signed by the Accomptant, as is the Amount of Exports; The Home Expences are universally allowed to be 5 per Cent. and the sum total of this Article is not enough to admit any considerable Saving. The Freight was reckoned at £.500,000 in the Evidences given to Parliament, and stands at £.520,000 in the Directors last Estimate. The Customs have been estimated at £.900,000, and in the Directors last Estimate they are reckoned £.930,000, so that this Article does not appear to be over-

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rated.

rated. The Bills indeed are in this last Account reckoned only at £. 228,000, but in the Annual Account of 1766 they stand at £.326,000, and in the above statement there is no charge of the Indemnity for Tea, which stands at £.108,000 in the Directors last Estimate: This Estimate omits entirely the Supra Cargoes Commission, which stands in the Annual Account of 1766 at £.60,000.—The Directors last Estimate encreases the Exports by Bullion £.200,000. So that the above State, by which the Company's Receipts are made nearly equal to their payments, seems very favourable to the Proprietors.

I shall

I shall add the Directors' Estimate for 1769.

Nett Sales	—	—	£.3,673,000
Deduct Customs	£.929,370		
Freight	520,520		
Exports in Goods	500,000		
Bullion	200,000		
Home Expences	194,090		
India Bills	228,000		
Government	400,000		
Dividend 10 per Cent.	320,000		
Interest on Bonds	50,850		
Indemnity on Tea	108,778		
			<u>3,451,608</u>

Omitted

Ballance 222,366

Supra Cargoes	}	50,000	
Commission, say only	}		
Interest on simple	}	15,000	
Contract Debts, say only	}		
Exports under-rated		120,000	185,000
			<u>£.37,366</u>

for on an Average of five Years the Exports amount to £.619,126, and the Proprietors are to engage to export to that Amount.*

* This Average includes Military and Naval Stores, which they did not engage to export to any certain amount—but in 1769 and 1770, the exports (exclusive of Bullion) amounted to above £.600,000 each year.

So that by this Statement the Ballance in favour of the Company, even if the Dividend is not encreased, is under £.50,000 per annum, and therefore it must be Obvious their Charter would expire long before they could pay off their Simple Contract Debts, and the £.1,700,000 Surplus Bonds. Indeed this is the Case, even if we admit the Ballance of £.200,000 as stated by the Directors. Granting that the Company shall continue in peace all the time.

It must be very obvious from this Statement, that the Company are not only unable to pay so large a sum as £.400,000 to Government, but even to continue so high a Dividend, consistent with the views of Parliament, that the Simple Contract Debts and Surplus Bonds shall be paid off. Nor can any Mode of Accommodation be rational in itself, or equitable to the Creditors of the Company, that does not clearly specify

specify at what times these Debts shall probably be discharged.

The Warmest Friend of the Company, will not say that any part of this Nation, whether in a Corporate or Individual Capacity, is independant of the Supreme Jurisdiction of Parliament: No one will be bold enough to avow an open defiance of this Authority.

No Law or Institution can be formed perfect: Exigencies of times and circumstances will constantly require reform, and it is ridiculous to say Abuses shall not be corrected because they were not foreseen, or perhaps because it would have been dangerous to have provided an effectual remedy. It is the first duty of Government to interpose where abuses are apparent.

However sacred private Property must be considered in a *Free* State; this Security, in the eye of Legislation, extends only to the acquisition of Labour and the possession

possession of Inheritance. Sharpers of every denomination, although they may elude, are not meant to be protected by the Law.

Unhappily for the Company, It's Interest is betrayed by a Crew of Speculating Proprietors who hold Stock without Capital, and who have in view immense Acquisitions of Money by selling out on the Rise. It is admitted the Legislature has a right to prevent *Gaming* in Skettle Grounds, but it is pretended they have no Authority to restrain that species of it, which may in a day raise from the Skettle Grounds, Members of Parliament and Legislators of this Kingdom.

The ruin of Individuals and of Family's is in other kinds of Gaming thought an object not beneath the attention of Government, but, in some men's opinion, a foundation may be laid for the ruin of thousands, and for the destruction of the Commerce, and Dominion of this Kingdom,

dom, without the Legislature having a Title to propose relief.

It is pretended that Stock Jobbing is a fair Trade, and not Gaming. These Men produce as an incontestible evidence; the example of the wisest people in the World, the *Dutch*, who are the greatest Stock-Jobbers. Before the Dutch are introduced into the Comparison, an Act of Parliament should be passed to make Bankruptcy, as in Holland, punishable with Death. The Gambler who, having studied every chance of the Dye, and overcome every emotion of the mind, makes *hazard* the occupation of his Life, might with as much truth insist that his occupation is a Trade. Both stand on the same ground; as both are confident of Gain to arise, from the Loss of some one, by their superior Knowledge and Experience. *Trade* implies *Business*, by which the Industrious are employed,

or

or where conveniency to others attends advantage to one's-self.

Having before insisted on the rights of the Company, and pointed out the great danger that would attend the right, being any where else; It may seem that what has been just said is a contradiction to these positions. But the *Rights* and *Interest* of the *Company* are very different from those of the *Individuals* who form the *corporate* Body.

The Proprietors of India-Stock have on all occasions urged, that they ought to be considered merely as Private Merchants, entitled to all advantages they can acquire; and farther alledge that as Government would not have made good their Loss, if the Company had been ruined by the Fortune of War, the Government cannot therefore without injustice claim any part of what the Company has acquired.

These Allegations bear a semblance of plausibility, and though perhaps no disinterested

interested man is convinced by them, many persons have been confounded. But examining them to the bottom, nothing will be more clear than that the Proprietors of India Stock *cannot* be considered as *Individual* Merchants, and that they *cannot* be entitled to the unlimited possession which they claim.

The Friends to the Company have always insisted, that the India Company is no *Monopoly* but a *Joint-Stock*.

A *Joint-Stock* is an exclusive right granted to a Corporate Body for the *general* advantage, from a presumption that under such restrictions the Commerce will be carried on, most to the Advantage of the Community, with an ample compensation to the Parties concerned.

A *Monopoly*, is an exclusive Grant to a few Individuals for their particular Advantage.

The Proprietors of a Joint-Stock can never be considered as Individual Merchants,

chants, because the *Individual Proprietor* is not, and cannot be responsible in *person* and *property* for the Debts of the Joint-Stock: *all* he *can* lose is his Concern in the Joint-Stock.

And this also evinces the very great impropriety in the present mode of the Company's Authority, The Company's Stock being £. 3,200,000 comprehends 6400 Qualifications. At present the list of Proprietors contains 2120, which number much exceeds what it ever did before, and arises from the many *Split-votes*. Of these there are

1815 single votes which hold	£. 907,500 Stock,
and 306 Persons, who hold more than	} 2,292,500
£. 500, possess	

These 306 ought to have 4585 votes. So that the Proprietors of above $\frac{2}{3}$ of the Stock, have only about $\frac{1}{3}$ of the Authority. The old mode of having votes according to *Property* in Stock, was found to throw the power into the hands of a few, but
the

the Modern mode of splitting Stock is worse in its Effects, as it makes a Trade of the Company's Affairs, and the Household Troops belonging to the Shipping, &c. support an interest incompatible with the real interest of the Company, and of the Proprietors who depend only on the Company's Prosperity. Whilst the Directors have so much at *will* in their disposal, they will always be Slaves to the interested Proprietors.

The Criterion of the Company's Prosperity, is its being in a situation to pursue the great and important concessions of the Charter in the manner most extensive, most secure, and most for the Interest of the Nation.

It having now been shewn that the Interest of the Company is very distinct from the Emolument of the Individual Proprietors, who at any particular period form the Corporate Body, and that these Proprietors cannot be considered as Indi-

vidual Merchants, and therefore, that the acquisitions of the Company cannot be compared to the property of such Individuals gained by their Labours. It remains to be examined what is the adequate and ample compensation to which every Proprietor of £. 100 Stock, is entitled under the Publick Sanction.

The example of every day shews too plainly to admit a dispute, that the Legislature has a legal constitutional right for the supposed General Good to deprive Individuals, even of their private property on an adequate compensation; which compensation is not to be determined by the Fancy or Imagination of the Proprietor.

A mean is equally distant from two Extremes: In like manner the *relative extremes* are equally distant from a certain point: and if we state the Original Stock subscribed at £. 100. The Proprietor could not lose more than *all*, and there-

therefore adequately can claim no more than a Compensation of £. 200 for every £. 100 Original Stock.

As this must be allowed to be an *adequate* compensation, if the Proprietors are allowed a Dividend of 8 per Cent, it cannot but be acknowledged to be a very *ample* reward. And that every thing more should be secured for the *Publick*.

It has been alledged, the Limitation of Dividend, damps the Spirit of Enterprize, and restrains Commerce, by depriving the Proprietors of all object of Advantage.

To this two things occur in reply. First, Granting the Objection to be well grounded in general, Restraining the Dividend for a short term, on avowed Grounds, does not damp the Spirit of Enterprize in the least: In 3 or 4 Years no considerable change can be effected in the Commerce, but if there could, the expectation of Proprietors who mean to continue long enough to reap any *fruit* of their

their *Commercial* Enterprize, could not be damped by so short a restraint, which promotes Improvements and Extension of Trade, by having a flow of Cash at the Disposal of the Directors. *Buying Stock without property*, is the only Enterprize this Limitation of Dividend would restrain. The ill effect, an Increase of Dividend has had on the Exports will appear by the State of Exports drawn up by the Accomptant; for the Amount of Exports from September 1764, to September 1766, was £. 1,586,647; but in the two succeeding years since the Increase of Dividend only £. 1,042,932. So that the Exports are decreased in two years £. 543,715. Or £. 271,857, per Annum on an average. Indeed this must naturally be supposed, for as the Exports lessen the Assets at home, from whence the Dividend must be made, every measure to encrease these Assets, may be expected from Proprietors left unrestrained.

It

It shall now be shewn that the Objection is in itself groundless, and that a Spirit of Enterprize is not natural to the Proprietors, even had they no motives of Interest in an Increase of Dividend.

Whatever motives and dispositions may promote the Commerce of an Individual, it is obvious the Fund-Holder is influenced by an expectation of an unincumbered Revenue, not depending on Accidents and the incertainty of Crops, or of Tenants, and which he has it in his power to dispose of with facility, whenever his Commerce or other Concerns require money.

The management of every Corporate Body must remain in the Directors, who alone have before them a view of the Cash and Concerns of the Community, and who from thence can alone be fit Judges in what manner it is to be disposed of. The Authority of electing these Members is always in the Community, and they have a natural
right.

right of superintending their Conduct, and where there is room to suspect any sinister or fraudulent intentions, the Community must have a power of over-ruling the Directors, but undoubtedly this must be restrained to such Instances, and cannot be meant to give the multitude the Common Management of the Company's Concerns. The General Courts ought in fact to be nothing more than a Court of Appeal.

It is impossible for the Commerce of the Company to be extended or improved by any Ideas thrown out, or resolutions formed in a General Court. Commerce so distant must depend on so many concurrent circumstances that the utmost attention; and the most ample information only, can give a probability of Success to any new undertaking, or even to carry on the old branches in the manner most advantageous.

The more extensive the Company's Commerce is, the greater number of people will they employ, and the greater will be the
 extent

extent of their Sales and Purchases; in this almost every Proprietor will be benefited either in promoting Persons to Offices or in the general Trade the Company circulates: So that instead of damping the Spirit of Enterprize, fixing the Dividend, would promote it with those whom the hope of encreased dividend would confine to the present narrow path, lest they should not receive in due time a return for their adventure.

Activity and Enterprize are not natural to a Trading Company; nothing can make them active and enterprizing but an overflowing Cash, and the superintending eye of Administration ready to deprive the Company of their Privileges whenever these Privileges are abused or dis-used.

De Witt's Observation is extremely just, and is fully exemplified in the conversation and public declarations of many who have a Share in the management of the Company's affairs: He observed the view of a Company was always to obtain a great Pro-

fit on small adventures, but that the national Interest was to obtain a like profit on an extensive Trade.

Many People have declaimed and said that an Increase of Investment would do more harm than good by lowering the *markets*, so that a larger quantity would not yield more *gain*.—This is the very object to be wished! we shall be able with a *revenue* at Bengal to carry on this Trade when other Nations must relinquish it—But, if we may judge from the State of the Investments in India, this Plan stands no Chance of being adopted, for the Investments of 1768 are less than those of 1767 by £205,975—viz.

China	£81,501	
Bengal	18,403	
Bombay	34,084	
Fort St. George	38,304	
Mocha	39,124	
	<hr/>	211,416
Bencoolen increased	5,441	
	<hr/>	£ 205,975
		At

At the same time that by their Statement of Cash there remained at the several Settlements in India above One *Million* in Specie, viz.

Fort St. George, 11th May, 1768,	
exclusive of Subordinates	- £173,100
Fort William, 14th March, 1768,	
exclusive of Chittagong and	
Maulda, and in hands of Dur-	
bar Resident	- - - 431,169
Bombay, 13th May, 1768	- 84,432
Fort Marlborough, 31st Oct. 1767,	17,494
Canton, 21st Feb. 1768,	- 386,119
	<hr/>
	£1,092,314

So that whether we consider the disposition to increase Dividend or to reduce their Trade, it must be obvious the Company demand a very strict attention from the Public.

During the late war the distress of the Company was very great: At home every resource was drained to the last farthing: For the truth of this I appeal to those

Gentlemen who were in the *Secret Committee* at home, for the situation of the Company was too alarming for the inspection of *twenty-four*, and to the Gentlemen who filled the Stations of Trust abroad, They well know how near the Brink of a Precipice the Company then was.—And if the Company had become *bankrupt* in the war, the event which must have ensued to this Kingdom is sufficient to make any considerate man shudder.

Shall the Guardians of so important a branch of National Commerce, of Revenue, of Dominion, forgetting in a moment the evil hour which has past over, lavish in the first sun-shine day the stores for the winter? Will any one dare to say that a war in Europe, Accidents in India or other unforeseen events may not reduce the Company to the same State of Wretchedness from which the spirited conduct of a few men lifted it up? Dare any one declare that he thinks the Company are at this hour?

hour? Will in this year, be possessed of a Sum adequate to the expence of a general War? Which may suspend their revenues and must increase immensely their Military Expences. It has been said the Company had a million in *reserve* when the late Indian War was commenced; this is probable from the following State of Military Disbursements from 1754 to 1765 and Receipts from the Indian Powers and from ceded Districts: This Account must be authentic, as it is conformable to what the Company laid before a great Assembly.

State of Expenses incurred by War, and Sums received by the Company.

Year	Receipts		Expences		Balance	
	Revenue	Sums received			in favour of	against the Company
1754 to 1756 when lowered the Div. from 8 to 6 p. C.			430,193.	18. 11		430,000
1756 1758			1,483,167.	8. 7		1,480,000
1759	1,367. 0. 0 }	130,756. 4. 0 }	833,971.	5. 2 }		1,618,000
1760	125,735. 14. 0 }		1,042,126.	12. 1 }		
1761	225,798. 3. 0	128,401. 0. 0	783,622.	13. 5		528,000
1762	740,458. 19. 0	63,281. 5. 0	837,864.	19. 6		34,000
1763	745,566. 12. 0		690,407.	2. 6	59,000	
1764	812,145. 14. 0	675,000. 0. 0	937,834.	0. 10	549,000	
1765	1,046,934. 1. 0	652,500. 0. 0	1,203,294.	11. 9	496,000	
<hr/>						
Revenues	3,698,006. 3. 0	1,649,938. 9. 0	8,242,082.	12. 9		
Sums receiv.	1,649,938. 9. 0					
<hr/>						
	5,347,944.	12. 0				
<hr/>						
Expences not reductable to any year			392,402.	2. 0		
<hr/>						
Amount of Military Expenses from 1754 to 1765			8,634,574.	14. 9		
Receipts from Indian Powers and Ceded Districts			5,347,944.	12. 0		
<hr/>						
			£. 3,286,630.	2. 9		

By this Account it appears the East India Company expended in War, a Sum larger than their whole Capital, more than they received by these Wars; which sum of £3,286,630 must have been either their Gains in Trade or Money borrowed during the War, for the Million in reserve must have been soon expended.

At present the Company, instead of having a considerable *reserve*, have not yet cleared

cleared off their Debts, although the Proprietors have enjoyed an increased Dividend for two years, and have paid a large sum as *Hush-Money* for the expences of Government.

But Grant for a Moment that the Company have, from their possessions in India, a Prospect of a sum adequate to their *Security*. Is nothing due to the Nation?

If the Company's Charter excludes their Fellow-Subjects from all Intercourse with the Countries in that vast extent, from the Cape of Good-Hope to the Strait of Magellan, i e. From more than two-thirds of the whole Globe. May not the Publick insist that the Company do extend the Commerce of this Kingdom, to the remotest Limit of the World?

—Is it not the sense and Spirit of their exclusive Charter, that the Trade to India shall be carried on to its utmost extent, and it must be understood, that the excessive profits of one Branch shall support others

others less beneficial. In this Idea the Company have hitherto supported Bombay and Bencoolen; They have made attempts in other places, but by the over-bearing power of Rivals, the difficulty naturally attending such Undertakings, or the particular circumstances of the Company in other quarters, The attempts made for 50 Years past, have only drawn great expences on the Company; but by these attempts, though unsuccessful, they are vindicated from the accusation of *Non-Uxor*.

Although the Company's Affairs at Home are very far from being at present in such a state as to permit the payment of £. 400,000 to Government, or to allow a Dividend of 10 per Cent, to the Proprietors, the resource of Wealth to this Kingdom, will be infinite, if the Company is settled on a Publick Ground, and neither the Proprietors on One hand, nor the Ministry on the other, be allowed to pluck

pluck up the Corn by the Root, or cut it before it is ripe.

No Country possessed of Mines was ever either rich or powerful. The Example of Spain is before every body's eyes. Money unless it is the diffused acquisition of Trade and Industry, adds to the Value of the necessaries of Life, and promotes Luxury, but hurts the Commerce and Manufactures of a Country. The Revenue of a conquered Province is in its nature exactly the same as the Produce of a Mine. Every Sum brought from India, unless arising from an extended Trade, will increase the distress and hasten the ruin of this Country, by enlarging the Circulation and raising the Price of all the necessaries of Life. There is only One Means of preserving this Revenue without the *Evil*. It relates to a National Object of the utmost Importance, at present almost despaired of, though ardently wished by *Rich* and

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Poor.

Poor. I mean the Discharge of the *National Debt*. If the Ballance arising from the Trade to India, after paying a Dividend of 8 per Cent. to the Proprietors, be appropriated to the Sinking Fund. The Publick receive all the Advantages which can be desired of Participation, for by this means, and this means only, we can enjoy the benefit of our Acquisitions without any of the Inconveniencies, as this Ballance being applied to the payment of the National Debt, which is already in Calculation, would not encrease the price of Necessaries, at the same time that it would lay a Plan for establishing the Power and Dominion of this Country for ever. Perhaps India is the only quarter from whence there is any rational grounds to expect Relief, and this Mode of Participation being adopted, the Surplus Bonds, and simple Contract Debts might be immediately converted into Government Annuities.

February

February 25th, 1769.

IN the preceding Pages I have not considered the Charter Rights of the Company, to acquire and possess *Territorial Revenues*, in India.

The Act of Parliament passed in the 3d year of the reign of George II. (1729) so clearly defines the *Rights* of the India Company, that it is astonishing any Doubts could have arisen on the subject.

The preamble to this Act recites several Acts passed before this time in the Company's behalf, and the rights and privileges granted in those Acts, and in the Charters grounded on them, are herein confirmed.

The preamble also observes that the East-India Company are possessed of and entitled to the Capital Stock of £. 3,200,000 and an additional Stock in *Trade*, several *Fort*s, *Factories*, *Settlements*, *Possessions*, *Es-*

tates, and Hereditaments, for the benefit of, and in trust for the Members of the said United Company.

And that the said Company by virtue of the said Acts of Parliament and Charters, some or one of them, *claim* to be a *Body Politick*, and Corporate and to have perpetual Succession—and also *claim* the *whole* and *sole Trade* *exclusive* of all others *in, to and from the East-Indies*, and Limits aforesaid *for ever*.

But that the said Company being nevertheless willing that all *doubts* touching the *continuance* of their Corporation, and of their *right* to the *whole* and *sole Trade* within the Limits aforesaid *for ever*, after the redemption of the yearly Fund, by repayment of the Debt from the Publick, were content, and accordingly had consented and agreed to subject their *right* or *claim* to the said *whole, sole* and *exclusive Trade*, to be redeemable or determinable by Parliament, *in manner herein after mentioned,*

tioned, and have consented and agreed that their present Annuity of £. 160,000. payable in respect to their Capital Stock, or Debt of £. 3,200,000 from the Publick, be, from and after the 29th of September 1730, reduced to an Annuity of £. 128,000 redeemable by Parliament in one years notice, after the 25th of March 1736, on payment of said whole Capital Debt; and are willing, have consented and agreed to pay into the Exchequer on or before the 24th of December, 1730, the sum of £. 200,000, without any Interest or Addition to their said Capital Stock or Debt, for the same to be applied as hereafter mentioned. BUT UPON SUCH TERMS, CONDITIONS, GRANTS, CONFIRMATIONS, ARTICLES AND PROVISIONS, NEVERTHELESS AS HEREIN AFTER MADE, &c.

Now for preventing any Doubts, Disputes or Difficulties, that have been, or may be raised concerning the right or claim of the United Company, &c. to the

whole

whole and sole Trade to the East-Indies, exclusive of all others, and for perfecting and compleating the several matters and things, so as aforesaid consented to, by the said Company, and to the end the said Company may be able to support and carry on the Trade to the East-Indies, with Credit and Security, and improve the same for the Benefit of this Nation, WE, &c.

Company to pay £. 200,000, by the 24th of December, 1730.

After the 29th of September, 1730, the Annuity of £. 160,000, to be reduced to £. 128,000.

On one years Notice after the 25th of March, 1736, and repayment of the whole Debt, of £. 3,200,000, and Arrears of Annuity, the Annuity to cease.

On any time or times after the 25th of March, 1736, the Capital Stock may be paid off in Sums not less than £. 500,000 at a time, and as such Sums are paid, so much of the Annuity to cease.

Not-

Notwithstanding such redemption, every *Person* who has a share in the £.3,200,000, or of, in or to a proportional part, share, or Interest in the said additional Stock, Stock in Trade, or Money paid in for carrying on the same, or in the said Forts, Factories, Settlements, Lands, Tenements, Rights, Hereditaments, Possessions, Estate or Estates, *of or belonging to the said United Company of, &c. and or unto which they are, shall or may be entitled;* and all and every Person or Persons, &c. who shall have any part or Interest in the same, or to any future, or other additional Stock, Stock in Trade, Monies, Possessions, Rights, Hereditaments, or Estates, *of, or belonging to, or that shall or may be acquired, gained or obtained, by the said United Company, or their Successors,* so long as *they* shall respectively have any such part or Interest, shall be, and continue to be a Body *Politick* and Corporate, in Deed and in Name, by the Name of the United

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ed Company of Merchants of England, trading to the East-Indies, and by that name shall have perpetual Succession, and a Common Seal, and they and their Successors by the name aforesaid, shall be *able and capable* in Law, to *have, purchase, receive, enjoy, possess and retain* to them, and their Successors, *Lands, Rents, Tenements, and Hereditaments, of what kind, nature, or quality soever*, and also to *sell, grant, demise, aliene, or dispose* of the same.

And shall have, hold and enjoy all Benefits, Priviledges, Franchises and Rights; which by any former Act or Acts, or any Charter or Charters, founded thereupon, the said United Company, might hold and enjoy, which are not herein, or hereby altered or varied.

And all persons at the time of such redemption of the yearly Fund of £. 128,000, having any part or Interest in the principal Stock of £. 3,200,000, and in the said additional Stock, Stock in Trade and Monies, paid in for carrying on
the

the same, and of, in and to other the *possessions, Rights, Estates, and Hereditaments*, aforesaid *acquired or purchased* by, or *any way belonging or appertaining* to the said Company; And all Persons &c. that shall at any time after derive from them a right or title, notwithstanding such redemption shall *have and continue to have and be entitled to the same, and to all future and other, the Stocks, Monies, Possessions, Rights, Hereditaments and Estates, to be acquired, gained, belonging or to belong to the said United Company and their Successors, and to all Benefits, Profits, Priviledges and Advantages arising or to arise therefrom, in proportion to their respective shares therein, and the said parts, shares and Interest, shall be assignable or transfered as shares in the Capital Stock at present.*

After the redemption of the yearly fund, or after one moiety or more shall be redeemed by Parliament, the said United Company, may from time to time, by Bye-

Laws or Orders, to be made in their General Court, declare and direct, how much and what part or share, in the remaining Capital Stock or yearly fund, or in the said additional Stock, and Stock in trade possessions, shall qualify any persons, Members of said Company, to be Directors for affairs of said Company, and what share shall qualify Persons to vote in a General Court, and for electing Directors, and for their continuance or removal, Incapacity or Avoidance.

Notwithstanding the Redemption, the Company to enjoy the sole Trade, subject to the proviso of *Determination*; and any Interloper shall forfeit Vessel and appurtenances, Goods laden thereon, and proceeds, and double the value as in the Act of 7th. George 1st.

Company shall Enjoy all *Profits, Benefits, Advantages, Priviledges, Franchises, Abilities, Capacities, Powers, Authorities, Rights, Remedies, Methods of Suit*, and all Penalties,

Penalties, Forfeitures, Disabilities, Provisions, Matters and Things whatsoever, which by any former Act, or any Charter founded thereon, or any Clause in such Act or Charter are *enacted, given, granted, provided, inflicted, limited, established, or declared* to, for, touching or concerning the said Company or Body Politick or Corporate, either by name of General Society, &c. or English Company, &c. or United Company, &c. not by this Act altered or intended to be altered according to the tenor and true meaning of the said Acts and Charters, *freed and discharged from all provisos and Conditions of Redemption and Determination* therein contained, and the same and every of them, are hereby ratified and confirmed and shall be continued to be held and enjoyed, and be practised and put in Execution by the said United Company of &c. and their successors, for the *better and more effectual* settling and securing to them and their successors, the whole sole and ex-

clusive Trade to the East Indies and parts aforesaid; and for the preventing all his Majesty's Subjects trading thither, and for securing also their Possessions, Estates and Effects, and governing their Affairs and Business in all respects, as fully and effectually as if the same Profits, &c. were severally repeated and at large re-enacted in the body of this Act, subject nevertheless to such restrictions, Covenants and Agreements, as are contained in the said Acts and Letters Patent now in Force, and not herein or hereby varied or altered, and subject also to the following proviso.

That at any time after March 25, 1766, on three years notice and repayment of the Capital Stock of £3,200,000, then the Right, Title and Interest of the said United Company of, &c. to the *whole, sole, and exclusive* Trade to the East-Indies and parts aforesaid, shall *cease and determine*.

But Corporation of said Company not determined thereby, nor the Company excluded

cluded from carrying on, at all times, after such determination of the right to the *sole*, *whole*, and *exclusive* Trade as aforesaid, with all, or any part of their own Joint Stock in Trade, Goods, Merchandizes, Estate and Effects, in common with other Subjects, had in, to and from those parts.

The Company are restrained from buying, purchasing, enjoying, or possessing, at any one time, any Messuages, Lands, Rents, Tenements, or Hereditaments, of what nature, kind, or quality soever, in the Kingdom of Great-Britain, exceeding in the whole the yearly value of £10,000, any thing herein, or in any former Act or Charter granted to said Company, in any wise notwithstanding.

P O S T.

P O S T S C R I P T.

December 5th, 1772.

THIS Act is so clear and explicit, that it requires no comment; the privileges therein established, were *purchased*, by agreeing to accept £128,000 per annum, instead of £160,000, i. e. giving up £32,000 per annum, which amounts in *forty-two* years to - - - £1,344,000
 The Company also paid a specific Sum of - - - 200,000

£1,544,000

Besides relinquishing their Claim to the *exclusive* Trade for *ever*, after the repayment of their Capital Stock.

These Privileges have been continued by subsequent Acts of Parliament, to the year 1780. If the public *resume* any of these privileges, they must of *necessity*, pay to the Company the Sum above specified of - - - - - £1,544,000
 with Interest on £200,000, for forty-two years, at 4 per Cent 336,000

£1,880,000

SOME OBSERVATIONS

ON THE

PRESENT STATE

OF THE

East-India Company's Affairs.

98

OBSERVATIONS, &c.

THE Court of Directors say, they were astonished to find in July last, that the Company would soon be unable to answer the calls upon them for payments of Cash; and ascribe this to the Bills drawn from India, and the Indemnity on Tea: That the Bills drawn from India, by becoming due, have *occasioned* this deficiency may be *true*; but it is obvious *these Bills* could not be the *cause* of the present distress, for the Court of Directors acknowledge they had notice 15 Months before the Bills were presented for acceptance, that such Bills would be drawn; and, after they were accepted, they became payable at the end of *one, two, and three years*. On the 1st of

March next, the Deficiency is £. 520,000 :
 Had the Dividend been reduced to 6 per
 Cent last year, before the General Court
 thanked the Directors for continuing the
 high Dividend of $12\frac{1}{2}$ per Cent, The Com-
 pany would have saved in one year

by reduction of Dividend £. 200,000
 and Quota to Publick in conse-
 quence of the high Dividend, 400,000

£. 600,000

So that the present distress is owing en-
 tirely to the *want of foresight* in the Court
 of Directors ; admitting that their proceed-
 ings had no sinister motives.

The conduct of the Company's Servants
 abroad, in drawing those Bills, is a subject
 foreign to the present enquiry, which is
 neither intended to throw unmerited re-
 proach by insinuation, nor to extenuate
 misbehaviour, where ever it may be found,
 but to consider the various modes proposed

-of

of relieving the Company's present Distress, and to point out *that* which appears to be the most expedient.

When the Court of Directors found that the Cash would be deficient, they applied to the Bank for a *Loan*; But the Directors of that Company did not think themselves authorised to encrease the Debt to the Bank, so considerably as the necessities of the East-India Company required, though they agreed to lend £. 100,000, on the Company's Bond, and offered the further sum of £. 100,000, on the *private* Bond of the Directors, who composed the Committee of Treasury; the last offer was not accepted.

The Court of Directors also made application to the Lords of Treasury for assistance from the Publick; and, on the encouragement they met with from their Lordships, went up with two propositions to that Board.

One, to commute the Publick Debt, of £. 1,200,000, for the Arrears which were, and would become, due to Government by August 1773.

The other was, for the sanction of Parliament to empower the Company to borrow £. 1,000,000, on Bond.

The Treasury very properly replied, that both these Propositions were *inadmissible*; as they tended to lessen the Security of the Company's Creditors, and were consequently a breach of Publick Faith.

The Company now, at the end of ten years Peace, owe in England £. 3,000,000 on Bond, i. e. £. 1,800,000 more than the Bond Creditors have Publick Security for; besides that the Company have a large Bond-Debt in India: Propositions of such a nature were fortunately made to a prudent Minister; had they been accepted, it must be obvious the Company would have been exposed

exposed to great danger, if not to destruction. -

The Increase of Capital has many inconveniences attending it.—The distress of the Company does not arise from a want of Money or Credit to carry on their Trade, but is a *temporary want of Cash*, arising from an improvident management of their affairs; an Increase of Capital, it is true, relieves the present exigency, but occasions a constant addition in the Company's Disbursements to pay the Dividend on that increased Capital, and it appears from the *Accounts* that the Company's Sales will not admit any such additional Charge consistent with the necessary reduction of their Bond-Debt; the Security of the Company's Creditors does not in the least depend on the *magnitude* of the Capital, but on the *Property* the Company have in the *Public Funds*, in *Goods*, &c. Supposing the Company's Capital,