

and successor, Runbir Sing, who died on the 12th September, 1885. It was in the latter year also that the revival of our "Forward-frontier" policy (which contemplated the conquest of territories bordering upon Afghanistan) occasioned a great and sudden increase in our military expenditure; and the Government resolved (as it became evident from their subsequent action) on appropriating the finance and general resources of Kashmir towards the cost of the expeditions they were to send beyond the northern boundary of that State.

Accordingly the Viceroy, as soon as he heard of Runbir Sing's death, wrote, on the 14th September, to Pertab Sing, his son and successor, that "the administration of the State had become seriously disorganised during the illness of his father; that many reforms were necessary; and that the Viceroy's Agent would remain with and help him," adding the following unjustifiable sentences :-

"I request your Highness to refer to him for a more detailed explanation of my views regarding the future administration of the Kashmir State, and I hope that you will be guided by his advice in carrying those views into execution."

Now, what were those views? They actually compassed the usurpation of the sovereign power and the appointment of a Council of State to rule the country in obedience to the orders of the Government of India, as conveyed through their Agent. But on what ground did the Government presume thus to take into their own hands the internal government of an Allied State? Can a necessity for administrative reforms (and where does such necessity not exist?) justify the violation of Treaties? The Indian Government pleaded that their motive was to relieve the people from oppression; but was the action taken by them such as to warrant that plea? Their

action consisted chiefly in the construction of military roads for marching troops to the northern frontier, in the collection of grain, forage and transport cattle, and in the levy and equipment of Kashmirian troops to serve as auxiliaries to our own soldiers. Were these operations, which absorbed the resources of the State, calculated to relieve the people from oppression? A system of forced labour prevails in Kashmir, as it prevails throughout British India; and the construction of our military roads, far from being a source of remuneration, has been one of injustice and suffering to the people whom we professedly came to relieve. Impressment by the British still continues in Kashmir, as may be seen from the *Pioneer* of the 5th September last, saying, "The unfortunate coolies who are pressed into the service for carrying the telegraph line to Gilgit, are constantly running away."

The new Maharaja replied to the Viceroy's letter on the 18th of the same month, saying that it pained him extremely to learn the intended change in the status of the British officer to be posted at Kashmir; that exactly when he had resolved on proving himself equal to the onerous and responsible duties of a good ruler, a change was made which would "lower him in the eyes of his subjects and in the estimation of the public." He went on to say:—

"I have sufficient confidence in the unbiassed justice of your Excellency's Government to hope that you will not form any unfavourable opinion of my abilities, intentions, and character, till the result of my administration for a sufficient length of time should justify a definite conclusion; that you will see no necessity for altering the status of the officer on special duty in Kashmir, and that there shall be no occasion for me to ask your Excellency to take into consideration the *Sanads* of Her Imperial Majesty's Government, securing to the Chiefship the full enjoyment of all the rights

of my father and my grandfather. I attach the greatest importance to the credit of earning the reputation of a just and benevolent ruler without interference from any quarter, and of preserving intact in all its relations the integrity of the State inherited from my father. It is fully known to your Excellency that I have only just now acquired the power of shewing to the world that, without interference from outside or the smallest diminution of the long existing rights and dignity of this State, I am able and willing, of my own accord, to introduce and maintain such reforms as are calculated to entitle a ruler to the lasting gratitude of his subjects."

It seems impossible after reading that letter to believe that, if our motive in interfering had been to improve the condition of the people, we should have declined to encourage the young Maharaja in his laudable ambition. On the other hand, our opposition is accounted for by the obvious fact that, however beneficial his contemplated reforms might have been for his subjects, they were not calculated to promote our military projects. Accordingly, we hampered him at once by imposing on him a scheming and aggressive Agent, and afterwards deprived him of all control over the administration of his State. Immediately after the death of Runbir Sing, a search was made for his treasure, and our Agent wrote on the 28th September, 1885: "As mentioned in my former letter, Maharaja Runbir Sing is said to have left considerable private wealth."

Meanwhile, in order to impress the world with the belief that our action had been called for by the Maharaja's incapacity for government, his character was maligned in semi-official organs in India, and the slander was repeated at home, while the Maharaja's letter of 18th September was kept from the public eye.

The immediate connection between the British interference in Kashmir and the projected British expeditions

from Gilgit, is shewn by the following passage in the Secretary of State's despatch of 27th November, 1885 :—

" Having regard to the character of the new ruler and to the aspect of affairs beyond the frontier in respect of which Kashmir occupies so important a position, I entertain no doubt as to the necessity of the measures now reported."

But, that the prosecution of our military scheme was the sole motive of our usurpation, was subsequently placed beyond the pale of doubt by the copy of a Memorandum of the Foreign Secretary to the Government of India, countersigned by Lord Dufferin on the 10th May, 1888, which appeared in the columns of an Indian paper in 1889. Lord Lansdowne, who challenged the accuracy of a part of the published copy, fully acknowledged, nevertheless, the correctness of the following portion thereof —

" I do not agree with Mr Plowden, the Resident in Kashmir, in this matter. He is too much inclined to set Kashmir aside and to assume that, if we want a thing done, we must do it ourselves. The more I think of this scheme, the more clear it seems to me that we should limit our over-interference, as far as possible, to the organisation of a responsible military force at Gilgit. If we annex Gilgit, or put an end to the suzerainty of Kashmir over the petty principalities of the neighbourhood, and above all, if we put British troops into Kashmir just now, we shall run a risk of turning the Durbar against us, and thereby increase the difficulty of the position."

The motive of our interference is thus shewn to be the prosecution of our "Forward" policy, and not the relief of the people of Kashmir.

The Maharaja's letter of 18th September, 1885, in which he appealed to the *Sanads*, viz., the Treaties and the Queen's Proclamation, must have proved most embarrassing to us, and appears accordingly to have been left unanswered. In order, however, to intimidate and silence the Maharaja, we

informed him, through our Agent, that letters in his handwriting had been intercepted, which disclosed treasonable correspondence with Russia and a design of procuring the death of the British Resident by poison. The Maharaja at once declared the letters to be daring forgeries; but his declaration was unheeded; and individuals about his person hunted at the possibility of his being deported to Rangoon, or tried for mutiny and hanged. He was kept under strict surveillance and permitted to see no one without leave from the British Agent, until harassed by insulting proceedings and constant persecution, he expressed his willingness to give a trial to the system of a State Council, as required by us, by himself appointing a Council, leaving the reins of the Government in its hands for five years, and afterwards resuming his ruling powers and adopting such form of administration as might then appear to him best suited for his country. He was asked to put the project in writing, and upon his refusing to sign it before he had some guarantee of its being accepted, he was subjected to great pressure by the British Agent, as stated by him in a letter to the Viceroy, and compelled to give his signature. No sooner, however, was this paper obtained, than it was held up to the world in the light of an edict proclaiming a voluntary resignation of all power in his kingdom. Semi-official papers in India and in England announced that the Maharaja of Kashmir had been engaged in treasonable correspondence with Russia; that ample proofs of the treachery were in the hands of the British Government; that the Maharaja, conscious of his guilt, had placed the resignation of his rule in our hands, and that the resignation had been accepted. So far, however, was the Government from possessing any such proofs or receiving such resignation, that they were, at the same time, instructing their Agent at Kashmir "carefully to avoid basing the Maharaja's deposition

exclusively either upon the letters or upon the resignation, but to base the decision of the Government upon a full consideration of all the circumstances." (See *Government Instructions*, 1st April, 1889.)

The Maharaja, eluding the spies by whom he was surrounded, wrote on the 14th May, 1889, an autograph letter to Lord Lansdowne, which he sent by a trusty messenger to Simla, and in which the following passages occur:—

"After much suffering and distress I have decided on addressing your Excellency through a special messenger. My country, my treasury, my army, my very life and blood I place at the disposal of the Government of our Sovereign-Mother the Queen-Empress. I know that I have been extremely misrepresented to the British Government. My enemies have succeeded in driving me into my present mean position, and I implore your Excellency to save me from it, taking my defenceless situation into consideration. The recent allegations against me about secret correspondence with Russia, the attempt to poison the British Resident and other stupid stories did not affect my mind in the least, for I was under the impression that a special officer would be deputed to inquire into those charges, when I should have an opportunity of shewing that they were false."

The Maharaja, then referring to the paper on the proposed Council for five years, thus explained the undue pressure under which that paper had been obtained:—

"With the information of these [incriminating] letters, Colonel Nisbet dashed into my room, and brought such a great and many-sided pressure in all solemnity and seriousness, that I was obliged to write what was desired or rather demanded by him in order to relieve myself for the moment, having full faith that your Excellency's Government will not accept such a one-sided view of the

matter, and that full opportunity will be given to me of defending myself.

"I am informed that, under orders from your Excellency's Government, I am expected to refrain from all interference in the administration, but that I am to retain my rank and dignity as Chief of the State. What rank and dignity can I retain under such circumstances? My condition is worse than that of a deposed ruler, inasmuch as he is removed and does not witness the insulting scenes to which I am exposed. If your Excellency wants to make me responsible for the administration of my State, I would ask to be placed in the position of a responsible ruler. In spite of what has been represented about my incapacity, I would ask your Excellency to give me a fair trial. From three to five years time will, I think, be quite sufficient for me to put everything into order, provided a British Resident throws no obstacle in my way. If this liberty is not to be allowed to me, I would humbly ask your Excellency to summon me before you, shoot me through the heart and thus relieve an unfortunate prince from unbearable misery and disgrace."

A reply to this urgent and all important letter was delayed until the 28th June, whereby time was gained for communicating on the subject with the Secretary of State, and the perusal of that reply may well fill us with shame and indignation at the subterfuges and artifice used in it in colouring and disguising the unfair line of conduct adopted towards a loyal and faithful ally. Touching the incriminating letters, all inquiry is withheld, and the Maharaja is insultingly told that "many of them have every appearance of being genuine." Then as regards the paper on a Council for five years, not only is the Maharaja's complaint of the means by which it was obtained disregarded, but the document is, by ingenious arguments, unfairly twisted into a permanent resignation of sovereign power. The

Viceroy's letter concludes with the following insincere sentence:—

"In the interests of the people of Kashmir and of the ruling family itself, it has been impossible to leave the control of affairs in your Highness's hands."

III.

The affair attracted the attention of several Members of Parliament, and on the 14th March, 1889, the Under-Secretary for India, replying to the Member for East St. Pancras said:—

"The Government of India attach very little importance to the intercepted letters. No official papers have yet arrived in this country, and it is impossible therefore to say whether the Secretary of State will lay any on the table."

An equally mystifying answer was given to another Member a month later, and on the 20th of June, the Member for Northampton asked, among other questions:—

"Whether the State of Kashmir had been virtually annexed, and its ruler subjected to great indignities:—Whether a letter from the British Resident at Kashmir had been addressed to the Prime Minister on the 17th April, 1889, stating that he had been ordered by the Viceroy to inform the Maharaja that his Highness will be expected to refrain from all interference in the administration of the State:—Whether such a letter is a violation of the promises made by the Queen on the assumption by Her Majesty of the direct rule of India, that the Indian Princes should be safeguarded in their dominions and that no annexation of native territory should be made:—Whether the Maharaja had been informed that he will have no power of obtaining the State Revenues, and is not to attend the meetings of the Council, and that the Council is expected to exercise its powers under the guidance of the British Resident:—Whether the Secretary of State is aware that, in an auto-

graph letter to the Viceroy, the Maharaja has protested against the treatment to which he has been subjected, begging that if liberty cannot be restored to him, his life might be taken :—Whether the Secretary of State will state why the course described has been taken with the Maharaja, without any opportunity being given to him of being heard either by the Government of India or any other authority :—Whether an opportunity will be given to the Maharaja to apply for a reversal of the decree contained in the letter of the 17th April, 1889 :—Whether all papers connected with Kashmir will be laid on the table with as little delay as possible."

The Under-Secretary for India, in his reply, stated :—

"The Government has neither annexed the State of Kashmir nor subjected its ruler to great indignities. The Secretary of State has as yet received no information respecting the letter referred to. The Maharaja has voluntarily resigned the administration of his State, and his resignation has been accepted. There is no correspondence upon the subject which could be at present laid before Parliament without detriment to the public service."

On the 18th February, 1890, the Government were again moved for papers relating to Kashmir, and replied that they would be laid on the table. Four months later, viz., on the 20th June, and again on the 26th, the motion was renewed, when the following answers were given :—

"The papers are now before the Secretary of State and will be immediately presented to the House."

"I have to-day laid the papers on the table; their distribution depends on the printing authorities."

Ultimately, on the 5th July the Member for Northampton moved the adjournment of the House for discussing a definite matter of urgent public importance, viz., the taking away by the Government of India from the Maharaja of Kashmir the Government of his State and part of his

Revenues, whilst refusing to allow any Judicial or Parliamentary inquiry into the grounds for such action against a great Feudatory Prince.

In the course of a comprehensive speech the Member for Northampton stated :—

“ The Maharaja has applied for a trial in India ; that has been denied. The Secretary of State has been asked to sanction an inquiry and has refused. The leader of the House has been asked to appoint a Select Committee of inquiry and has also refused ; so that neither Judicial, nor Parliamentary, nor Governmental inquiry is being allowed, although the gentleman has been subjected to penalties which, in the case of the meanest person in this country, would entitle him to have the accusation brought before some Tribunal, and witnesses against him heard. I should have pressed this claim for inquiry twelve months ago, but there were then no papers before the House. This Prince is entitled to that which any other subject of Her Majesty, if he be a subject of Her Majesty, is entitled to, viz., a fair trial before condemnation. If considerations of State can justify the Government of India [*i.e.*, the Secretary of State for India] in depriving one man of his authority and property unheard, there is no protection for any one throughout the whole of our Asiatic dominions. If the Maharaja has been criminal, let him be condemned and punished, but do not rob him under cover of a criminality which you dare not bring in evidence against him, and as to which you will allow no inquiry in India or here. Lord Cross said at Sheffield last year :—‘ We did interfere in the matter of Kashmir, and why ? Because the people of Kashmir were so ground down by the tyranny and misgovernment of the Maharaja, that we were bound to interfere for the protection of the inhabitants.’ Where, in these papers, is there one instance of this grinding down ? I am not asking the House to say that this unfortunate man

is guiltless. I am asking them to say that he is entitled to be tried and to have an inquiry before he is deprived of his rights. In 1889 the Government deprived this gentleman of his Chieftainship. By what right?—By no right save the right of force. By what law?—By no law save the law of force. This man appeals to this House, not that you should declare that the Government of India is wrong—he simply asks for an inquiry, and he has a right to that inquiry. If you trample on Treaties, if your obligations to the Princes of India are to be broken if the Native rulers are not to rely on your word, and English justice in India is a shadow and a delusion, let that be known; but let those who hold a contrary opinion vote for my motion as the means of protest.”

The Under-Secretary for India, in his reply, said:—

“I will tell the House why it appears to the Secretary of State that this is not a subject which can properly be made matter for inquiry.”

But nowhere, in the long speech which followed, is the promised explanation to be found. The charges regarding which an inquiry was asked are repeated with colouring observations, but without the slightest evidence in their support, and the speaker went on to say:—

“I am shewing what was the state of things which compelled the Government to take this action. I am going to shew the House why the Government, in the interests of humanity, were peremptorily called to take this step. (A laugh.) The Hon. Member may laugh, but I think it is not a laughing matter.”

Then, after describing the miseries inseparable from forced labour and the hardships endured by cultivators, the Under-Secretary said:—

“This, Mr. Speaker, is the description of the condition of the unhappy people of Kashmir, which seems to have moved the laughter of the Hon. Member opposite.”

On this the Member for County Donegal said :—

"I see too much suffering to regard it otherwise than with infinite sorrow and sympathy. I smiled that a gentleman, representing a Government guilty of such conduct, should claim universal benevolence and pretend to be benefitting the people while they are robbing an ancient prince of his inheritance. With regard to the letters on which so much stress has been laid, not one of them has been read to the House."

Four Members spoke afterwards, one of whom made the following observations :—

"The course of the debate has taken us from the point we ought to have before us. The complaint is that the Government have not given this man a chance of clearing himself of the charges that have been brought against him. The Right Hon. Member asks if we are going to stand in the way of justice being done in Kashmir ; but is he going to stand in the way of justice being done to the Maharaja ? If he asserts that the Maharaja is innocent of the charges brought against him——"

Under-Secretary : "There are no charges."

Member : "Then why is he deposed ?"

The debate then came to an end, and, on a division, the motion for an inquiry was lost.

IV.

The result of the division on the 5th July, 1890, cannot fairly be ascribed to any conviction on the part of the majority, that the deposition of our ally was not a proper subject for inquiry. Both the great political parties were implicated in the denounced transaction, and were strongly interested, therefore, in preventing the proposed investigation.

The affair has not only cast a deep shadow on the character of our Indian administration ; it has created a

danger which it would be unwise, in the light of history, to disregard and despise. Kaye observes, in his *History of the Sepoy War*, that in 1856 "we were lapping and lulling ourselves in a false security. We had warnings and brushed them away with a movement of impatience and contempt. When Henry Lawrence wrote: 'How unmindful we have been that that which occurred in the City of Cabul, may some day occur at Delhi, Meerut, or Bareilly,' no one heeded the prophetic saying any more than if he had prophesied the immediate coming of the day of judgment."

Then, referring to the Cawnpore massacre, which filled the world with horror, the historian says:—

"Dundoo Punt, the Nana Sahib, felt that he hated the English and that his time had come; but all that was passing in the mind of the disappointed Mahratta was a sealed book to the English. Of course the whole story of the disappointment was on record. Had it not gone from Calcutta to London, and from London back to Calcutta, and again to Cawnpore? To Civilians a rejected memorial was so common a thing that, even to the best informed of them, there could have appeared no earthly reason why Dundoo Punt should not accept his position quietly, submissively, resignedly, after the fashion of his kind, and be ever after loyal to the Government that had rejected his claims. So, when danger threatened them, it appeared to the authorities of Cawnpore that assistance might be obtained from the Nana Sahib. He had been in friendly intercourse with our officers up to this very time, and no one doubted that as he had the power, so also he had the will to be of substantial use to us in the hour of our trouble. It was one of those strange revenges with which the stream of time is laden. 'The arbiter of others' fate,' had suddenly become 'a suppliant for his own;' and the representatives of the British Government were suing to one recently a suitor cast in our own political courts."

OUR INDIAN FEUDATORIES, ETC.

Greater similarity will be found between the case of the Maharaja of Kashmir and that of the King of Oude, whose deposition accelerated events in 1857. It was urged by the *Absorbing School* (under which name Colonel Sleeman denounced the supporters of our systematic spoliation) that "a grievous wrong would be done to humanity to have any longer abstained from interference. But what was the interference to be? Lord Dalhousie, though he proposed not to annex Oude, determined to take the Revenues; while the Court of Directors, the Board of Control, and the British Cabinet sanctioned annexation."* Thus in both cases humanity was the plea and spoliation the motive of interference. Let us also remember that "it was not until the crown had been set upon the work by the seizure of Oude, that the Nana Sahib and his accomplices saw much prospect of success. Men asked each other who was safe and what use was there in fidelity, when so faithful a friend and ally as the King of Oude was stripped of his dominions by the Government whom he had aided in its need."†

Pertab Sing's personal character seems different from that of Dundoo Punt: he may feel as keenly a wrong done to him; but revenge does not appear to be a ruling passion with him. Among the many victims, however, of our despoiling course, may there not be some who are brooding over their wrongs and biding their time?

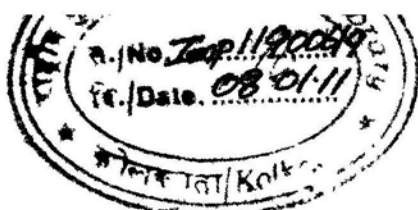
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Kaye's *Hist*, pp. 143 to 146.

† *Ib*, p. 579.

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SOME RESULTS OF THE BENGAL TENANCY ACT

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February, 1894.)

THE world has recently been startled by the discovery of gigantic frauds which spread ruin and desolation in the midst of thrifty and industrious communities. The doings of the Liberator Society, the Panama Canal Company, and certain banks and Trust institutions, are still fresh in the memory of the public; and it may be remembered that, in some of the criminal transactions referred to, officials of high rank, members of the Legislature, and even members of the Government were found to have participated. The Government itself, however, not having been implicated in any instance, was able to exercise its powers for bringing the guilty to justice, and thereby restoring public confidence. But when an unfair scheme emanates from a Government, and that Government is vested with extraordinary Legislative and Judicial powers, which enable it to give the force of Law to its arbitrary determinations, and to sit in judgment over its own acts, the Constitutional forces of society, intended for the repression of wrong-doing, become paralysed or mis-directed; and national ruin and degradation are the inevitable results. Rebellion, in such circumstances, has almost invariably been the outcome of popular suffering and discontent; but rebellion against an autocratic Government, supported by a strong military force, must,

for a time, aggravate the public calamity, whatever reforms might ultimately ensue for the benefit of future generations.

These reflections are suggested by a Government land scheme, introduced into Bengal in 1885, and which threatens to compass the ruin of the wealthiest province in our Indian Empire. Fragmentary information on the subject has now and then appeared in telegrams from India; but a complete and just apprehension of the measure—of its objects and probable results—can be arrived at only through a retrospect into the administrative history of the province.

When the battle of Plassy, in 1757, wrested Bengal from its Mahomedan conquerors, the country had been greatly impoverished by the rapacity of the invaders; and agriculture, which constituted its chief industry, was depressed to a very low condition. The British, on their accession to power, imposed upon land a tax equal to ten-elevenths of its rental, and reserved the right of enhancing their assessment every ten years, wherever the land should meanwhile have been improved, either by clearances and extended cultivation or otherwise. It will at once be seen that no stronger discouragement could have been offered to industry and to the employment of capital in agricultural enterprise than the uncertainty thus introduced into the prospective demands of the Government; and this circumstance will, doubtless, in a great measure, account for the state of stagnation in which the country remained for nearly half a century after it came under British rule. The Governor-General wrote on the 18th September, 1783 :—

“I may safely assert that one-third of the Company’s territory is now jungle inhabited only by wild beasts. Will a ten years’ lease induce any proprietor to clear that jungle and encourage ryots to come and cultivate his lands when, at the end of that lease, he must either submit to be taxed

ad libitum for the newly cultivated lands or lose all hopes of deriving any benefit from his labours, for which, perhaps, by that time, he will hardly be repaid ? ”

A proposal was then submitted by the Governor-General for fixing the land-tax in perpetuity, as a measure calculated to encourage agriculture, lead to the production and accumulation of national wealth, and inspire the people with loyalty and attachment to their new rulers. The proposal was carefully considered for several years, both in India and in England ; Mr. Pitt brought his powerful mind to bear on the subject ; and after an exhaustive debate in Parliament, the proposed measure was sanctioned in 1792, and the requisite declarations were promulgated in Bengal on the first day of the following year. Regulation, I. contains the following assurance :—

“ The Governor-General trusts that the proprietors of land, sensible of the benefits conferred upon them by the public assessment being fixed for ever, will exert themselves in the cultivation of their lands, under the certainty that they will enjoy exclusively the fruit of their own good management and industry.”

The Preamble to Regulation II. gave the following pledges for the due performance of the compact then concluded between the British Government and the proprietors of land in Bengal :—

“ All questions between Government and the landholders respecting the assessment and collection of the public revenue, and disputed claims between the latter and their ryots, have been cognizable in the Courts of Maal Adawlut or Revenue Courts. The Collectors of revenue preside in the Courts as judges, and an appeal lies from their decision to the Board of Revenue, and from the decrees of that Board to the Governor-General in Council in the department of revenue. The proprietors can never consider the privileges which have been conferred upon them as secure, whilst the

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revenue officers are vested with these judicial powers. Exclusive of the objection arising to these Courts from their irregular, summary, and often *ex parte* proceedings, and from the Collectors being obliged to suspend the exercise of their judicial functions whenever they interfere with their financial duties; it is obvious that, if the Regulations for assessing and collecting the public revenue are infringed, the revenue officers themselves must be the aggressors, and that individuals who have been wronged by them in one capacity can never hope to obtain redress from them in another. Their financial occupations equally disqualify them for administering the laws between the proprietors of land and their tenants. Other security, therefore, must be given to landed property, and to the rights attached to it, before the desired improvements in agriculture can be expected to be effected. Government must divest itself of the power of infringing in its executive capacity, the rights and privileges which, as exercising the legislative authority, it has conferred on the landholders. The revenue officers must be deprived of their judicial powers. All financial claims of the public, when disputed under the Regulations, must be submitted to the cognizance of Courts of judicature superintended by judges who, from their official situations and the nature of their trusts, shall not only be wholly uninterested in the result of their decisions, but bound to decide impartially between the public and the proprietors of land, and also between the latter and their tenants. The Collectors of revenue must not only be divested of the power of deciding upon their own acts, but rendered amenable for them to the Courts of judicature, and collect the public dues subject to a personal prosecution for every exaction exceeding the amount which they are authorised to demand on behalf of the public, and for every deviation from the Regulations prescribed for the collection of it. No power will then exist in the country

by which the rights vested in the landholders by the Regulations can be infringed, or the value of landed property affected. Land must in consequence become the most desirable of all property, and the industry of the people will be directed towards those improvements in agriculture which are as essential to their own welfare as to the prosperity of the State."

The land-tax under the Permanent Settlement having been maintained at the excessive rate which had previously been imposed—but could never be realised—the landowners were, at first, unable to collect sufficient amounts of rent for the due discharge of the Government demand; and those among them who possessed no other means but their lands, lost their estates under a clause in the new Regulations which rendered land liable to attachment and sale for arrears, when the revenue was not brought in on the day fixed for its discharge. Notwithstanding this unfortunate circumstance, the national prosperity looked for by the authors of the Permanent Settlement, was fully realised. Under the protection afforded by the Regulations of 1793, industry and capital converted the jungles of Bengal into an almost uninterrupted field of cultivation; and while the land-tax in the province has ever since been collected with a regularity unknown in the rest of British India, new sources of revenue far exceeding the land-tax itself have sprung from the wealth produced by agriculture under the operation of the Permanent Settlement.

"The Bengal of to-day offers a startling contrast to the Bengal of 1793; the wealth and prosperity of the country have marvellously increased—increased beyond precedent—under the Permanent Settlement. A great portion of this increase is due to the zemindari body as a whole, and they have been very active and powerful factors in the development of this prosperity." (See *Burdwan Commissioner's Report, Gazette of India*, 20th October, 1883.)

Meanwhile, the expenditure of the Government of India, under the irresponsible system of administration inaugurated in 1858, increased by nearly twenty millions a year—viz., from 34½ millions in 1856-57 to 53½ millions in 1869-70; and among the many projects formed for increasing the revenue, a proposal was entertained to confiscate the wealth produced under the Permanent Settlement Regulations, through additional burdens to be imposed on land, in violation of the pledge given in 1793. This dishonest proposal met, however, with strong opposition from the officials in India, through whose instrumentality it was to be executed; and when the Indian Secretary of State sought the support of his Council in the matter, he was told by one of its members: "We have no standing ground in India except brute force, if we forfeit our character for truth."

In short, the condemnation of the scheme by Anglo-Indian officials, both in India and in England, rendered an overt repudiation of public faith impracticable at the time.

But the unfair project was not abandoned; covert and tortuous ways were resorted to for its accomplishment; and the conspiracy (if it may so be called) was prosecuted with an ingenuity and a perseverance worthy of a better cause. The first step was to destroy the safeguards which had been provided for the due performance of the compact of 1793. To this end the independent Law Courts then established were undermined and weakened; and the condemned system of vesting Revenue officers with Judicial powers was revived, although its pernicious effects had been clearly demonstrated in the Preamble of Regulation II. The next step was to put such a construction on the compact of 1793 as would justify the Government in altering its conditions. After these preliminary steps, the object of the scheme—namely, increased revenue from permanently settled land—was to be gained through a

Legislative enactment which should (1st) deprive landowners of their power to enhance rents, (2nd) create middlemen entitled to fixity of rent, but empowered to rack-rent their sub-tenants the cultivators, and (3rd) perpetuate these conditions by annulling the validity of contracts, empowering the middlemen to sell their holdings with the privilege of fixed rents, and debarring landowners, who might purchase such holdings, from either extinguishing the right to the said privilege, or adding the land to their home farms. By these provisions the middlemen would be placed in a position to absorb the bulk of the profit yielded by the land, and the ultimate object of the scheme could be attained through taxation imposed upon them. Not being a party to the Permanent Settlement, these middlemen would not have the right which the landowners possess, of claiming exemption, under that compact, from further taxation on profits derived from land.

A pretext for initiating the necessary legislation was found in a long-standing complaint, that the defective state of the law subjected landowners to undue delays and expense in the recovery of rents. On pretence of remedying that evil, the Government introduced a Bill in 1878, with the following statement in justification of the step:—

“Notwithstanding the fact that in about 75 per cent. of the suits for arrears of rent the claim is really not contested, the landowners have often found themselves unable to recover their just dues, without submitting to a process which entails costs that may never be recovered, and delays that are frequently embarrassing and ruinous. . . . If they cannot recover their dues easily and effectually from their tenants they must under penalty pay the amount themselves—a position which the State is obviously bound to render as little burdensome as possible.”

This Bill was soon afterwards withdrawn, upon the plea that as the law on Rent seemed to require revision it was

advisable to deal with both subjects in one Bill. No one, however, had asked for a revision of the law on Rent, and the plea thus adduced for dropping a measure of acknowledged urgency naturally created misgivings in the public mind as to the real intentions of the Government. Regardless of this feeling the Government appointed a "Rent Commission," composed almost exclusively of its own officers, who, without examining the parties concerned, drafted a complicated Bill of some 230 sections, besides schedules and appendices, the nature of which was subsequently exposed in the reports of twenty-one Revenue and Judicial officers who were consulted on the subject. Of these voluminous Reports only small extracts from a few can find room here; but these will suffice to show the unprincipled character of the measure, and a striking contrast between the spirit of unfairness and duplicity which inspired the Bill, and the sound views of its official critics.

"If the definitions of tenure-holder and ryot are maintained, the conventional meaning of the word 'ryot,' the nearest equivalent of which is 'yeoman,' will disappear, as will indeed the class itself; for the inevitable tendency of the proposed law is to make *right-of-occupancy* ryots, in fact, as well as in name, middlemen. The definition of tenure-holder should be altered to signify exclusively a middleman between a proprietor and a ryot. You cannot alter the conventional meaning of words by Act of Parliament. Chapter VI. provides for the drawing up of a local table of rates of rents and produce. I believe that it will be practically impossible to draw up such tables. Chapter XI. introduces a state of things which the Preamble of Regulation II. of 1793 stated was found unsatisfactory." (J. P. Grant, District Judge of Hoogly.)

"Ever since 1793 we have allowed men to buy estates and tenures in the belief, fully justified by our action, that

no interference would take place, and it is not fair to those persons suddenly to uproot the conditions on the faith of which they have invested their money. The definition of ryot has purposely been left obscure. Sects. 14 and 15 turn an occupancy ryot into a tenure-holder. This is said to have been done for the convenience of the draftsman. It is a matter of no moment whether he finds an Act easy or difficult to draft; that should not occupy the mind of the legislator, whose attention should be directed solely to the justice and utility of the law. It is stated that the procedure under Chapter XI. has been invented with a view to removing from the Civil Courts the power of reversing the decisions of revenue officers. I do not see how this is to be reconciled with the Preamble of Regulation II. of 1793." (J. Beames, Commissioner, Burdwan Division.)

"As to the voidance of contracts, the proposed law appears to introduce a dangerous precedent. The law is held to override contracts entered into with deliberation, and this without any inquiry whether the contract was voluntary or not. Sect. 73 says that a contract, in a certain case, made in favour of a ryot, must be enforced, while sect. 50 protects him from contracts which are against him. Sect. 74 enforces a contract which is against a landowner, while sects. 87 and 90 repudiate contracts which are in his favour. These instances teach the ryots that there is no moral obligation in promises." (E. E. Lewis, Commissioner, Chittagong Division.)

"The survey and register under sect. 7 will, I believe, be a work of enormous difficulty. Every plot will be disputed, and there will be in effect a civil suit contested in every stage before the Survey officer, the Commissioner, the Board, and the Government. It seems to me to be more expedient to allow each case to be settled by the Courts on its own merits, in case of dispute, than to cause a widespread discord by sending a roving Commission about the

country to agitate questions in which the parties concerned are themselves quiescent. I have received some strong representations as to the delay which will be caused to the landlord by his not being allowed to eject any occupancy ryot for arrears of rent. This is one of the points where the landowner, asking for bread, has been given a stone." (R. Towers, District Judge, Tipperah.)

"I cannot consider the provisions of the Bill as fair to the landowners with reference to the rights which they have enjoyed for a century; and yet I am precluded from calling into question the principles upon which the Bill is founded. As to the abolition of freedom of contract, I altogether fail to see the justice of the provision. I find nothing of the kind in any of the Permanent Settlement Regulations. The ryot is to be allowed freedom in every respect, except when he enters into an agreement with his landlord. If this is not setting class against class and teaching the ryot to look upon the landlord as his natural enemy, words have no meaning. With regard to the ordinary ryots, the provisions of the Bill militate against all previous practice, by which a tenant-at-will was allowed to hold in accordance with agreement entered into between him and his landlord. I am not prepared to support those provisions which fix a maximum of rent to be demanded. As to the provisions for the recovery of rents, which were the beginning of the legislation which has found its outcome in the present Bill, I am afraid that the landlords will hardly be satisfied with the relief which has been given them. *On the principle on which this Bill is drawn,** the landowners could not expect further relief. I suspect, however, that they expected, and I am not prepared to say that they had not a good right to expect, very much more substantial relief, as the outcome of their application

- Mr. Monro may have underlined these words in order to convey the opinion that the object of the Bill was, not to relieve, but to despoil the owners of land.

for a summary method of realising rents." (J. Monro, Commissioner, Presidency Division.)

"I think the sub-letting power given to *Occupancy ryots* a doubtful and dangerous part of the Bill. A long string of rent-payers and receivers must be bad. As far as an *Occupancy ryot* is a rent receiver, he is one of the objectionable class of land-jobbers. The net result of the Bill will be the extinction of the present class of [cultivating] *Occupancy ryots*, and the transfer of their rights to money-lenders. We think the preparation of a table of rates impracticable. The Conference is unanimous in saying that the freedom of contract should not be withheld." (F. M. Halliday, Commissioner, Patna Division, in Conference.)

"The right of occupancy is for the protection of the cultivator; it seems inequitable, therefore, to allow a non-cultivator to be thrust on the proprietor as an *Occupancy ryot*. If a ryot is evicted from a holding in default of payment of rent, there is nothing in this sect. 129 to prevent his demanding compensation." (N. S. Alexander, Commissioner, Dacca Division.)

"It has been asserted that one of the objects of the present legislation is to afford facilities to the landlord for the recovery of his rent, whereas there can be but little doubt that the recovery of rent has been made more difficult than it previously was. Sect. 50, when enacted, will lead to a very general loss of right of *Occupancy* holdings by the present generation of ryots, whose holdings will be at once bought up by the money-lending classes, the ryots becoming rack-rented pauper-cottiers or landless labourers." (G. N. Barlow, Commissioner, Bhagulpore Division, in Conference.)

"The principle involved in sect. 47 seems almost a ludicrous way of making out an *Occupancy* right. There is to be a perfect transformation scene on a day yet to be

fixed. On that day villagers, who may be merely tenants-at-will and may never have held one piece of land for more than three days at a time, will suddenly become ryots with rights of Occupancy in the plot last held, all contracts to the contrary notwithstanding. This renders all contracts under Act VIII. of 1869 mere waste paper. I cannot think that circumstances justify such flagrant infringement of the landowners' rights. Sect. 50 bestows valuable privileges on the ryot; would it be too much to ask that one provision be added on behalf of the man at whose expense we are generous? viz., that the Occupancy right be liable to be revoked for non-payment of the 'fair and equitable rent' on the due date? If rents are no longer to be fixed by consent, but by a table of rates, how is such a table to be prepared? It pre-supposes a certain dead level in the out-turn of lands, as if improvement and industry were of no account" (C. A. Samuells, Collector of Bankura.)

"If this Bill is intended to protect ryots, I fail to see why it should allow sub-letting. A ryot ceases to be a ryot when he ceases to cultivate, and when he sub-lets, he becomes the most oppressive of landlords, a petty middle-man." (H. Mosley, Collector of Moorshedabad.)

"Constant changes in legislation are greatly to be deprecated. In the present instance I do not think that any such necessity has arisen." (E. J. Barton, Collector of Jessore.)

"The Bill proposes to effect a violent revolution in the ownership of landed property, affecting the interests of above fifty-five millions of people. Such important changes, affecting detrimentally the rights and interests of a large and important class, should only be made on very strong grounds; such as, for instance, the grounds advanced by Mr. Gladstone when introducing a somewhat similar measure in Ireland in 1870. The result in that case might well make thinking men pause before introducing it into

another country, even if the circumstances under which the Irish measure was applied existed here. No special or strong grounds, political or other, exist in the present case, nor have any been asserted in support of the present Bill. In 1877, the Lieutenant-Governor thought special legislation was necessary to enable the zemindars to recover their rents. Matters have in no way changed since then. There has been no general feeling of discontent among the ryots. I am sure that all the Government officers will agree in this, and in thinking that the ryots of Bengal are as a body, in a contented, prosperous condition; nor will it be denied that there has been no general request on the part of the ryots for such legislation as is now proposed. It is clear, then, that the present measure is proposed, not because it is necessary, but because, in the opinion of the Government, the land system of the Bill is preferable to the existing one. It seems to me that the passing of such a Bill would not be justified by the circumstances, and that even if there were no other objections it would not be right to pass it. But there are other and, in my opinion, serious objections to the Bill. First, it is an infringement of the rights guaranteed by the Permanent Settlement. I do not forget that the Settlement allows Government to interfere for the welfare and protection of the ryot. But if it had been intended that such interference should have amounted to the destruction of the proprietary rights then conferred, such rights would never have been conferred, and I request reference to paragraph 11 of this letter, as it can scarcely be alleged that interference is necessary in the slightest degree for the protection of the ryots. Next, we have for 90 years treated the zemindars as real proprietors, making them discharge the duties of proprietors in regard to matters connected with police, crime, furnishing supplies to troops on the march, and, above all, the collection of public demands. Is it fair or just to deprive them now of the most important rights of a pro-

'prietor?' (Lord H. Ulick Browne, Commissioner of the Rajshāhye and Cooch Behar Division.)

The undisguised opposition of these officials (whose advancement in the Service so greatly depended on the good-will of the Government) testifies to the indignation which they must have felt at being expected to co-operate in a scheme of injustice and oppression. Lord Ulick Browne was charged at the time by the Lieutenant-Governor, in a despatch addressed to the Government of India, with having, when consulting his subordinates on the Tenancy Bill, made comments which amounted to "prejudging the issues which they were called to consider." But the Lieutenant-Governor had laid himself open to a similar charge in paragraphs 5, 6, 7, and 8 of his Circular calling on the district or superior officers for their opinions on the same Bill; and the omission of those paragraphs in the copy published in the official *Gazette* would tend to show that His Honour was not unconscious of their exceptional character.

When the Bill was submitted for the Secretary of State's sanction, the following objection was raised by the Council of India, and stated in Lord Hartington's despatch of 17th August, 1882:—

"Your proposal in the first place annuls the distinction deeply rooted in the feelings and custom of the people between the resident and permanent and the non-resident or temporary cultivator. This, when your avowed intention is to restore to the ryots their ancient position and rights, appears to me anomalous and undesirable. In the next place, it abandons a principle on which the Statute law has been based for nearly a quarter of a century, and which was adopted in 1859 by the Legislature on rational and intelligible grounds."

The Bill was also submitted for the opinion of the High Court of Bengal, and the Chief Justice's Minute of

6th September, 1882, of which the following is an extract, exposes its character from a legal point of view:—

“I find that some pains have been expended upon the argument that the Government, in case of necessity, has a right to interfere with vested interests, although created by so solemn a compact as that of the Permanent Settlement; and it has been further argued that in the Settlement itself the Government has expressly reserved such a power of interference. For my own part, I consider the argument quite superfluous. I take it to be clear that any Government, *in case of real emergency*, has a right, so far as it is necessary, to interfere with vested rights to whomsoever they may belong, and howsoever they may have been created. But then I take it to be equally clear that, *without some such actual necessity*, no Government is justified in interfering with the vested interests of any class of its subjects; more especially when those interests have been created and defined, after due consideration, by the State's own legislative enactments.

“The true question for our present purpose is whether there does or does not exist at the present time any such necessity as justifies the Government in depriving the landlords of Bengal of their rights and privileges in the manner proposed by the Bill. For myself I see no such necessity, and I am bound to say that, amongst the many complaints on behalf of the ryots, which have been published by the Government in connection with this subject, I have been unable to find a single statement that the ryots themselves desired anything of the kind.

“The deprivation to which I allude, was never, so far as I can ascertain, even suggested by the ryots. It was proposed for the first time by certain members of the Rent Commission; and it is supported, as I understand, not upon the ground of actual necessity, but because, in the opinion of those gentlemen, the ryots were, or ought to

have been, in a better position some ninety years ago than they are now; and that it is desirable, in the interests of the State, to place them in that position."

Sir Richard Garth, after fully discussing the other provisions of the proposed Law, concluded his Minute in the following terms:—

"For the present my task is done. I trust that, with some of my countrymen at any rate, the humble but earnest effort that I have made to protect the landlords in Bengal from what appears to me nothing short of impending ruin, may find some support and sympathy. I trust that the landlords themselves may be awakened in time to their own danger; and I hope and pray that the policy of confiscation—which has borne, and is bearing still such terrible fruit in Ireland—may be averted by the blessing of God from our Indian possessions."

These condemnatory opinions, expressed by some of the highest authorities, led to the Bill being kept back for upwards of two years. Meanwhile the ryots perceived that the proposed legislation, while it deprived the landowners of their proprietary rights, also destroyed the protection which the ryots enjoyed against the undue enhancement of their rents. The subject was then carefully discussed by ryots all over the country, and numerous petitions came from them, earnestly praying the Government that the Bill might not be passed. The prayer was unheeded, but the matter continued to be kept in view, though the Bill was seemingly dormant.

In 1885, the change of Ministry, and the increased excitement over the Irish Home Rule question, which engrossed public attention at home, seemed to offer a favourable opportunity to the Government for carrying the Bengal Tenancy Bill through its final stages, and the Legislative Council was accordingly summoned for the purpose. On that occasion a non-official member, the

Maharaja of Darbhanga, after once more pointing to the evil tendencies of the measure, concluded his speech in the following words :—

“I have at any rate the satisfaction of feeling that I have acted as the true friend of my country and of the Government in warning you of the political dangers which, I believe, underlie the proposed legislation.”

Another non-official member, Baboo Pearymohun Mookerjee, said :—

“I deem it my duty to entreat your Lordship and this Honourable Council to pause before passing this Bill. It has been observed by a high authority, Jeremy Bentham, that ‘the legislator is not the master of the disposition of the human heart ; he is only its interpreter and its minister. The goodness of the laws depends on their conformity to general expectation. The legislator ought to be well acquainted with the progress of that expectation in order to act in concert with it.’ Allow me, my Lord, to ask: Has the Bengal Tenancy Bill satisfied the expectations of either the landlords or the ryots ? The resolutions passed at the meetings held in different parts of these provinces, the numerous memorials which have been submitted to your Lordship by landlords and ryots alike, and the public opinion which has found expression in every section of the native and Anglo-Indian press, give an emphatic answer to the query. The landlords stand aghast at the dreadful vista of unmerited loss which the measure threatens them with. The ryots loudly express their consternation at the operation of a law said to have been conceived for their benefit, but which they firmly believe will make their position much worse than it is at present. I appreciate the desire of the member in charge of the Bill that there should be a finality at some stage of these discussions ; but the passing of a measure which is disliked by all classes is not likely to allay the agitation which discussions regarding

it have given rise to. Let us not cry peace where there is no peace. In questions of such magnitude, complexity, and importance, where every word and sentence we seek to clothe with the authority of the law may be fraught with the gravest consequences to millions of unrepresented subjects of Her Gracious Majesty, it can never be unwise to pause and take a forecast of the future. A question which I beg your lordship and this Council to consider is whether it is desirable to pass without further inquiry and deliberation a measure which, it has been publicly said, would shake the confidence of the people in the faith of the British nation, and which would set brooding over their wrongs a large and important section of the community who are noted for their loyalty and devotion to the British Crown."

The Viceroy's speech, which ended the debate, sounds like a derision or an insult to human intellect in its description of a measure which violates every dictate of justice and humanity, and aims simply at spoliation. His Excellency said:—

"I believe that the Bill is a translation and reproduction, in the language of the day, of the spirit and essence of Lord Cornwallis's Settlement; that it is in harmony with his intention, and is conceived in the same beneficent and generous spirit which actuated the framers of the Regulations of 1793."

It seems incredible that these words could have been uttered with any feeling of sincerity. But what right have we to expect a sincere expression of opinion from any official member of the Indian Legislative Council, when we know that the members of that body are not free agents, but are bound, irrespective of their personal feelings and opinions, to act in obedience to the instructions transmitted by the India Office? Has not the Indian Secretary of State, in his despatch of 24th November, 1870,

distinctly intimated to the Governor-General of India in Council, that "the British Government must hold in its hands the power of requiring the Governor-General to introduce a measure, and of requiring also all the members of his Government to vote for it?" Under these conditions the Bengal Tenancy Bill could not have been passed without the sanction of the Secretary of State for India; and the responsibility of the measure must, therefore, attach solely to that Cabinet Minister. But is that Cabinet Minister himself a free agent as regards the administration of India? Is he at liberty to sanction a measure calculated to benefit the Indian people, or to abstain from a course injurious to them, when his colleagues in the Cabinet are opposed to the former or insist on his adopting the latter? Can he, moreover, reasonably be expected to withstand the influence of the British Constituencies on whose support his existence as a Minister, and the strength and safety of the Cabinet of which he is a member entirely depend? If these questions are to be answered in the negative, how are the Indian people, upon whom an irresponsible system of government has been imposed, to be protected either from a dishonest Executive, or from the exigencies of British Constituencies, when these are opposed to the interests of India?

Considering the constitution of the Indian Legislature, it will be easily understood that the Bengal Tenancy Bill, notwithstanding its flagrantly iniquitous character, was passed without the least hesitation by the standing official majority of the Council; and although eight years have since elapsed the Government have been unable, as yet, completely to carry out its provisions. The ryots, as a body, having shewn disinclination to accept the insidious privileges offered to them, the Government are preparing to execute forcibly the Cadastral Survey which is to enable their officers to construct a record-of-rights on the arbitrary lines laid down in

the Act, and to draw up the table of rates on which rents are to be based. Meanwhile landed property has been considerably depreciated under the Confiscatory Clauses of the measure; and the increased difficulty it has introduced in the recovery of rents, has placed a large number of proprietors in the impossibility of satisfying the Revenue demand on the due date. Sales for arrears have, in consequence, increased ever since the Bill was introduced. In 1882 and 1883 the estates and shares of estates attached by the Revenue officers amounted to 9,735 and 10,789 respectively; and the Calcutta *Englishman* of 1st December, 1893, states, in reviewing the latest Administration Report of Bengal:—

“Nearly 17,000 estates and shares of estates became liable for sale for non-payment of the Government demand last year. Forty-three estates were bought by the Government for the nominal sum of 54 rupees.”

Thus, one of the noteworthy results of the legislation, which was avowedly introduced for the assistance of landowners in the recovery of rent, has been to deprive thousands of them of their estates; and to destroy the confidence of the people in the good faith and good intentions of their rulers. The ultimate effect of the *Bengal Tenancy Act*, when fully enforced, must be to create strife and litigation, to extinguish the spirit of peaceful industry so marvellously evoked by the wise legislation of 1793, and to drive an impoverished people to lawless modes of subsistence.

J. DACOSTA.

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THE LEGISLATIVE COUNCIL AND JUDICIAL INDEPENDENCE IN INDIA.

(*Reprinted from THE LAW MAGAZINE AND REVIEW,
February, 1894*)

A LETTER TO THE EDITOR

SIR,—In May last the Government, in reply to Lord Stanley of Algleley's motion regarding the administration of justice in India, admitted that "it was contrary to right and good principle that the Executive and Judicial powers should be united in one person," but declared that it was impossible, at the time, to find the financial means for making the necessary reform.

Now, the difficulties of the Indian Exchequer are shewn, in the last Budget statement, to have arisen, not from diminished revenue, but almost entirely from increased expenditure. It seems difficult, therefore, to believe that, during a period of profound peace, when no danger looms in the immediate future, some retrenchment in the overgrown Army expenditure of India should not be practicable, such as would admit of initiatory steps being taken towards the reform of a system condemned on all sides, and which the Government itself admits to be wrong in principle. Far, however, from any endeavour having been made towards that end, the evil is being seriously aggravated by the creation of new Courts of Judicature, which are to be presided over, not by duly qualified and independent Judges, but by Government servants directly amenable to the influence and control of the Executive.

In 1892 the "Madras City Civil Court Act" created a tribunal having a concurrent jurisdiction with the Chartered High Court of the Presidency, but evidently intended, through favourable clauses regarding costs, to divert suits

from the High Court, which inspires the people with confidence, to the newly-created tribunal, the constitution of which is looked upon with dismay. Since then, a Bill has been introduced in the Legislative Council of the Viceroy—the “Presidency Small Cause Court Bill”—for the purpose of creating another tribunal on the same lines; and when, at the sitting of the Legislative Council on the 4th January last, the Legal member proposed that the Bill should be withdrawn, unless the jurisdiction of the projected Small Cause Court were limited to suits of 1,000 Rupees and special qualifications were imposed upon the Judges, His Excellency, the Viceroy, as President, immediately intervened, declaring that the statements of the Legal member of Council should be taken to represent his own views, and in no way to commit the Government of India.*

This remarkable incident discloses a marked divergence of view amongst the official members of the Legislative Council; but it also discloses the important fact that some of the official members of that Council object to being made the instrument for giving the force of law to measures which are repugnant to their judgment and their conscience. That similar incidents have not hitherto been more frequent may perhaps be ascribed to the Indian Secretary of State's despatch of the 24th November, 1870, in which the Cabinet Minister asserts his power to require the Governor-General to introduce a measure, and to require all the members of his Government to vote for it.

A well-founded impression prevails that Parliament intended the Legislative Council of India to be a Deliberative body; but the above-mentioned despatch has converted it into a mere Administrative Office, charged with giving the form and authority of law to the determinations of a Cabinet Minister. Deliberation, at all events, has been

My authority is the *Pioneer*, for 7th January, 1894. The official report of the debate will probably come by the next mail from India. [See *Postscript*.]

excluded from the Council, and the Indian Legislature has become in practice a pure delusion. The Council Amendment Act of Lord Cross might have corrected the fault had the Representative principle been incorporated in it to a reasonable extent ; but in its actual form, with the evident determination of the Government to continue using the Indian Legislature as an auxiliary in the promotion of the interests of the British Cabinet, under the name of Imperial interests, the evil must endure until the injustice and suffering which it inflicts on the Indian populations become unendurable.

I am, Sir, your obedient servant,

1st February, 1894.

J. DACOSTA.

Postscript, 5th February.—The Indian mail has just brought the official report, printed in the *Gazette of India* (Calcutta), for 13th January, 1894, Pt. VI., of the speech delivered on the 4th January by the member in charge of the "Presidency Small Cause Court Act Amendment Bill." It seems evident that the object of this measure, as framed by the Executive, is to divert suits from the High Court to a Small Cause Court, in which the Judges are to be, not trained lawyers, but Government servants, who may, without possessing any real professional qualification whatever, have attained the technical position of having been called to the Bar. Moreover, Section 8, after providing for the status of the Chief Judge, runs thus:—"The other Judges shall have rank and precedence as the Local Government may from time to time direct." On this point the member in charge (Hon. Sir Alexander Miller, Q.C. observed:—"Now, there is not, so far as I know and believe, any Court in the civilised world—there is certainly not any British Court—in which the Judges other than the Chief Justice or the Chief Judge, have any difference in rank or precedence other than that which follows from the dates of their appointments; and to place it in the hands of the Executive Government of any country to alter the

precedence of the Judges, would be to do the very thing which the English Constitution has been labouring to avoid ever since the Revolution, that is, to keep the Judges dependent on the favour of the Executive."

J. D.

[*** The speech of Hon Sir Alexander Miller, to which our correspondent justly draws attention in his *Postscript*, contains, it appears to us, strong internal evidence, in other passages which we have not space to reproduce, of the gravity of the questions at issue under the specious name of the "Presidency Small Cause Court Act Amendment Bill," and also that Sir Alexander is fully awake to the fact of their gravity. We are glad to find that where the Judges of the High Court, Calcutta, have spoken on the subject, to the effect that "whenever a professional man can be obtained it is desirable that he should be obtained" for the office of Judge, Sir Alexander is on their side, and also that he would rather his present Bill "were abandoned altogether than allowed to pass leaving, as things stand at present, Judges who might be appointed having no professional qualification whatever." We are also glad to find Sir Alexander's feelings thoroughly in accordance with our own on the point that the Judges of the High Court would be the best body to frame Rules of Procedure for the new Presidency Small Cause Court, and that it is not a proper course to pursue to leave these rules to be framed by the Judges of the new Court, who are Government servants, with the consent of the Local Government. This would practically amount to the Executive taking the place of the Judicature, and the whole tenor of the establishment of the Small Cause Courts would appear to be the aggravation of the evil, admitted in Parliament even by its apologists on financial grounds, of the Fusion of the Executive and Judicial Powers, and would constitute a new attack on Judicial Independence in India. *Quod omen avertat Deus!*—ED.]

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BRITISH FINANCIAL ADMINISTRATION
IN INDIA: THE CAUSE AND
PROBABLE RESULTS OF OUR DIFFICULTIES.

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May, 1894).

I.—THE FINANCIAL ADMINISTRATION SINCE 1860.

WHEN a State enjoying a long period of peace begins to borrow money for discharging interest on previous loans, the action is generally interpreted as a premontory sign of financial decadence, seeing that it reveals the inability of the Government to obtain the requisite funds from the ordinary sources of revenue, and leads to the conclusion that the financial reserves of that State are exhausted, save its power to borrow. That India has for some years past stood in this predicament there seems little reason to doubt when a review is taken of her financial administration during the last thirty four years—that is, since her Government and her Legislature have been under the undivided control of a member of the British Cabinet. From such a review it will be seen that, shortly after the inauguration of the present régime, “an accumulated deficit of six millions occurred in three years; the permanent debt during the same period was increased by a and a-half millions, the serious and unprecedented course of increasing the burdens of the people in the middle of the year, had to be taken; the public works were in a great measure suspended; the income tax and the salt tax were increased; the period was one of great trouble to the Empire and of anxiety to the Government” (Lord Mayo’s *Budget Speech*, March, 1870). A few months later, and shortly before that much respected nobleman fell by the hand of a political assassin, he stated

in a despatch to the Home Government:—"A feeling of discontent and dissatisfaction exists among every class on account of the increase of taxation that has for some years been going on; and the continuance of that feeling is a political danger the magnitude of which can hardly be over-estimated."

Lord Mayo was certainly no alarmist; his representations, therefore, led at once to the appointment of a Select Committee of the House of Commons to inquire into the finances of India; and although the proceedings of that Committee were unduly protracted by the unwillingness of the Government to furnish the necessary accounts and information, and were eventually interrupted by a dissolution of Parliament, a mass of valuable evidence was collected, disclosing a laxity in the administration and a reckless waste of public money, which would scarcely have been credible without such authentic and unrefragable evidence, and which certainly would not have been possible, but for the irresponsible system of government imposed on India. Millions and millions had, within a few years, been spent in ill-conceived and ill-constructed public works—the Godavery navigation scheme, the Orissa project, the Mutlah railway, the Madras Irrigation works, and numerous other unsound enterprises—with the result that the interest on the millions borrowed for the purpose became a permanent burden on the people of India, without any countervailing advantage whatever accruing to the country. The following short extract from the evidence given before the Indian Finance Committee by the officer specially deputed by the Government to defend its action in the Department of Public Works, will give an idea of the way in which public money was expended:—

"June, 1872. Question 6535 —You said that the Public Works Department had not a concrete existence. Is it an abstraction that can get money? Answer:—I meant that

they had not a concrete existence in the sense of controlling the expenditure.

"6536.—Then who controls it? The Government as a whole controls it. There is no person specially responsible to the public and to the Government for the operations of that Department.

"6537.—Now, we get it clear: this enormous expenditure is going on; it has gone on; it is going on this year to the extent of something like £40,000,000. You have recommended an expenditure of £70,000,000 in future public works, forty millions in canals, and thirty millions in railways, and yet you admit that there is no one in the slightest degree responsible for the manner in which that expenditure is carried out, no one on whom a Committee, for instance, could fasten the responsibility? I entirely admit that, as regards the general control of those great financial operations, there is no person who has that responsibility put on him, that should be."

From the whole of the evidence given before the Indian Finance Committee, it was clearly seen that bankruptcy could be averted only by a complete reform in the financial administration, and the exercise of strict economy in the future; and this task was taken up with admirable zeal and ability by the Viceroy who succeeded Lord Mayo. But as soon as confidence began to be restored, new speculative schemes, involving very heavy expenditure, were started by the Indian Secretary of State, and, from 1876 to 1880, India paid her way by extensive borrowings. In 1885, while no danger of war threatened the country, the expenditure was suddenly increased again by upwards of three millions, chiefly in connection with the Army, and the increase became larger and larger in subsequent years, the operations requiring the money being the annexation of Upper Burmah and the subjugation of the Tribal territories lying along the North-Western frontier of India.

Burmah, it was confidently asserted by the Government, could be conquered in a few months, and would, when annexed to our Indian Empire, soon add materially to its financial resources. As a matter of fact, nearly twenty millions have been taken from the Indian treasury to enable us partially to hold our conquest in Burmah; and the pacification of the country seems more remote now, than it appeared to Lord Dufferin when he left India.

Then, as regards the conquest of the mountainous regions which divide our Indian territories from the advanced position taken up by Russia, it has been alleged that the subjugation of the intervening tribes is absolutely necessary for the protection of our Empire against a Russian attack. The Foreign Office, it has been hinted, possesses alarming information on Russian schemes for the invasion of India; and the Will of Peter the Great is referred to in justification of the alarm. The Will, it is true, says:—"Hasten the decline of Persia, penetrate to the Persian Gulf and make your way to the Indies—they are the Emporium of the world." But the Will required the previous subjugation of Continental Europe, and gave as a reason for considering the plan practicable, that "the European nations had mostly reached a state of old age bordering upon imbecility, or were rapidly approaching it, and that they would then be easily conquered by a people strong in youth and vigour. Approach Constantinople. He who shall reign there will be the sovereign of the world."

Now, the fact is that the European nations, far from having fallen into the anticipated state of senility and decay, are full of vigour and enterprise, while Russia, during the last hundred and fifty years, has not been able to take the first step in her projected march of conquest, which was to lead to the Indies. It seems, therefore, unaccountable that the rulers of a great and powerful nation like England should be led, by the fear of a Russian advance through

the most difficult country in the world, to embark on an arduous and problematic task, at a great risk of failure, and with the certainty of creating serious discontent, if not actual disaffection, among the two hundred millions of her Indian subjects who are being compelled, by oppressive taxation, to defray the cost of these doubtful and unsuccessful ventures. The astonishment becomes still greater, when it is remembered that our most eminent military authorities have all along declared that a Russian attack from Central Asia could most effectually be defeated upon the Indian frontier within reach of our reserves and material resources, and that it would be excessively unwise to advance and encounter the foe in the intermediate difficult and inhospitable region. Lord Roberts, at the termination of the last Afghan war, expressed himself thus on the subject:—"Should Russia in future years attempt to conquer Afghanistan or invade India through it, we should have a better chance of attaching the Afghans to our interests, if we avoid all interference with them in the meantime. The longer and more difficult the line of communication is, the more numerous and greater the obstacles which Russia would have to overcome; and so far from shortening a mile of the road, I would let the web of difficulties extend to the very mouth of the Khyber." This opinion, thus clearly defined, has since been neither retracted nor in any way qualified. Besides, the failure, during the last eighteen years, of all our attempts to subjugate even the border tribes of Afghanistan, ought long since to have convinced us that the task was impracticable, and that the money we spent, year after year, in its prosecution, only aggravated the financial burden which our previous failures inflicted on the people of India.

An idea has prevailed with the Government that bribes would effect what our arms failed to accomplish, and money

has accordingly been lavished on tribal Chiefs on condition of their acknowledging our supremacy. Such acknowledgments have been purchased from a number of Sirdars; but their tribesmen, disregarding the bargain, have all along resented our presence by attacking our convoys and detached parties, and burning our military posts, especially in the Zhob valley and in Waziristan, where we have for some years been planning the construction of a railway to Pishin, in order to secure our communications with Quetta, the line through Sind being frequently interrupted by floods and landslips. The recent Mission to Kabul and the large increase made in our subsidy to the Amir, were said to have induced him effectually to discourage the hostile behaviour of the Waziris, and to have thereby secured the safety of our military road through the Gomul pass. This expectation, however, has been frustrated, as will be seen from the following statement published in the *Pioneer* of the 25th February last:—"The Waziris are bent on mischief. In addition to attacking a patrol in the Bitani country, they have given trouble at the Western entrance of the Gomul pass. Captain Rattray, of the 22nd Punjab Infantry, was proceeding to Tank when the guard in charge of his baggage was attacked eight miles east of Kajuri Kach. A Lance Naib and three sepoys were killed, and their rifles carried off."

A similar state of things prevails in the lower part of the Kuram valley where we are also endeavouring to exercise authority and to establish a military post near Malana. Some Turi headmen have consented to receive British pay and to induce a few hundred of their followers to enlist in a sort of militia corps. The Afghan tribes of the country, however, repudiate our pretensions, and have taken up arms in defence of their independence. Sarwar Khan, their leader, had in March last an interview with the Lieutenant-Governor of the Punjab, the result of

which have not been made known; but the statement published in the *Englishman*, of the 28th March, that "Since our agreement with the Amir he will doubtless receive no encouragement from Kabul," would shew that the Chieftain and his followers remain hostile to our presence in the tribal territory.

These events are significant in their bearing on the finances of India; they shew that the long series of trans-frontier expeditions, which caused so heavy a drain on the Indian Exchequer, must now be renewed, if the Waziris and other tribes, whom we have, for eighteen years, been endeavouring to subjugate, are to be brought under British control.

A review of the financial administration of India since 1860, shews:—

1st. That, within a few years, a severe crisis occurred, which was due, according to the evidence collected by the Indian Finance Committee, to great extravagance on the part of the Government, and to the neglect of all sound principles of State economy;

2nd. That in 1876, when the depreciation of the metal in which the Indian revenue is collected, became alarmingly threatening for the future, preparations were, nevertheless, commenced the same year for an unprovoked war, with the avowed object of acquiring a "Scientific British Frontier," in the heart of Afghanistan; and

3rd. That the heavy expenditure subsequently incurred in unprovoked military operations beyond the frontiers of India, has so deranged the finances of that country that loans have now to be raised for paying the interest of the Public Debt.

II.—THE PROXIMATE CAUSES OF THE PRESENT SITUATION.

It is in the inordinate expenditure on military schemes, entered upon since 1876, that our present difficulties have

originated; and until such expenditure is effectually arrested, and the finances of India are administered upon rational and acknowledged principles of economy, the task of replenishing the Indian Treasury must continue to be as hopeless a task as that of filling a bottomless cask with water.

The Government contend that the depreciation of silver is the only cause of their present difficulties; but this contention is inadmissible so long as the extravagance and neglect of principles, which brought on the crises of 1870, 1878, 1882, and 1888, are the leading features of their administration. Besides, Government have not been the only sufferers in the silver question; all who derive their incomes from Rupee Paper, from Indian salaries, or from industries or professions exercised in India, and have to use their incomes partly in Europe, are sufferers from the same cause; and if these persons have avoided bankruptcy, it is because they took timely precaution against the peril, by reducing their expenditure and submitting to retrenchment and economy, which doubtless pressed heavily, and even cruelly, upon individuals and families, but which common prudence and honesty inexorably enjoined.

The depreciation of silver, like the depreciation of other property caused by an excessive supply, creates a situation which is regulated by a natural law governing rulers and subjects alike; and the history of our own times has repeatedly shewn how vain it is for an extravagant Government to seek shelter from financial disaster in oppressive taxation and loans. Eighteen years ago, the Indian Finance Minister warned the Government, in the following impressive terms, of the urgent necessity of preparing to meet the difficulties which have now assumed such alarming proportions:—"From whatever point of view the depreciation of silver is considered, it is the gravest danger that has threatened the finances of India. War

"and famine have often inflicted losses, but such calamities pass away. The losses are known and limited. This is not the case with the present cause of anxiety. Its immediate effects are serious enough; but that which adds significance to it is that the end cannot be seen, and the future is involved in uncertainty."—(*Budget Statement*, 1876.) Not only was this warning of the need for reform and economy contemptuously cast aside by the Government, but the stupendous project of conquering Afghanistan was launched the very same year, a project which, had it been realised, would have intensified and perpetuated our financial difficulties, but which eventually resulted in most humiliating national disasters and an addition of twenty-five millions sterling to the public debt of India.

Notwithstanding this deplorable result, the fatal policy of advancing into Afghanistan was revived on the 6th August, 1885, when the Indian Secretary of State declared in Parliament that heavy additional expenditure was considered necessary in consequence of the advance of Russian troops in Central Asia. The Army expenditure during the previous four years had averaged Rs. 163,500,000; it was increased by Rs. 30,497,000 the next year, and has since been growing steadily, the sum spent in 1892-3 (the latest year for which the accounts have been published) being Rs. 230,007,791, including Rs. 4,530,000 spent on "Special Defence Works."

During our continuous financial difficulties in India, no earnest proposal has been suggested either in Parliament or by any Minister of the Crown, for comprehensive reform or the creation of some Constitutional control over the finances of that country. And yet, it is obviously through such measures alone that financial security can be obtained and due protection be afforded to the millions of Englishmen and Englishwomen, at home and abroad, who derive their means of subsistence from Indian trade and industry, from

Indian Securities and from salaried employment in India. This supine indifference both to English interests when unconnected with party politics, and to the solvency of the Indian Exchequer, is traceable directly to the vicious system of government imposed on India. When that system was being discussed in Parliament in 1858, the late Mr. John Stuart Mill emphatically warned us that an incalculable injury would be inflicted on India, unless an influence were brought into existence, which would constitute for the finances of that country a protection similar to that which it had derived from the East India Company; and the evidence given before the Indian Finance Committee soon shewed how prophetic that warning had been. Lord Lawrence, in his evidence before the Committee, said: "The Secretary of State is supreme in all financial questions; he is a member of the Cabinet whose fortunes are scarcely affected by any consideration likely to promote the interests of India, but whose existence may at any moment be terminated by a hostile vote of the commercial interest." Subsequently a member of the Committee (Prof. Fawcett) observed in Parliament, 6th August, 1872:—"The Secretary of State for India is simply a member of the Cabinet, and what chance is there of the affairs of India receiving adequate consideration, when the Cabinet is perplexed by a host of questions which may affect the fate of an administration? India may be neglected, her money may be wasted, her affairs may be mismanaged, it will not affect the interests of the party, it will scarcely raise a ripple on the surface of politics."

The accuracy of these statements, which has never been questioned, is now strikingly confirmed, by the exemption just granted to Lancashire cotton goods, from the duty which is levied on all other goods on their entrance into India. This exemption, which necessitates additional taxation and loans to the extent of about Rs. 15,000,000, is

virtually a grant made from the revenues of India to the manufacturing classes in Lancashire, for the purpose of securing the votes of their representatives in Parliament—it might even not inaptly be charged as a misappropriation of public money. The Tariff Bill, involving the exemption, was passed by the standing official majority of the Indian Legislative Council on the 10th March last; and the following extracts from the speeches delivered by official members on that occasion, will shew how that Council, which was intended by Parliament to be a deliberative body charged with protecting the interests of India, has been converted by the Secretary of State, by his despatch of 24th November, 1870, into a mere office for giving the form of law to his autocratic determinations. Hon. Sir Charles Pritchard said:—"My own views regarding the exclusion of cotton goods from taxation under the Indian Tariff Bill, are closely allied to those of the hon. member who has moved the amendment. But I sit in this Council not as an independent member, but in virtue of the office I hold as a member of the Executive Council of the Governor-General. The Government of India is subject to the control of the Home Government. Her Majesty's Government has decided against the inclusion of cotton goods in the schedules of the Indian Tariff Bill. I must accept that decision and take my part in giving effect to it; I shall accordingly vote against the amendment." Lieut.-General Brackenbury said:—"I am personally of opinion that, in the present situation, it is desirable in the interests of India, that import duties should be imposed upon certain classes of cotton goods; but I intend to vote against the amendment, as I cannot think that, as a member of the Executive Council, I should be justified in voting against the orders of her Majesty's Government." The authority assumed by the Secretary of State to direct that the members of the Legislative Council in

India should vote, not according to their conscience and convictions, but in obedience to his orders, is, I submit, both illegal and contrary to public morality. It may be remembered that in 1862, although oppressive taxation had been imposed in India in consequence of the expenditure and loss of revenue occasioned by the mutinies and rebellion of 1857-8, it was proposed to grant a large sum of money to Ghulam Mahomed, the son of Tipoo Sahib of Srirangapatam. The grant had been sanctioned by the Secretary of State under certain influences which were then prevailing at home. Sir Barnes Peacock, Chief Justice of Bengal, who was one of the additional members of the Legislative Council, having inquired on what grounds the grant was to be made, the Government members objected to the full particulars of the case being submitted for the consideration of the Council, and proposed that the matter should be referred to the Secretary of State for decision. Thereupon Sir Barnes Peacock observed that the Secretary of State had no *locus standi* in that Council, which was constituted by an Act of Parliament, and that its members had a right and were bound to look into the expenditure of money raised under their sanction.

The Secretary of State then suddenly became of opinion that it was inexpedient that a Judge of the High Court should sit in that Council; and the motion for the grant in question was accordingly adjourned until the period of Sir Barnes Peacock's membership had expired. The other official members of the Legislative Council, who were salaried servants of the Government, were made to understand the necessity of obeying its orders, irrespective of their legality and justice, and the standing majority of the Council is still composed of official members.

The speeches just cited from the records of the Council of the Viceroy, clearly lift the veil which ordinarily conceals from public view the internal machinery of the great and

costly edifice by which India is governed. Outwardly, the edifice is most imposing—a Governor-General receiving the highest salary known in the British Empire, Governors, Lieutenant-Governors, and Chief Commissioners proportionately remunerated, Executive and Legislative Councils apparently in deep deliberation over the actions and laws best suited to promote the welfare of the country; but the drawing aside of the curtain exposes the meagreness and rough structure of the internal mechanism. The imposing personages viewed by the public are moved in their respective circles, not by the dictates of their reason and experience, but by electric wires worked from Downing Street by an individual to whose sole discretion the happiness of the Indian people and the expenditure of the revenue exacted from them, have been intrusted. This individual, who is selected, for no special qualification for the great trust reposed in him, but solely for the influence he exercises in party politics, is constrained, moreover, by irresistible surroundings, to satisfy in the first place the requirements of the Cabinet on which his official existence depends, and the claims of the British constituencies which support that Cabinet.

The present exemption of Lancashire cottons from import duty is only one instance of an evil which spreads in various directions. The valuable Indian patronage enjoyed by the British Cabinet enables it to reward its supporters in Parliament; and any reform which requires a diminution of that patronage is necessarily distasteful to the Government. Accordingly, for four-and-twenty years the highest military authorities have declared that the maintenance of three armies and three Commanders-in-Chief, while it entails much useless expenditure, is positively injurious to the efficiency of our military force in India; and a question was simultaneously raised—if the Punjab, the North-Western Provinces, and Oude can be administered

by Lieutenant-Governors and Commissioners, why should a more costly system be kept up in Bombay and Madras? Both the suggested reforms involved questions of patronage, and were persistently ignored by the Government for twenty years; the former has now been taken up, but the latter remains shelved.

In view of the supineness of the Government in the matter of reform, the member of the Indian Finance Committee, from whose speech a passage has already been quoted, said on the same occasion :—"But how are we to ensure that the finances of India will be managed in the future with greater care and economy?" The question was answered by himself in the following words :—"Every effort should be made to interest the English public in the affairs of India. I believe that the high price of Indian Securities is due to the fact that investors believe that England, if anything went wrong with the revenues of India, would be, if not legally, at least morally responsible for the money that had been lent on the security of the Indian revenue. Investors may have been deluded into that belief by an Act which this House unfortunately passed some years since, which allows trust money to be invested in Indian Securities. The investors are so numerous and so widely scattered, that if their interest in India were awakened by pecuniary considerations, this House would soon reflect the feeling, and the Government would then know that they could no longer remain passive spectators of acts of extravagance and mis-management, like those which have been described. An attempt has in vain been made to get the Financial Department to publish a clear account of the loans that were raised and how they were expended."

It might also be useful to remind investors of the following significant remarks which fell from the late Earl of Derby, in the House of Lords, on 31d March, 1881, when

it was suggested that the British Exchequer might, in case of need, come to the assistance of India for bearing the expense of Lord Beaconsfield's "Scientific Frontier" policy :—"It will be time enough to discuss that hypothesis when it is shewn that English constituencies, chiefly composed of working men and poor men, are willing to increase their burden for any such purposes. I do not believe that they would agree to it."

III.—SOME PROMINENT FEATURES OF THE ACTUAL SITUATION.

While endeavouring to tide over their financial difficulties by taxation and loans, the Government have ventured on certain empirical remedies for counteracting the depreciation of silver, in its adverse effect on the sale of their Indian Treasury drafts. The Indian mints have been closed and a duty has been imposed on silver imported into India, in the expectation that these measures, which tend to reduce the supply and raise the value of silver in India, will produce a corresponding rise in the price of drafts payable in that country. It should be remembered, however, that the price of such drafts has hitherto been regulated, not by the value of silver in India, but by its price in London, and that the same condition must continue mainly to prevail, so long as the aim and the basis of the bargain in question remain unchanged. The aim of the Government in offering their drafts for sale, is to bring home that large portion of the Indian revenue which is annually spent in England. In earlier times the conveyance was effected by the Rupees themselves, or their equivalent in bullion or merchandise, being shipped for sale in London; and later, when the Government were precluded from trading, bullion was still available for the desired remittance. Simultaneously with these requirements of the Government, merchants wanted

funds sent to India for the purchase of Indian produce; and while a part of these wants was supplied by shipments of European goods to India, bullion was available for the remainder. Under these circumstances it suited both the Government and the merchants, that the Rupees, which the former desired to bring home, should be made over to the merchants on their paying the equivalent in Pounds Sterling to the Government in London. This transaction has, for years, been carried out by means of drafts on the Indian Treasuries, which the Government sold at such rates of exchange as gave them an amount in Pounds Sterling at least equal to the sum which the Rupees, if brought over and sold in London, were likely to produce. On the other hand, the merchants and all who desired to send funds to India, were willing to buy the Treasury drafts so long as they were obtainable at rates which would lay down fully as many Rupees in India as a shipment of silver purchased in London, was likely to realise in that country—both parties taking into account the delay and expense attending bullion shipments. Thus it has been the price of silver in London, and not its value in India, that has ruled the rate of exchange in the sale and purchase of drafts payable in India.

The additional charge which the duty now imposes on silver shipments to India may induce remitters to pay a somewhat higher rate of exchange for drafts, but it must also, by restricting the export trade of that country, decrease the demands for drafts, and thereby affect the rate of exchange in the contrary direction.

Meanwhile, the experimental measures adopted cannot fail to cause incalculable mischief: 1stly, by obstructing an important outlet of the silver markets in Europe and America, and thereby tending to depress the price of silver in London; 2ndly, by curtailing the facilities for sending funds to India, and thereby hampering her Export trade on

which her agriculture and the collection of the Land Revenue greatly depend ; and 3rdly, by crippling, through a stoppage in the free supply of currency, her internal trade and industry which constitute important, though indirect, sources of her State revenue.

Other remedies also for the depreciation of silver have been discussed for the last twenty years. The introduction of a gold standard in the Indian currency, and the establishment of Bimetallism have been foremost among the measures advocated. The value or utility of the former must necessarily depend on the cost of carrying it into effect ; and while no reliable estimate of such cost has been produced, an opinion has prevailed in well-informed quarters that the cost, under existing circumstances, would considerably exceed the advantage expected to accrue from the measure.

Then as regards Bimetallism, its advocates are numerous, and many of them influential statesmen ; at the same time no practical means have been suggested, except an International Convention, for securing the primary condition of the scheme, namely, the maintenance of a fixed relative value between gold and silver. Lord Salisbury, who, as our Foreign Minister, took steps to ascertain whether such a Convention would receive, in its many details, the unanimous support needed for success, thought that the project was impracticable ; and his successors in that office have not declared a contrary opinion. Under these circumstances, it is obvious that other and more immediately practicable means must be discovered if the imminent peril of bankruptcy is to be averted. The Financial Statement of the Government, however, suggests no such means.

The Indian Budget for 1894-5 shows a deficit of Rupees 29,230,000, towards which it is proposed to raise Rupees 11,400,000 by new import duties, to appropriate Rupees 10,760,000 of the Famine Relief fund, and to retrench