sive machinery was needed to extract it, and to bring it up to a place where stamping machines and human hands could deal with it. This need was not supplied until English capital flowed in. It is a mistake to look on the foreign capitalist as draining away the resources of India. If he succeeds, he benefits the people by employing labour, and he provides India with articles which can be sold at a profit. If he fails, the loss falls upon him alone. There are many other industries in cotton, tea, coffee, cinchona, indigo, jute iron, coal, paper, and silk, which have in the same way been opened to Indian labour by the aid of foreign capital. A country may possess large natural resources, and an abundant supply of labourers, but without capital it cannot take advantage of its possessions. For this reason, the "Bombay Presidency Association," in preparing an address to the Queen-Empress Victoria on the completion of sixty years of her reign, laid particular stress upon the influx of British capital as one of the greatest benefits received by India. They wrote as follows:

"In all these various ways the peace and prosperity of the country have been promoted, with the result that during the past sixty years the population has multiplied nearly 100 per cent. cultivation has extended so as to keep pace with this growth, and trade and commerce have flourished beyond all previous measure, and been beneficial both to England and India. India has become the chief customer of British manufacture and trade, and it affords a safe investment for the employment of nearly 500 millions of British capital in the development of Indian agriculture, manu-

facture, and trade. The bonds which unite the two countries have thus become indissoluble, and under British protection the various races of India, speaking different languages and professing different creeds, have learnt to feel for the first time that the connection between the two countries is a providential arrangement intended to weld them altogether into a great Indian nation, owning common allegiance to the same sovereign and having common interests in the promotion of peace and good-will throughout the land."

74. **Occupations.** According to the last census out of 287 millions nearly 172 millions were supported by agriculture, and more than 25 millions by general labour including earthwork. More than 12½ millions of people, including their families, were engaged in providing textile fabrics and dress, and nearly 4 millions in working up metals and stones. On the other hand the persons, including all the members of their families, who were supported by the public service, or employed in the service of self-government boards and of native states, numbered only 5,600,153 Thus it appears that agriculture is the mainstay of Indian labour. In reality it supported a far larger number than 172 millions, because those employed in the care of cattle, the preparation of food-stuffs, and the construction of carts, indirectly live on the cultivation of the soil. The great difference between India and Great Britain lies in this, that the mass of the people of India depend on the country's crops and, therefore, on the seasons, whilst the British not only import their food, but also the raw material of their industries, and work it up for the market. India thus sends her cotton, her indigo, and her

timber to England, where the skilled labour of the British artizan is employed upon adapting the produce of foreign soils to the use of mankind. Since a great part of India is subjected to risk of drought, locusts, and other influences hostile to agriculture, it has always been the policy of the British government to open out to its labouring population new sources of industry and wealth, thus relieving the pressure on the soil and enabling the working classes to pursue their occupations, although the crops may for a season be withered owing to a want of rain.

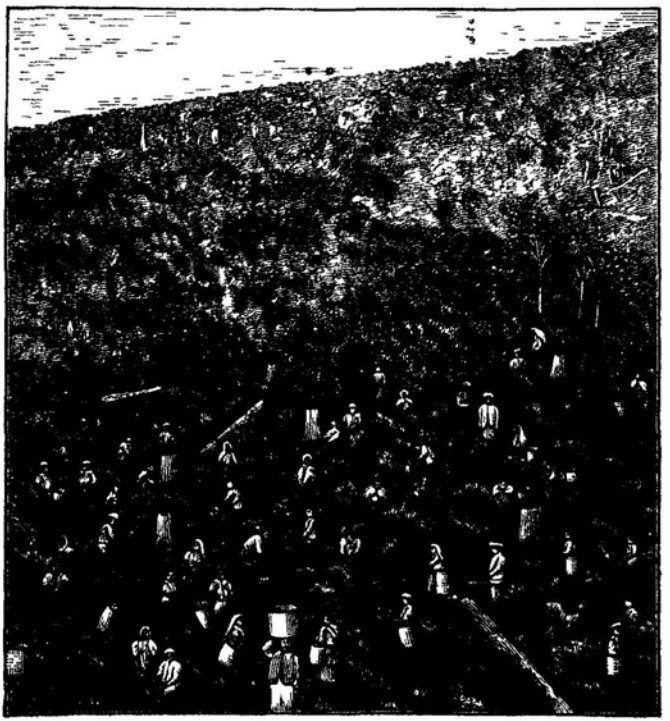
75. **Mines.** We may examine a few of the methods by which this desirable end has been promoted. India possesses beneath the soil many of those mineral resources which have made England rich and industrious. But before the establishment of British rule there was no enterprise or capital available for meeting the heavy expenses of setting up the required machinery; and, moreover, there was no experience or skilled labour in India capable of working the mines. Until quite lately India imported from England, or from Australia or Japan, all the coal required for her railways or factories. She is now able to supply from the Bengal coal mines, the Singareni field, and other sources, 3,537,000 tons of coal annually, and in this single industry 50,000 workmen are employed in a labour which neither famine nor drought need interrupt. To these 50,000 must be added the families they support, and one must remember the many other occupations which the transport of, and the trade in, coal support. There is a splendid future in store for the Indian coal, which is not only well able to supply all the growing demands of the country,

but is sure to find in other countries of Asia a rich market. Besides this the coal trade is itself the parent of other trades.

For India possesses plenty of iron, and with cheap coal it may be able to produce steel and iron for its railways, its factories, and its buildings. The gold mines of Mysore have shown what capital and European skill can do for the country. They are giving an annual output of 390,000 ounces of pure gold, extracted from workings which Indian industry, left to itself, was obliged to abandon as being no longer able to pay the cost of labour. The Mysore government, without spending a rupee upon the works, derives from them a royalty of nearly ten lakhs a year, besides an immense addition to its excise and other revenue, while an army of native workmen paid for by the English companies supports itself in comfort by means of the gold-mining industry.

76. **Tea and Coffee.** Capital and labour are the most important elements of wealth and production. But they are not everything. Hardly less essential are the skill and experience which discover the road to new industries. When the first English settlers arrived in Bombay, they found it a sandy waste. Within a few years they had brought the Persian rose and other shrubs and flowers from neighbouring countries, and had adorned the settlement with the beautiful mass of foliage and flowers for which it has since been famed amongst the cities of the East. Their example has been followed by their successors. In 1820 some European planters settled in Mysore, and in the Wynaad, and they set to work to convert these hilly jungle-tracts into coffee

gardens. There are now in the south of India 310,500 acres of land, otherwise useless, brought under coffee and tea cultivation. Their exports



A TEA PLANTATION

of coffee, tea, and cinchona are valued at 277 lakhs of rupees. They employ altogether some 323,000 workmen and overseers, who receive 187 lakhs of rupees in wages. In addition the carriers of the produce, and the traders engaged in its sale, employ many other persons.

In 1835 some far-seeing Europeans sent to the south of India boxes of plants of tea raised from Chinese seed, and in 1859 a similar experiment was made with cinchona. These products have not proved quite so successful in Madras and Mysore as coffee has, but in Assam the tea industry gives employment to 500,000 natives, and the value of the crop exported is 500 lakhs of rupees. In many other parts of India the cultivation of tea is adding to the wealth of the country, and the labourers engaged in it are reckoned at 440,000 permanently employed, and 156,000 temporarily employed. No less than 415,000 acres in India are covered with tea plantations.

77. **Cotton.** But the most striking of all the benefits which British capital and British experience have conferred upon the labour of India is the establishment of the cotton industry. England for a long period possessed almost a monopoly of this branch of trade, but her fellow-citizens of the East have now learnt from her how to use their own natural resources so as to compete with Great Britain in supplying not only Indian but other Asiatic countries with cotton goods. At the beginning of the nineteenth century, beyond its agricultural produce, India had few products valued by other nations, except Dacca muslins, dyes, and pottery. It has now of late years taken rank as a manufacturing country. It can boast of some 147 cotton-mills worked by steam, which employ 150,000 hands; so rapidly has this single industry grown since the first mill was introduced by the British in 1854. Besides these it has 29 jute-mills, giving work to 79,000 hands, and 71 rice-cleaning mills, 68 saw-mills and 8 paper-factories,

which between them employ 49,000 workmen, besides 63 tanneries, 51 iron-foundries, 54 flour-mills, 56 oil factories, and 41 tobacco-factories, employing many thousands of labourers. An impulse is being given to the silk industry, and there is no direction in which British enterprise and capital are not pushing their way in order to extend the manufactures of India, and thus to open up to its vast population new trades and industries. The trade returns of Indian commerce, as well as the census figures of "occupations or means of subsistence," show plainly the magnitude of the revolution in the industrial life of India which is taking place. All this activity means new sources of income to the working-men of India and profitable openings for its tradesmen and capitalists. The fact is too easily forgotten that for centuries the country has had at its command coal, gold, petroleum, tea, coffee, and cotton, and yet it was unable to turn its wealth to account. Why was this the case? The country needed peace, enterprise and capital, which it never secured until it fell under British administration.

78. **Government Service.** In dealing with the occupations and careers open to the people of India, one cannot wholly exclude the appointments which the service of the State affords. But they are altogether insignificant by the side of the great professions and industries, which not only employ far larger numbers of men, but also pay them salaries and profits much in excess of public salaries. The requirements of government do not expand as fast as those of business and commerce. It is true that, as population increases and trade extends, more courts and more public offices are needed. But, on the other hand, the State is

constantly divesting itself of patronage in favour of municipal and other boards entrusted with administrative powers. It often happens that some of the highest appointments which government can bestow, as for instance the Judgeships of the High Court, are declined by successful barristers, who find at the bar a practice more lucrative than the pay of a Puisne judge. A popular physician would not be content with the salary of a district surgeon. The larger banks, the mills, and the stock exchange offer higher rewards to success than the State can pay. At the same time while official salaries have lost their command of the market, other changes have occurred to diminish the attractions of the public service. In Persia, China, and other countries which surround India, public appointments are mainly sought for the opportunities they afford of making a fortune, and for the dignity and display attached to them. But in India the public servant receives his fixed salary without perquisites or other advantages.

Nevertheless, the service of government is honourable, and although many successful men prefer business or a profession to it, there is a keen competition for every public appointment. The struggle is so intense that it is well to bear in mind that the State after all employs an insignificant proportion of the population of India. When the last returns were prepared showing the number of persons employed by the British government in British India in civil appointments, the total number returned was 132,852 persons. Out of this number 7991 were Europeans, and 5347 were Eurasians, the latter being principally employed in the railway and telegraph departments. It is

obvious that a single industry like cotton can do more to find work and profit for the population of India than government can do with the whole of its public patronage. When one recollects that the annual trade of India by land and sea is valued at 214 crores of rupees, one can realize what an army of tradesmen, business men, and workmen is engaged in it.

79. **Emigration and Factory Laws.** It has been shown that the industrial prosperity of the country depends largely upon the freedom of labour and the ability of the working population to enter upon new fields of industry and labour whenever their interests require a change of occupation. The less that the State interferes the better. Whatever one class of workmen has lost by the decay of one trade has been made up to it by the opening of another and more profitable business. To the mass of the people who require to buy any article, its supply at a cheaper rate is a clear gain, while to the few who lose their hereditary occupation other means of subsistence are opened. So long as the peace of India is maintained and foreign capital is attracted, fresh occupations are constantly being provided. Government must for the most part confine its attention to the main objects of keeping the public peace, improving the means of communication, and giving all the information required to promote enterprise and attract capital. But with these means supplied it can wisely leave labour to itself. To this general rule there is one exception. When foreign countries desire to enlist Indian labour, as in the case of Demerara, Trinidad, Jamaica, Mauritius, Natal, Fiji, or Surinam, the British government watches the interests of emigrants, and enforces

rules for their comfort during the voyage and for their safe return with their earnings. In the same way, it interferes on behalf of labourers migrating to Assam or elsewhere if the need arises. Its sole object is to prevent any ill-treatment of the labourers or any misunderstanding as to the terms of their engagements. This principle is occasionally extended, as in the case of factory laws, so as to protect the weak and young from excessive labour, or to guard against accidents arising from defective machinery. But the secret of the success which the British government has achieved in multiplying the occupations and industries of the empire lies in giving labour free play. From the year 1843, when slavery was abolished in India, the authorities have never faltered in their policy of maintaining peace and the freedom of labour, and of endeavouring to attract foreign capital so as to give the population other means of livelihood besides those which the cultivation of the soil can afford.

The figures which have been given in this chapter must of necessity vary from year to year. But a general idea of the progress of large industries may be gained from the number of factories inspected under the Act. About 1000 factories are so inspected, employing 422,000 hands, and of them the largest number are in the Bombay presidency.

CHAPTER IX.

THE PUBLIC PEACE.

80. **Forces of Order.** The first duty which devolves upon every government is that of maintaining the public peace. This entails a two-fold task, for the proper performance of which different agencies are employed. A country's external frontiers must be protected from invasion, and its internal tranquillity must also be preserved. For attaining the first of these objects governments rely upon their naval and military forces, and for the latter purpose they employ civil forces called the police. The efficiency of these combined forces is a matter of the highest importance to the people. If disorder reigns in the land, communications by post, railway, and telegraph are interrupted; the efforts of the State to promote education and the public health are paralyzed, and all the higher interests which advance moral and material progress are neglected. The evil goes deeper still. Capital, which is the life of labour, ceases to accumulate or to flow into a disturbed country, and even the simplest occupations and trades are interrupted. Distress and misery become widespread. Any one who travels

across the frontiers of India can still see a sight which was constantly witnessed in the heart of India itself before the British peace was established, namely, frontier tribes cultivating their fields with their arms by their side and their ponies ready saddled in order to provide for their masters a means of escape. In such a state of society distress is caused not only by natural causes, such as drought or flood, which man cannot prevent, but also by the waste of good crops which nature has brought to maturity. From such a calamity good governments can protect the people if they keep in efficient order the forces at their disposal. The forces of order in every civilized country are four in number, the navy, the army, the police, and the loyal citizens.

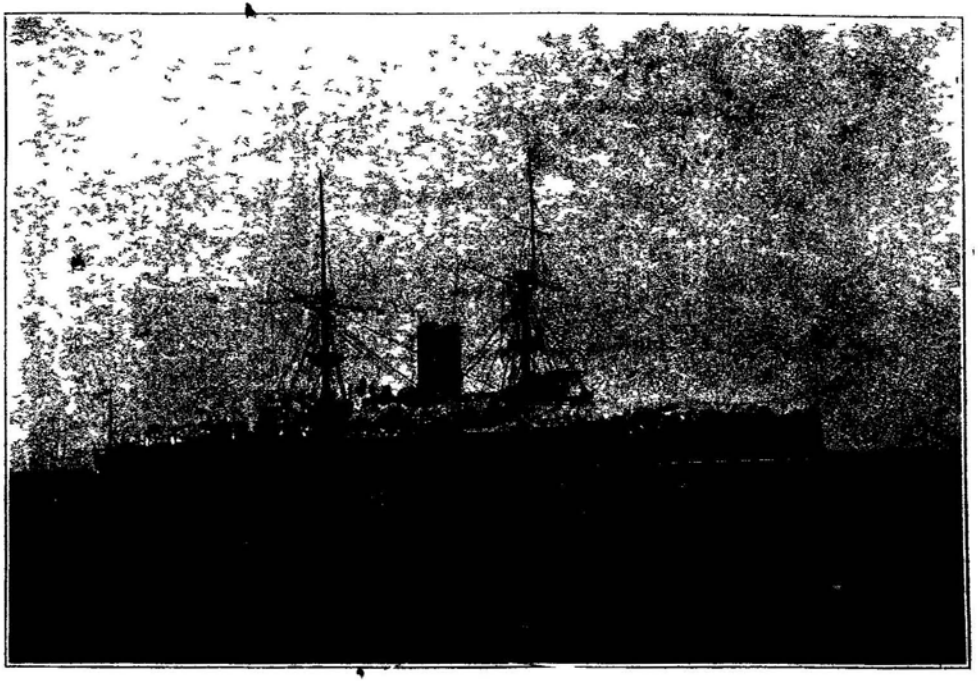
81. **Past and Present.** In an interesting lecture[1] delivered by Mr. Robert Sewell, that eminent writer on Indian dynasties and archaeology has traced through epic poems and vedic hymns, through inscriptions on Asoka's pillars, upon the sculptures of caves and rock-cut temples, and through scattered relics of Indian history and song, the ever recurring tale of civil strife and internal warfare which every century of Indian life discloses. His researches show that India in the dim past was a prey to the same sufferings which later historians have described. From sea to sea, and from the Himalayas to Cape Comorin, the empire was divided into a number of kingdoms which rose and fell, and for only a brief space of time maintained their power by force of arms. These kingdoms were constantly at war with each other. The country's own forces never combined to resist a foreign foe. India s richest cities were

[1] See "India before the British" in *Asiatic Quarterly Review* for July, 1897, page 120.

sacked, and her plains flowed with the blood of her children, because their weapons were turned against each other. When a foreign foe attacked the country it had no union or strength to resist. All this has been changed in the nineteenth century. Indian and British troops now stand shoulder to shoulder on the distant confines of the empire, ready to face a foreign foe and protect their homes from invasion. The wars of India which the future historian will recount are not the civil wars of the Râmâyana or the Mahâ Bhârata. They are waged against the martial races which surround Hindustan, and the military strength of the country is no longer employed against the native chiefs or the populations of India. An unarmed civil force keeps order in the interior, and the implements of war are reserved for the country's enemies who seek to disturb its peace. The two marked features which distinguish the present from the past, are the establishment of a civil police, and the application of the naval and military resources of the empire to their proper object of averting invasion or repelling a foreign foe.

82. **Naval Power.** Look at a map of India, and you will see how large a part of it is washed by the sea. Where are the capital cities of the empire, with their wealth of building and factories, now situated? They face either the sea, or a river which can be navigated by ships that traverse the ocean. But you must take even a wider survey, and observe how the Indian ocean communicates with the Atlantic, and finds a passage through the Red Sea into the Mediterranean. It was on the distant Mediterranean coast that one of the decisive battles of India was fought, and won by Nelson's crushing defeat of the French under

Admiral Bruey, on the 1st of August, 1798. The fall of Seringapatam, on the 4th of May, 1799, and the restoration of the Hindu dynasty of the Wadeyars to the throne of Mysore, were not entirely brought about by the victories gained on land by the British and their native allies. The naval victory of the battle of the Nile, when 11 French vessels of the line were captured, and 3,500 Frenchmen killed or wounded, was the blow which shattered the hopes of Tippu, and of the French nation. The dangers of the past may become the dangers of the future; and India, if she desires to remain a free country, must henceforth fix her eyes upon the seas, as well as upon the countries which lie over her land-frontiers. The Mahomedan emperors in vain sought to defend the coasts of India by engaging the services of the Habshis from the African coast. The servant became the master, and turned pirate on his own account. India has now learnt to rely upon herself for her naval defence, and with the aid of the British navy scattered over the world, she is in a position to guard her shores against any attacks of hostile fleets. This boast could never have been uttered at any previous period of Indian history. Sailors are needed as well as ships, and sailors learn their trade in merchant ships as well as in vessels of war. We must not therefore exclude from any review of India's naval power, the important fact that a single company, the great Peninsular and Oriental Steam Navigation Company, employs 1,800 Lascars as deck hands, and 2,900 engine-room hands, in addition to some 2,300 men in its service who are on leave. The British India Steam Navigation Company, the Anchor Line,



H M S RAMILLIES

and other similar companies are also training Indian sailors. This force, which has proved its high value in storm and shipwreck, constitutes an important reserve of sea-power, taken from India itself, and trained by the British.

83. **The Naval Defence of India.** The naval forces of India consist of three lines of defence. For all parts of the British empire and its possessions, the navy of Great Britain performs its duties of watch and ward in distant seas. Ships of the largest size, such as those which are employed in western waters are never seen on the coasts of India, but the reader may form some idea of their cost and magnitude when he learns that the "Ramillies," which is the flag-ship employed in the Mediterranean Sea, cost £875,000 (nearly one and a half crores of rupees), and there are many other battleships of the first class which are similar to her. She has a speed of 17·5 knots, carries 1,450 tons of coal and has a complement of 730 officers and men. The thickness of her armour belt is 18 inches, and she is armed with four 13½-inch guns weighing 67 tons each and ten 6-inch quick-firers, besides 38 smaller quick-fire and machine guns, and seven torpedo tubes. Her length is 380 feet, beam 75 feet, displacement 14,150 tons and horse-power 13,000. It is not easy to realize from this description the power of this battleship, but if you compare the particulars given with those of the largest vessel you have ever seen, you can form some idea of it.

The second and nearer line of naval defence is supplied by the imperial cruisers, gun-boats, torpedo boats, and turret-ships, employed by Great Britain on the East Indies Station. Other nations, France, Italy, Turkey and Portugal have their own ships in Eastern

waters; and in the Persian Gulf, to which Indian trade and commerce are carried, there are many petty chiefs who, were it not for the protection afforded to Indian ships by British vessels, would inflict serious injury upon Indian subjects. In fact piracy prevailed in these quarters until in quite recent years it was suppressed by the British.

Lastly, there are the vessels belonging to the Indian government, largely manned by natives of India, which patrol the tidal rivers, carry troops, make surveys and watch the ports of India. It has been necessary to dwell on these facts, because few citizens of India adequately realize the large part which vessels of war play in the defence of their country, and in the extension of their commerce.

84. **The Military Forces.** The army consists of some 206,000 men, exclusive of the Hyderabad contingent and of the forces of the native states. Of this Imperial army some 73,000 are Europeans, whose ranks are regularly kept up to their proper strength by constant recruitment from England. Should the need arise, additional drafts can be drawn from Great Britain; but the expense of an efficient army is so great that the government wisely employs no more than it requires at the time for the defence of the empire. The figures given above convey an imperfect idea of the defensive resources of India. Without ready means of transport an army must waste its time and strength in inaction. Without equipments constantly renewed and without arms of the best and most improved fashion, the bravest soldiers cannot turn their fighting qualities to the best account. Fortifications and coast defences, bridges and railways,

arsenals and powder factories, cost more than the pay of a whole army-corps, but they add an incalculable value to the defence afforded to India by its soldiers. It is in the combination of living power with control over, and with a proper use of, physical difficulties, that India possesses to-day a military strength which vastly exceeds anything that it ever possessed before. Science has enabled the British Government to rely upon an army which in point of numbers is inferior to the undisciplined hordes which overran the country in olden times. But discipline, skill, and organisation have so raised the standard and efficiency of the fighting force, that a small army led by British officers, and supplied with the latest improvements of military science is able to defend the long frontier of India, and to support, when the need arises, the civil police.

Behind the imperial forces stand the armies of the native states, bound alike by their own interests and by their treaties to regard the foes of the British Government as their own foes, and to employ all their resources against them. But the old idea, that large armies without discipline and training can prevail against a small well-organized force, has been proved to be an error upon many a battlefield in India. Accordingly, some of the leading states have undertaken to supply one or more regiments for the defence of the empire, and they seek the advice and help of a British officer in keeping them in a state ready for instant service. These are called imperial-service troops, and they belong to the following states, Kashmir, Patiala, Bahawalpur, Jind, Nabha, Kapurthala, Faridkote, Alwar, Bharatpur, Jodhpur, Gwalior, Bhopal, Indore, Rampur, Hyderabad, Mysore,

Sirmur, Maler Kotla, Bikanir, and three states (Bhavnagar, Junagad, and Navanagar) in Kathiawar. To make these forces quite efficient they require not only transport, but also that supply of medical officers and equipment which is essential in time of war.

Volunteers and an army reserve, which play so large a part in the defence of England, contribute little to the military strength of India. There are 30,000 volunteers in India, of whom 28,000 are efficient, while the number of soldiers in the reserve does not exceed 17,000 men. The military system of a country is always framed to suit its political needs, but it must conform to its social conditions. India and Great Britain recruit their armies by voluntary enlistment, and not by compulsory service. But in the former country special castes or classes make the profession of arms their means of livelihood. In England, on the other hand, a spirit of adventure leads some men, drawn from every rank of society, to join the army for a short time, before they settle down in civil life. Others, already engaged in civil occupations, devote their leisure to drill and practising the use of arms. English habits are thus favourable to a system of reserves and volunteers, but in India military service is a career for life.

85. **Civil Police.** For maintaining the internal peace of India, the military forces just described can be relied upon if need arises, but the task of preserving the public tranquillity rests primarily upon the law. the magistrates, and the civil police. In the times of the Mahomedan emperors the civil and the military command rested in the same hands. The governors of the provinces were also the commanders-in-chief,

and soldiers regularly performed duties which are now entrusted to police officers and constables. In the early days of British rule the native system was not at once changed, and even now, when a new province or district is annexed to the empire, order is at first maintained by soldiers. Then after an interval, the dacoits and bands of organized robbers, who usually profit by the disorder caused by recent war, are dealt with by a force which is half military and half civil. Such are the military police still employed in parts of Upper Burma. Finally a purely civil force takes their place. The civil police are for the most part not armed with anything more formidable than a truncheon. They are subject to the ordinary law, and if they use unlawful violence they are themselves sent to prison. They are chosen from the ranks of the people amongst whom they serve. They are only drilled occasionally, and they act singly or in small parties, and not in large bodies like soldiers.

86. **The Policeman's Finger.** In London, even at times when the streets are thronged by millions of foot passengers, or blocked by lines of carriages all anxious to get forward, an unarmed constable can at once stop traffic, or direct its course, by the mere raising of his finger. He is able to do so because the people have a respect for law, and know that the orders of a solitary policeman are issued in the name and in the strength of the law. No doubt troublesome persons, and especially those guilty of breaking the law, resent his interference, and at times they resist him. But there are always many citizens ready to interfere and support his authority. Sensible people know that it is to their own interest to place themselves on the side of

public order, and to assist the police in maintaining it. The man who refuses to obey the civil police when they are discharging their duty refuses to obey the law, and public opinion in well-ordered countries rallies on the side of order. If once it is admitted that the public peace must at all hazards be preserved, then there are only two courses open to the authorities. The military arm may be ordered to repress disorder by force and bloodshed, or the gentler pressure of a civil police may be used to prevent matters going so far as to create disorder. The people in British India who have passed all their lives under the blessing of peace can hardly realize what civil wars and martial order mean. At rare intervals, when classes are unusually excited against each other, troops are called in for a few hours to assist the police. But if the peace should not be instantly restored by such means, it would become necessary to adopt sterner methods; and it is unwise to risk the perils of martial law. The policeman's finger carries with it a double warning. It is raised in the name of the civil law, and disobedience means a breach of that law. But it also warns those who would disregard it that behind the police stand other forces of order, the trained troops who can never be called into action without arms in their hands and cartridges in their pouches.

87. **Additional Police.** There is one great difference between the soldiers and the police. The former are what is called an imperial force, and the latter are a provincial or local force. In other words, the whole of the military forces are under one central authority, the government of India, which can direct their movements from one centre, and unite or divide the fighting power

of India as it pleases. The police belong to and are employed by the provincial governments, or sometimes by cantonment committees. There is no fixed proportion of police either to the population or area. The police force in Bombay, 23,507 men, is rather larger than that employed in Madras, 22,088 men. In the North-Western Provinces it is larger (25,700 men) than in Bengal, where 23,600 men suffice. Where there are several native states into which criminals may escape out of British jurisdiction, or where the disorderly members of society are more numerous, a large force is required. The cost must be provided by the province, or by the cantonment, which employs the men. Sometimes, however, in a particular village, city, or area, the local residents commit a series of offences against the public peace with which the ordinary police force cannot contend. Then, it is not fair that the general taxpayer, or the inhabitants of other towns and places which are orderly, should be taxed to provide additional police in order to keep the peace in a locality where it is broken by the bad conduct of a few. Accordingly, additional police are engaged by government to serve in the disturbed tract, and those who have either caused or weakly connived at the disturbances are properly made to pay for their employment. Sometimes persons owning land, but not residing, in the area of disturbance are required to bear a share of their cost.

88. **The People.** The strongest of all the forces of order which a country can employ for its own internal defence are the good sense and co-operation of its own people. It is not easy to exaggerate the influence for peace and order which the citizens can themselves

exert. In England respect for authority and regard for the religious beliefs and feelings of others are part of the national character. They are the best allies to the police. If large crowds are disposed to obey the law and the commands of the constables, the chances of collision are reduced to a minimum. If the public press in times of excitement refrains from publishing false rumours or attacks upon lawful authority, the people will readily take their tone from it. There is yet another way in which citizens can help to improve the efficiency of the police. They can refuse to tempt them by bribes, and can report at once to their superior officers any neglect of their duties By loyally obeying the lawful commands of the police, and by bringing to notice any irregularities of which they are guilty, the public not only render recourse to military aid unnecessary, but they constantly improve the character and discipline of the constabulary. The behaviour of the police depends to a large extent upon the behaviour of the people amongst whom they work. Those who condemn the native police of India should ask themselves how far they and their fellow-citizens are to blame for any defects and abuses that may be found in the ranks of a force, which is drawn from native society, and must be influenced to a large extent by the state of local feeling.

CHAPTER X

THE PUBLIC HEALTH.

89. **Science.** A wise and good government calls in the aid of science not only to destroy but to save life. In the last chapter we have seen that the strength of the army in India rests less upon numbers than upon a judicious application to the art of war of the teachings of science. In the constant training of the British officers, in the supply of the most precise arms and the latest and best equipments, and in its treatment of natural and physical difficulties, lies the superiority of the military force of India. Consider, for instance, how the obstacles of nature are sometimes turned to advantage, and at other times overcome. Rivers and mountains are sometimes of great value in selecting sites for forts, and in defending frontiers against an enemy. At other times a mountain which arrests the movement of an army is pierced by a tunnel, and the Indus itself is crossed by a bridge at Sukkur, which is a triumph of engineering science. The electric current, which kills on the spot the person who incautiously touches it, is harmlessly employed to carry man's messages over land and

sea from one end of the world to the other. Powder, which is fatal to those who handle it without care, is made by scientific use to level the walls of a city or to spread death amongst the enemy. In these and other ways science helps man to defend himself or to kill his foes. But happily, science is not less powerful as a means of saving life and improving the health and happiness of mankind.

90. **Ignorance.** The value of science in this direction is sometimes impaired by false notions and widespread ignorance. It is therefore the duty of government to educate the people, and to teach them by experience how injuries can be repaired, illnesses cured, and the spread of disease checked by their own efforts. If any one should walk carelessly into an open well and so break his leg or kill himself, we should be justified in blaming him for his misfortune. The issues of life and death are in the hands of Providence, but God has given to men understanding and eyes and limbs in order to enable them to take care of their lives and bodies. A religious person should hesitate to blame Providence for misfortunes which proper attention and precaution could have prevented. Science has shown plainly that polluted water, unclean linen, and a disregard of sanitary laws, produce germs of death and disease. The Aryans of old laid great stress on purifications, and the Mahomedans hold the tenet that "Cleanliness is the key of heaven." But people are prone to forget, and to overlook, what is not apparent to the naked eye. Without a microscope or the scientific apparatus which enables a medical man to see with his eye in a drop of dirty water the microbes or living organisms which spread cholera, pestilence, and

other mortal ailments, we are apt to deny their existence. But the microbes are there none the less, and whether we see them or not they kill us mercilessly. We ought, therefore, to avoid polluted water. Clean linen in dressing wounds is as important as clean water. Some few years ago certain hospitals in Europe were condemned to be pulled down and rebuilt because it was believed that their very boards and walls were hopelessly impregnated with germs of disease. But Lord Lister discovered that a slight change in the dressing of wounds, and absolute cleanliness in the lint applied and in the instruments used, were sufficient to arrest the mortality; and the very hospitals which had been condemned are now amongst the most healthy institutions in the land. In these and other instances the discoveries made by medical science under the blessing of Providence have proved to be as beneficial to man as the discovery of steam or the telegraph or electricity. India can now enjoy with Europe the advantages of these modern inventions, and the governments of the various provinces have undertaken, as far as their means will allow, to bring them within easy reach of the people of India It is therefore our own fault if through ignorance or prejudice we deprive ourselves of the benefits which science has bestowed on us.

91. **Hospitals.** One of the first steps taken by the British authorities in India was to build hospitals and dispensaries where injured and sick persons could be treated. Many of the rulers of the native states have not been slow to follow their example. The popularity of these institutions increases from year to year, but there are still many ignorant

persons in India who forget that none but the very sick go into hospital, and attribute the deaths which must occur in them, not to the hopeless condition of the patients, but to the fault of the medical officers. This prejudice is not shared to the same degree by the wild tribes which live beyond the frontiers of India. Whenever a mission is sent to explore their country,

THE WALTER HOSPITAL, BUILT BY H H THE MAHARAJA OF UDAIPUR, RAJPUTANA.

or to mark out boundaries outside British India, the medical officer attached to it finds himself surrounded at all hours by numerous patients clamouring for his help, whether in the performance of operations or in the prescription of medicine. In the same way dispensaries and hospitals on the confines of the British empire are largely attended by Pathans, Baluchis, Chinese, and others, who thoroughly appreciate their benefits. In India itself the mistrust of hospitals

varies according to the education and prejudices of the people. Thus it is less marked in Bombay than in Bengal. But since any one is at liberty to visit a hospital, and the friends of patients can see for themselves how the sick are treated, a more trustful spirit must slowly extend itself, and it is satisfactory to know that already 2211 institutions are working in India, which annually receive 348,000 in-patients, and give relief to 18,588,000 out-patients. The attendance in Bengal is far below that in the North-Western Provinces, or in the Punjab or Madras, and slightly below that in Bombay. When the smaller population of Bombay is taken into account, it will be found that in no other part of India are the hospitals more largely attended.

92. **Lady Dufferin.** No one even in Europe enters a hospital with feelings of pleasure. People submit to the necessity only because they are persuaded in their own minds that certain injuries and maladies can be treated there with greater skill and more attention to nursing than the patients can command in their own houses. One cannot expect that a natural repugnance to hospitals should be easily overcome by an effort of reason in the case of women and children. The customs of the East are also opposed to the use of public institutions by most women who are expected to live in seclusion. It is inevitable that the young should look upon a hospital with feelings of terror, and indulgent parents are apt to yield too much to the natural wishes of their children. Can then nothing be done for the female and younger members of society when they are suffering pain which medical science could alleviate?

This question presented itself to the wife of the Indian viceroy when the Marquis of Dufferin and

MARCHIONESS OF DUFFERIN AND AVA

Ava filled that exalted post. The name of Lady Dufferin will for ever be associated with a scheme of

relief which will provide a widespread remedy when its value is more fully appreciated. Lady Dufferin devised a plan for founding in some places hospitals for women and children, and for supplying there and elsewhere trained native nurses who might take their services to the houses where they were required. A large measure of success has already attended both parts of her scheme. As instances of the former may be mentioned the hospital at Amraoti, and that at Rajkote built by His Highness the Nawab of Junagad. In several parts of India nurses are being trained, and there exists a large demand for their services. It is hoped that one day every large town or village in India will send to the hospitals a few native women to learn the art of nursing, and thence to return to their homes and give their help to their neighbours in time of need. In order that the plan may be successful, endeavours are made to form local committees to collect and allot funds for the purposes mentioned. Several native chiefs and wealthy citizens have taken a warm interest in Lady Dufferin's proposals, and there can be no doubt that when the nursing scheme has been given a fair trial it will spread rapidly, and so place within reach of medical relief a number of sufferers who have the strongest claims upon the sympathy of men.

93. **Prevention of Disease.** It is well said that prevention is better than cure, and the Indian governments do not content themselves with providing hospitals, dispensaries, or nurses. Science has shown how certain diseases which used to ravage India can be prevented or curtailed. Of these diseases, which used to sweep away their hundreds of thousands every

year, small-pox was once the most dreaded. But human nature is the same in the West and in the East, and just as vaccination has practically expelled small-pox from Europe, so the same results may be expected from the adoption of the same methods in India. Some 30 per cent. of the children born every year in India are now vaccinated, and as the people learn by experience the wonderful success of this simple remedy, one may expect that in a few years a much larger percentage of children will be protected from the risk of catching small-pox.

Amongst other measures taken by the British government to prevent disease the most important are the provision of a pure water-supply, the improvement of systems of drainage and conservancy, and the constitution of sanitary boards. Many crores of rupees have been spent in the cities and large towns of India on bringing from a distant and unpolluted source, through clean channels or pipes, a liberal supply of drinking water for the people. Some opposition was at first shown to this excellent reform. But in every case where the stagnant wells and tanks, into which the rain water or the drains used to flow, have ceased to be used by the people, the death-rate has instantly fallen in the most remarkable manner. Much has still to be done in the villages, but every effort should be made by the people themselves to induce the villagers to keep the wells from which they draw their drinking water separate from those used for bathing or washing purposes. In the same way, both in municipalities and villages, increased attention is being paid to the removal of sewerage and rubbish. In order to advise public bodies or individuals, a sanitary board of expert

officers has been organized in most provinces, and under the influence of these several measures deaths from cholera, dysentery, and fever, which collectively still number about six millions a year, have in ordinary seasons been sensibly reduced.

94. **Famine Relief.** In exceptional years of scarcity caused by failure of rains, the British government organizes a campaign against famine on a most extended scale. The whole forces of the empire are then called out and employed to fight an enemy, against which no previous government in India ever attempted to lift a finger. In former days the authorities considered themselves powerless, and those of the suffering masses who escaped death emerged from a famine as the bond-slaves of men to whom they had sold themselves or their families in return for food. Now, however, government undertakes to relieve the destitute, and to restore those who survive the hardships of famine to their freedom and their ordinary occupations. The measures taken to secure this object follow the lines upon which disease is attacked, namely prevention and cure. The absolute prevention of all famines is beyond the power of man. Men cannot forbid the clouds of locusts to gather, or even altogether restrain floods, or prevent a plague of rats. Still less can they bid the rains to fall if Providence withholds the usual monsoon. Famines must therefore recur in parts of India unless the climate is altered. But a great deal can be done to prevent scarcity becoming a famine, or a real famine assuming the proportions which, as we learn from history, they reached in the eighteenth and earlier centuries.

Some of these preventive measures may be explained. Science helps here, as she does in vaccination and in the art of military defence. Information is collected throughout the year by a meteorological department as to the snow-fall, the course of storms, currents, and winds, and the conditions of atmosphere prevailing in the seas and countries beyond India. The surface of the sun, and its spots, are also examined, and by all these means some forecast is possible of the probable character of the next monsoon. According to the estimate, arrangements are then made to carry out a programme of work in case the rain should fail. Above all, with a prospect of famine before them, people begin to economise their consumption of grain. A more certain measure of prevention is the extension, as far as possible, of works of irrigation; but even if the water required could be collected, it is not always possible to use it without exhausting the soil or making the ground waterlogged and malarious. Still an immense deal has been done in recent years, and out of 197 millions of cultivated acres, exclusive of certain tracts in British India for which no returns are given, more than ten millions are irrigated by canals for which full accounts are kept, while by means of tanks a similar area is supplied with water. It is computed that food supplies for 120 millions of people are ensured by these measures of protection. Railways are the next great means of prevention, and the British government has opened 23,000 miles of railroad in India, thus enabling food to be carried to the starving people, and allowing part of the population to leave the afflicted tracts. Nor must we overlook the care bestowed upon the forests of India,

which cover 131,000 square miles, and whose conservancy exercises a powerful effect upon the rainfall. If the hillsides are stript of their trees, nature's chief influence in creating and retaining moisture and in attracting clouds is impaired. By these means several seasons of scarcity, which would formerly have become years of famine, have in recent years been tided over.

95. **Freedom of Trade.** In former times, when famine threatened a certain state or province, the cry was raised that the export of grain must be prohibited, and that the government must itself buy and import grain. Experience has, however, proved the mischief of this course, except in very rare circumstances where communications are defective and trading enterprise unusually weak. Where scarcity is widespread, the co-operation of hundreds and thousands of traders is needed. If government does not interfere with them, their own self-interest will induce them to buy and sell as much grain as they can collect from outside, and dispose of it to the people. But if government competes, private traders become alarmed and stand aloof. Their co-operation is lost, and public officers, having other duties to perform, are sure to find the task of general supply beyond their powers. No doubt government can bring a large supply into a particular city, but the news of its arrival at once attracts a huge mob of starving people, and in their vain efforts to get what they want, numbers must be shut out, and many may be trampled to death. The distribution of food in a great number of centres is essential to a proper system of relief, and that can only be secured by encouraging many independent agencies to work heartily in their own interests without the competition or interference

of government. But the State can, and should, assist their efforts by collecting and publishing accurate figures, in order to show the number of people to be fed, the prices that are being paid in various centres, and the out-turn of crops in parts which are not affected by famine. With railways and good roads, and with the growth of capital and competition amongst traders, private trade, when duly informed on these points, can effect much more than the State. Freedom of trade is thus a powerful agency both in the prevention and in the cure of famines.

96. **Work and Charity.** On the 16th of June, 1897, the official accounts showed that 4,240,337 persons were on relief in India. Some were described as on "test work," a larger number on "relief works," and others "on gratuitous relief." Work with pay for all who can possibly handle a spade or carry a basket, and charity for the infirm, the sick, or those who cannot do manual labour: these are the sound principles of famine relief. It is sometimes argued that it is harsh to enforce work from those who are not accustomed to work. But a little consideration shows that work is as advantageous to the people as to the State. It is as good for the bodies as for the minds of those who need relief. The body, though weak, is kept in health by moderate exercise, and the self-respect of famine stricken people is preserved by feeling that they are giving something in return for the wages they receive. The labourers are thus not pauperized by receiving charity. There is yet another reason for dividing the famine stricken people into labour gangs. They are by this means placed in their proper places without confusion. They fall into the

ranks of a well-drilled army of workmen, and their health and the payment of their wages can be properly looked after. This is no small matter when many thousands of people are collected together in a single place.

But the arrangement is beneficial also to the nation and the community at large. The cost of famine relief is an enormous charge upon public revenues, that is to say, upon the taxpayers of India, and at a time when land-revenue is being remitted or its collection deferred, the last state would be worse than the first if the country should recklessly saddle itself with an unnecessary load of debt in order to fight one year of famine. Accordingly the "test works" described above, at which wages or relief are in the first stages of famine offered only to men willing to work, afford a valuable indication of the need for relief. So long as the wages paid are just sufficient to keep the workmen in health, public charity will not be abused by men who can support themselves. The works attract those, and those only, who are in absolute need. Economy is secured not merely by keeping the wages down and imposing labour as a condition of relief; something is also saved to the State in the shape of the work done. When the "test work" proves that relief on a large scale is really needed, then the workmen are sent to "relief works." Perhaps a railway embankment is made, a canal excavated, or a reservoir constructed. The labourers are, it is true, weak, and their work is not worth the full amount of the wages which must be paid to them; but it is worth something, and thus the taxpayer, who has to pay the bill for famine relief, gets some compensation for the heavy charges which he has to meet. That gratuitous relief

and charity should be given to those who from age or infirmity or other good causes cannot work is fully recognized; but the principle that a fair day's labour should be given by those who require relief and can work, is merely an act of justice to the taxpayer and a benefit to the people relieved.

97. **Plague.** At rare intervals a sudden and terrible illness may break out, which, like the "black death" or the "bubonic plague," may threaten to destroy whole cities and bring ruin upon the survivors. On such occasions it is the duty of government to help the people to resist the scourge, and to place medical advice within their reach. In 1896 a few cases of plague appeared in the city of Bombay, and before many months had passed half the population had fled in terror, carrying with them to other parts of India the terrible disease which pursued them in their flight. The plague, which might have been confined to a single city, by these means established itself in several centres. No locality suffered more than Kutch, where prompt measures were not taken to separate those who were attacked, or their friends amongst whom they died, from the healthy population. The relatives of the deceased carried the infection to others, and the mortality was terrible. Far wiser was the treatment of a village in the territory of Gwalior, around which the troops of His Highness the Maharaja Sindhia were at once drawn, and no one was allowed to move from a prescribed area until the risk of contagion had passed. The effects of leaving a disease like the bubonic plague to go its own way deserve the careful thought of all men. In the first place, infection spreads and destroys human life, as a jungle fire

devours all that is before it when steps are not taken to isolate it. In the next place, the most distant nations, severed from India by continents or seas, take alarm, and refuse to buy the products or manufactures of a country infected with the dreaded disease. The industry and occupations of hundreds of thousands of healthy people are thus paralyzed, and it takes many years before trade returns to its old course or confidence is re-established. It becomes then the duty of government to intervene where such vital interests are at stake. It can provide medical aid and advice for the sick, and supply the means of cleansing infected places. It can collect and publish information as to the spread of the disease and the best remedies against it, but in the task of saving the population from its ravages success depends not only on the Government, but on the people and every individual citizen. There is no civilized country in the world in which the obligation of the State and of its citizens to employ their united powers to prevent the spread of plague is not fully recognized. By no other means can lives be saved, and the ruin of industries and trade be averted.

98. **Public Markets.** An outbreak of plague can only be dealt with by government with all the resources at its back. But there are other bodies, especially municipalities, which can render constant service to health by a judicious use of their powers of self-government. Pure water does much for health, but the purity of food should also not be neglected. To mix impure water with milk, or to expose articles of food in dirty stalls and unwashed markets, are frequently the means of spreading cholera and other diseases. For this reason most municipalities build public market-places,

where traders can sell their goods under proper conditions of cleanliness and free air. It is a convenience to the public to have one place set apart for the purchase of their vegetables and other supplies; but apart from this, a public market can, under proper regulations, be kept tidy and clean, and the opportunity is afforded of inspecting supplies and seeing that unwholesome articles are not exposed for sale. In these and many other directions the British government, while leaving the people free to buy or sell what they please, endeavours to prevent the spread of diseases and to improve the public health. But after all, government can never do as much for the health of the people as they can do for themselves, and it is therefore the duty of every citizen to learn the value of cleanliness, and to practise it not only in his own interests, but in the interests of the families which surround him.

CHAPTER XI

PUBLIC INCOME AND EXPENDITURE.

99. **The Public Purse.** The management of a bank or of any large business requires both ability and experience, and it would be no easy task to explain its system to a school-boy. But the difficulty is much increased when one attempts to set before the reader some idea of the financial arrangements of a vast empire, which has an annual income from public revenues of 100 crores. It is, however, very necessary that the citizen of India, who pays taxes and rates, should know what becomes of them. The government of India is constantly publishing for his information in the official gazettes statements of revenue and expenditure, and some attempt ought to be made at school to teach the young what they mean.

Let us first consider the position of government. It holds the public purse for the country, and receives and spends all income derived from the public property in land or railways, as well as the taxes paid by the people. By means of these supplies it carries on the administration, and if the people, or

any section of them, ask for more schools, more courts, or more public works, then the funds required for the purpose must be provided either by additional taxation, or else by reducing expenditure elsewhere. It must be remembered that the government of India puts into the public purse something more than mere taxes. It is able to do so because it acts in numerous capacities. It owns the land and receives rents or assessments. Some of these rents, called assignments, it collects and passes on to the persons entitled to them. It takes charge of deposits and performs the part of banker for others. It issues notes, and contracts loans which it generally lays out as capital expenditure in the construction of railways or irrigation works. It produces and sells salt and opium, it carries the post and sends messages by telegraph, and it constructs and works railways and canals, from all of which sources the public purse is supplied. It is thus evident that its operations are complicated and extensive, and in order that the taxpayer may know exactly what becomes of the money which is received on his behalf by the State, the information is given to him in the shape of a budget. We must then consider what is meant by a budget.

100. **Budget Estimates and Accounts.** The government of India reckons its financial year from the 1st of April to the 31st of March following. Before the year begins, it calculates what it expects to receive and what it expects to spend. The calculation is shown in a balance sheet called the *budget estimate*. As the months of the year roll by, it becomes evident that the receipts expected

from this or that head of revenue will be more or less than the estimate. Perhaps a famine occurs and rents are not paid, or the rate of exchange falls, or a war adds to expenses, or the traffic on the railways falls off. The financial department, which feels the pulse of the public accounts and receives reports from all the treasuries in the empire, revises the budget estimates accordingly; and before the year is closed *revised estimates* are published. Finally, when the year has passed, and the complete accounts of the various provinces and districts are received, *the accounts* of the past year are published. By these means the public are continually being informed what income and expenditure the government anticipates, then the information is corrected by the light of experience, and finally it is announced what was received and spent in the year. The description which has been given in this book of the village, the district, the province, and the empire, will enable any one to follow the process by which this result is obtained. A raiyat, for instance, is assessed on his holding at 5 rupees, payable in a certain village. The village accountant sends this estimate to the subdivision, whence it goes to the district, and so to the provincial capital, from which it is forwarded to the financial department of the supreme government. Five rupees on the account stated is accordingly entered under the head of "land revenue" in the budget. But the monsoon fails and the first instalment of the assessment is not paid. Accordingly the original estimate is reduced to three rupees, and in the revised estimates there is a deduction of two

rupees. But, again, the later harvest is favourable, and the raiyat finally pays his full assessment, and the accounts show it accordingly. The accounts of India were formerly stated in rupees. Then they were shown in tens of rupees, and the symbol Rx was used. But in 1900 they were stated in pounds (£) at the rate of Rs. 15 to £1. A million pounds = one-and-a-half crore of rupees.

101. **Taxes and Rates.** If we omit the proceeds of loans, the public revenue available for expenditure may be said to consist of payments for services rendered, and of taxes and rates. Taxes again are either direct or indirect. *Direct taxes* are taxes levied on the persons intended to pay them. The person who pays assessed taxes such as the income tax, the purchaser of stamps, he who registers a deed, and the raiyat who contributes provincial rates, pay direct taxes. *Indirect taxes* are advanced by the person who pays them in the expectation that he will recover what he has advanced from another. Ignorant people often fail to understand that they are paying an indirect tax. Instances of indirect taxes are excise, customs, and tolls. By *excise* is meant an indirect tax levied on the production of an article in India; by *customs*, a similar tax levied on importation of goods into India, and by *tolls*, one levied on the conveyance of an article. If a petty shopkeeper sells European cloth in a village in the interior of the country, he must charge his customer a price which will cover the price of the cloth at the factory in Europe, and the charges for its conveyance from Europe to his shop, together with the customs duty paid in Bombay and any tolls which

may have been paid on the roads. The purchaser thus repays the taxes to the shopkeeper.

It is the right of government to levy taxes, but, as we have seen in a previous chapter, municipal committees are authorised by it to levy local taxation for local purposes. The taxes imposed by them are called *rates*. Sometimes the State collects for local bodies a local cess based on the land assessment. Such collections are shown under provincial rates.

102. **Principles of Taxation.** The British government introduced into India the system of budgets, and some of the more advanced native states are following its example. But the reforms which it has applied to the system of taxation are of even greater value. It is now a well accepted principle that the taxes imposed by the government of India should be certain and not arbitary, so that every one may know what he has to pay. The land settlements of every district of British India have this object in view. When former governments took from the raiyat a share of the produce, no one ever knew how much of his crop would be taken from him. Now every tenant of the State knows exactly what sum of money he has to pay.

Another principle is that the taxes should take as little as possible from the taxpayer beyond what they bring into the treasury. The numerous cesses, which used to be collected in addition to the land assessment by former rulers of India, were frequently intercepted by those into whose hands they were paid. Such were the taxes on special articles of food, on sales or transfers, on feasts or marriages, on journeys and changes of residence, and on an endless variety of objects, which have

now been removed from the books of the village accountant in British India. They produced little, because the proceeds were often misappropriated. They caused annoyance and loss to the taxpayers, and restricted trade and freedom of movement. The small gain to the public purse was nothing in comparison with the loss which the people suffered. Any one who studies side by side the items of taxation in British India and those in a native state which has not altered the old system, will be struck by the long list of small taxes levied in the latter.

A third principle is that rich or influential classes should not be treated differently from the poorer citizens. As far as possible the British government endeavours to collect from the taxpayers an equal contribution in proportion to the benefits they enjoy under the protection afforded to them.

Finally, endeavours are made to return to the taxpayer in the shape of roads and public works of general usefulness a large proportion of the taxes paid.

103. **Special Advantages.** Compared with other countries the taxpayer in India is in many respects fortunate. Out of 95 crores of rupees which went into the public purse as the revenue of India for 1894-95, a year selected as being free from unusual disturbances, more than 66·5 did not come from the taxpayer in the shape of taxation. The following statement shows the sources from which this large sum was received:

Crores, 25·4 land-revenue from tenants,
7·3 opium, chiefly from the Chinese consumer,
1·6 forest-produce from purchasers,

Crores,	0·8	contributions from native states,
„	0·8	interest from loans,
„	2·6	postal, telegraph, and mint receipts,
„	1 6	received from civil departments,
„	1·2	miscellaneous on account of pensions, etc.,
„	21·2	railway receipts from passengers and others,
„	2·3	irrigation supplied to customers.
„	0·7	sale of stores for roads,
„	1·0	certain army receipts.
Crores,	66·5	

A few remarks will explain the position. If the holders of State-lands did not pay to government their assessments, which are after all only customary rents, they would certainly pay their rents, and probably heavier rents fixed by competition, to a private landlord. The tenants of zemindars know the truth of this statement. The cultivator of state-lands pays for the use of the land, and the taxpayer gets the benefit of his contribution to the public purse. The opium grown under favourable conditions of climate in India is chiefly bought by the Chinese, and the profits of the sales to a foreigner relieve the Indian taxpayer of so much taxation. The receipts from forests, railways, post-offices, telegraphs, and canals are all payments by persons for value received or services rendered. The civil departments collect fines, receive fees for education or medical relief, and sell stores not required for official use. Thus the Indian taxpayer gains because the State owns a large landed property and other paying concerns.

104. **Special Difficulties.** On the other hand, India has had to contend with three difficulties, of which some account must be given. It cannot tell when it may please Providence to withhold the monsoons, upon which the land-revenue and the means of subsistence of those who are engaged in agriculture depend. The cost of relief when famine occurs is so heavy that it has to be met in part by raising loans. We shall presently see what other steps are annually taken to insure the country against such disasters.

A second difficulty arises from the exchange. India constructs railways, and buys the material required from the cheapest source of supply, which is Europe. It also borrows money and draws capital from Europe, both for purposes of the State, and also for its municipal, and even for private commercial, undertakings. It enlists in its service British soldiers, and it orders from abroad its war-material and stores. It pays pensions to the Europeans whose services it has employed in military or civil capacities. On all these and other accounts it has to pay bills in gold, which is the currency of the west. When the Indian coinage was silver, and the taxes were received in rupees, gold coin had to be bought or acquired by exchange for rupees. But the market value of silver stated in terms of gold constantly changed, just as the market value of all other articles offered for sale was liable to change from day to day. Every one knows that the silver price of bajri or rice rises or falls according to the state of supply in the market. In the same way the gold value of a silver rupee fluctuated or changed, and although the government

of India endeavoured to fix a correct rate of exchange for the purpose of its budget-estimates, the market rate often fell below the rate so fixed, and there was what used to be called a *loss by exchange*. At length the adoption of a gold standard for India, on the basis of R. 15 = £1, has linked the Indian currency with that of Great Britain, and promises to secure a stable rate of exchange at 16d. the rupee. Thus the difficulty of exchange will be felt less in the future than in the past.

Then again India is surrounded by fanatical and fighting races of men, who at times violate the frontier and break their engagements. The operations undertaken against them cost money, especially in the matter of providing transport, and unforeseen military expenditure has to be met. In former days there was a fourth danger to which India was exposed, namely a fall in the price obtained for opium. But the opium revenue has of late been so much reduced that fluctuations in it are of less consequence than they used to be.

105. **Famine Relief and Insurance.** The most serious of all the difficulties just described is that of the risk of famine. Much has been done, by extending railways, forests, and works of irrigation, to mitigate the sufferings and cost of famine. But the climate of the country cannot be altered by the wisest of governments, and therefore it is necessary to expect famines to occur from time to time and to insure against them, just as a prudent man insures against the accidents of fire or sickness. In its budget-estimates government annually provides—or "appropriates" a sum for famine relief and insurance.

If famine occurs, the whole sum and much more is spent on the actual relief of famine. If it does not occur, the sum provided is invested as it accumulates, just as a bank invests its reserve fund. It is applied either to the extinction or to the avoidance of debt. Debt is extinguished by paying off a part of some loan previously contracted, or it is avoided by devoting the fund to the construction of works of a protective character. For instance, a certain line of railway may not prove a remunerative work when viewed as a means of traffic, but it may be essential to famine relief by affording the means of carrying grain in seasons of scarcity into a part of India exposed to a failure of the monsoon. The famine insurance fund would wisely be applied to the construction of such a line. It would be an excellent investment for the funds. To collect the taxes for famine insurance, and lock them up in a treasury until they were required to be doled out as famine wages or charitable grants, would be a waste of interest. By extending railways before the need for them arises, government arms itself beforehand with effective means for carrying on a famine campaign, and it attains the same object if it devotes the investment to the liquidation or avoidance of debt, because it saves the interest which it would have to pay, and thus leaves more money available to cope with famine. The famine provision figures in the budget, which is the balance sheet of the year, as an item of expenditure.

106. **The Burden of Taxation.** We have seen that if the land-revenue is treated as rent paid for the use of land, 66½ crores of the revenues of India are not strictly due to taxation. We can now

examine more closely the items which fill the public purse with the remainder of the 95 crores shown in the accounts for 1894-95.

Crores of rupees	8·7	were received	from salt,
„	4·6	„	from stamps,
„	5·5	,	from excise,
„	3·6	„	provincial rates
„	3·9	„	customs,
„	1·8	„	assessed taxes,
„	0·4	„	registration.
	28·5		

Some portion of the indirect taxes mentioned above, such as customs and salt, are paid by the subjects of natives states, but if the pressure of taxation is calculated on the basis of the population of British India as taken in 1891, with an addition of one per cent. a year as its annual increase, then every head of the population would pay an average tax to the public purse of 1R. 3as. 10p. If the land-revenue receipts are added to the taxation, the incidence would be 2R. 5as. 7p. This burden would be regarded as extremely light in European countries, but the conditions of society in the West and the East are so different that no useful comparison can be drawn.

107. **Expenditure.** There are two ways in which the public expenditure from the revenues of India may be looked at. One is to examine the gross expenditure, just as we have been dealing with the gross revenues of 95 crores for 1894-95. The other is to confine our attention to the net charges. A simple instance will explain the difference. The post-offices and telegraph brought into the treasury 2·6 crores of revenue,

but they cost government 2·4 crores in the same year. The gross receipts and charges were as just stated, but the net result was a gain of twenty lakhs of rupees after deducting all charges for salaries and working expenses. There are four departments of expenditure—namely, post-office, telegraph, railways, and irrigation—in which the State receives back a very large proportion of its expenditure as payment for services rendered. In statements of net expenditure these are called "commercial services."

In the first place, it is well to get a general view of what became of the 95 crores of *gross revenue* received in 1894-95. Of that large sum 71·5 crores were expended upon public defence, public works, and what may be called public faith. Under public defence are included military and marine expenditure, and the cost of police, which together required 29 crores. On public works—namely, railways, works of irrigation, roads, and buildings—a gross expenditure of 32·5 crores was incurred. The public debt involved charges for interest of 5 crores, and pensions, superannuation, and furlough charges took another 5 crores. The post-offices, telegraph, and mint required 2·5 crores. The public health, in the medical and scientific departments, cost 1·5 crores, and education a similar sum. Direct demands on the revenue, in the shape of refunds and assignments, required 1·7 crores, leaving only a little over 16 crores available, of which a half was spent in collecting the land-revenue, the income from opium, salt, customs, and excise, and other taxes. Of the remaining 8 crores one half was spent upon law and justice, 3 crores on general administration and political charges, and the balance upon stationery,

printing, and other miscellaneous charges. Looking then at the gross expenditure one can see at a glance that the public debt, the public defence, public works, public justice, and the cost of collection require most of the funds which find their way into the public purse.

But it is generally thought that a clearer view of the expenditure of India is to be gained by deducting the refunds and assignments of revenue, the receipts of the departments, and the cost of cultivating the opium. So calculated. the *net revenue* of the year 1894-95 was 60·6 crores of rupees, and the net expenditure was nearly 60 crores, divided as follows:

Debt services, - - -	4·3	crores.
Military services, - - -	24·2	„
Cost of collecting revenue, -	6·3	„
Commercial services, - -	2·8	„
Civil departments, - - -	13·2	„
Civil works, famine insurance, and other civil service, - -	9·1	„
Total net expenditure, -	59·9	crores.

108. **Home Charges.** Both the gross and the net expenditure mentioned above include charges incurred on account of India in England. These are called home charges, and it would be unnecessary to explain them if there did not exist a strange misunderstanding as to their nature. About one-third of the home charges consists of interest on loans raised in England for railways, irrigation, and other public works. These loans have been secured at a much lower rate of interest than if the money had been borrowed in India. Apart from the extreme importance of public

works for agriculture and other industries, for commerce, and for famine relief, it should be observed that India derives a large revenue from many of the railways and irrigation works, and that in a few years still larger profits are likely to be reaped. It cannot be doubted that these public works are now worth far more than the amount of capital expended upon them, and their benefit to India, direct and indirect, cannot well be over-estimated. The other home charges are mainly for civil and military administration, and they therefore represent payments for services which are essential to good government. Some of the charges are for railway and war material, and for other stores which can be bought more cheaply, or of better quality, in England than in India. Some writers are in the habit of describing the home charges as a "drain" upon the resources of India, or as "tribute." The term is misleading, for it implies a loss. The truth is that, in return for its payments made in England, India receives an ample equivalent in loans, in stores, and in personal services.

109. **Indian Credit.** There is one infallible sign of a country's ruin or prosperity. To a bankrupt no one in his senses would lend money at any rate of interest, whether he were an individual, a company, or a government. To one on the road to insolvency no one would lend money except at a high rate of interest. But to the British government of India the monied classes of the world are ready to lend crores of rupees, whenever it needs them, at a rate of interest which is denied to most of the nations of Europe; and yet they

know how severe and sudden are the trials through which the finances of India have to pass when exchange falls, when wars arise on the frontier, and when the scourge of famine visits whole provinces. But they also know that the budgets and accounts of the government of India are strictly accurate, and they observe year after year a great investment of the revenues in public works, which cannot fail to make the country richer and afford a perfect security for their advances. In the year which has been chosen in this chapter for an examination of the finances, more than a crore of debt was paid off, and the interest on 92 crores of debt was reduced from 4 to 3½ per cent. No better testimony is needed to the general soundness of the Indian finances, but if further proof were needed, it could be found in a survey of the country and the visible signs of its material improvement to which we must now turn.

CHAPTER XII.

FORCES OF EDUCATION.

110 **A Choice of Benefits.** A few years ago the writer was travelling from Poona to Bombay in the company of three gentlemen at a time when the Great Indian Peninsular railway was breached by floods near Thana. One of the travellers was a Brahman official, the second was a Parsi lawyer, and the third a well-known Mahomedan citizen of Bombay engaged in commerce. A discussion was raised as to the various departments of the British administration, and the question was propounded as to their respective merits. The Brahman gentleman urged that the system of public instruction, and in particular higher education, had conferred more benefits upon India than any other measure of government. The lawyer thought that British justice was a more valuable gift than the university, colleges, and schools. The former laid stress on the coincidence that, when the British government was actually engaged in suppressing the mutiny, it found time and money to establish the first university in India. The latter pointed to the respect shown by the highest

British officials to the majesty of the law. He considered that nothing was at the same time so strange to Indian ideas and so suggestive of justice as the fact that not even the viceroy or the governors would disregard a decree of a High Court, although the court itself had to rely upon the government to give effect to its orders even when they were opposed to the wishes and policy of government. At this point of the conversation the train was shunted, and an engine passed by, drawing a number of trucks full of workmen, tools, and a large crane, as well as sleepers and railway material, in charge of a British engineer. The Mahomedan gentleman jumped up and pointing to the train he said, "There, look at that; the strongest claim which the British have upon the people of India is their power of organization and resource. The break on the line occurred this morning, and now within a few hours an army of native workmen is on its way to repair the disaster under an officer who knows what has to be done and will teach the coolies how to do it. The public works of India are the best school in it."

111. **Educational Agencies.** The total number of children of both sexes under instruction in British India does not amount to 4½ millions, and out of every hundred of children who might be at school eighty-seven never enter that place of education. But it must not be supposed that a man learns nothing except at school. If the State does its duty, its whole administration in every department should be an object-lesson to its citizens. If a government is to draw out (for education means to draw out) the healthy feelings of the people into

sympathy with their neighbours and sympathy with their rulers, it must give them proofs of its sympathy with its citizens. Does the government perform its duty towards me? is a proper question which every subject of the State should ask himself. In previous chapters of this book some attempt has been made to give material for an answer to that question. Does the British government make provision for the public safety? We have seen what it spends upon the army, the marine, and the police of the empire. If space allowed, an account might be added of the formation of fire brigades, of regulations for buildings in crowded streets, and of the wonderful tale of the Gohna landslip and the vast imprisoned lake which, bursting its bonds, rushed down harmlessly into the Ganges, because its dreaded approach was preceded by measures of precaution and telegrams that averted loss of life. Does the government take measures for the public health? The hospitals and dispensaries all over the country, the sanitary departments, the arrangements for vaccination, and the Dufferin fund, enable men and women to answer this question for themselves. Does it let the people starve? Ask the millions who have lately left the famine relief works, the operatives in mills set up by British capital, the labourers in the tea-gardens, and the emigrants to distant colonies, whether endeavours are not made alike in foul and in fair seasons to find employment for the working classes. Is anything done to encourage thrift or assist the raiyats in obtaining loans for their operations? This question touches on difficult subjects, but it is possible to indicate the direction in which material for an answer may be sought. In post-office and other savings banks more than 700,000