markets; and when it sees that such is the result of not opening a new world in India, I do not believe it will sacrifice everything to a railway clique.

That the railway leaders should feel it a life or death question for them to prevent the adoption of a right policy for Public Works, is natural. They know that if a sound system were established, their own could not bear the comparison, and could not exist alongside of it. Of course if the Government borrowed three or four millions a year for works that yield a profit of from 20 to 100 per cent., and published exact accounts of the result of such expenditure, it could not borrow simultaneously six or eight millions a year for railways that yield no profit at all. The two systems are as opposite as light and darkness; as opposite as private and public interests can possibly be.

But the time has come when we must choose between them. The contrast between right and wrong is now too glaring. When the same Minister who, beginning with two or three millions, has now reached fifty or sixty, and is in the course of borrowing a hundred, for railways that do not pay 1 per cent., was urged by a deputation last year to borrow a single million for one of those navigation works that pay "always considerable "and often immense" profits, he promised, since Members of Parliament were so pressing, to open the Godavery with his surplus revenue, if he had any; but he was shocked at the idea of adding to the public debt! It reminded me of Rabelais' giant, who ordinarily breakfasted on windmills, but was choked by a pat of butter.

However, as I have shown in the case of Sir Robert Peel, Ministers do not always believe in their hearts the shiboleth they are compelled to repeat in public, as

long as the Parliamentary tide runs the wrong way; and it is not usual to forsake old friends for newer and stronger ones, without much apparent reluctance. It became the Sabine women to kick and scream when the Romans took them by storm, though they made very good wives afterwards. It may become a Minister not to yield to innovators, without a decorous compulsion by public opinion. And perhaps a critical moment may be nearer than some people think. Perhaps Sir Charles Wood is watching the turn of the tide as intently as Sir Robert Peel did, when the Corn Laws were on their last legs. Perhaps, even now, he is meditating some stroke which will earn him the title of traitor from the railway clique, and that of a sagacious and patriotic statesman, from the nation and the people of India.

For the injustice and impolicy of the present system are at length too evident to be borne. Every one sees the injustice of screwing surplus revenue out of the present generation, which happens to be a very poor one, by imposts so cruel as a salt-tax, so unfair and oppressive among Asiatics as an income-tax, and so unjust as a tax on the import of British manufactures made out of Indian grown cotton, to sink it in Public Works, of which the main benefit will be reaped by posterity, when they might borrow the capital, only paying the interest upon it, and borrow it with such "considerable and often immense" profits, that a Madras Government declared a "judicious ex-"penditure" of this kind was the true recipe for making the finances flourish.

As to its injustice in increasing the cost and lessening the profit of such works, little did I think when I described it last year, what a curious coincidence would

happen at that very time in India! Towards the end of April, 1861, in my pamphlet on the Indian Famine, I thus described the effect of making Public Works out of surplus revenue, page 29: "In the case of "works made out of revenue, the intermittent nature "of the supplies, which only allowed of a bit-by-bit "execution of the works, caused enormous waste as "well as delay, by involving the necessity of training, "organising, and then breaking up, over and over "again, the expensive establishments required to carry "them on; and also involving a want of completeness "in the general scheme, and locking up the capital in-"vested, sometimes a very long time, until the works "were in full action."

At that very time the following incident happened in India: The Supreme Government had at length granted £30,000 to begin works for opening the Godavery line of navigation to Berar. The Engineer had, by dint of some months' hard labour, collected thousands of men, organized his establishment, and commenced operations, when, towards the end of April, the Governor of Madras wrote him word, that, as the money had been granted for the current financial year, ending April 30th, the unexpended balance at that date would belong to the State, and could not be appropriated to the work in hand, without a fresh grant for the purpose. This balance amounted to five-sixths of the grant, or £25,000. The Engineer had to break up his establishment, to dismiss his labourers, to substitute for his thorough scheme of opening the line, the miserable apology of light single lines of wooden tramway round the principal river barriers, involving great trouble, mischief, loss of time, and expense, in the transport of goods, and leaving the navigation as unimproved as

before. Again the Supreme Government made a grant for prosecuting the scheme, and again the Engineer set to work to organize his establishment, and collect his men; but this time he could not re-assemble them without six months' recruiting, and raising their wages 20 per cent.; he could not recommence operations until a whole working season had been lost; and meanwhile a great loss of health had been sustained by sick hearts, and all parties had come to the conclusion that the tramways already begun had better be finished, as no one could tell what fresh interruptions might happen to a work, depending for its prosecution on its luck in getting a few crumbs, in the annual scramble for the table-brushings of surplus revenue!

And the impolicy of the present system is as great as its injustice. Our manufacturers have often been taunted with not sending agents into the interior; often have both Indian and English Chambers of Commerce retorted, that their travellers were not used to riding "steeple-chases," and could find nothing to "carry them "like a bird" across India; in short, that business men and goods could hardly get into the interior, and raw produce could hardly get out of it. At length, Manchester, in extremity, sends Mr. Haywood into Dharwar and Bellary, and, by his own account, never was poor "bagman" so battered before. He has tried all the country modes of conveyance, and finds either a camel, or a horse, or a bullock-cart, or a palanquin, very rough, slow, or expensive travelling over Indian tracks: and crossing deep and rapid rivers in wicker baskets, very unsafe. However, he goes ahead without flinching, and his letters, published fortnightly in the *Cotton Supply Reporter*, are the most interesting and valuable documents we could have at this moment. Without

giving extracts from evidence which is accessible to everybody, it will be enough for me to sum up the facts proved by Mr. Haywood, with regard to the districts he has already visited; which are, that, for quality of staple, quantity of produce per acre, and capacity for indefinitely increasing the supply, India would be quite capable of competing with America, except for the single want of equally cheap and convenient communications.

As the only point left untouched by Mr. Haywood hitherto, is the effect of irrigation on this staple, I will add, out of many similar testimonials, the following extract from a memorandum received from H. Stanbrough, Esq., which was published by the Government in India last year:—"The best cotton in Nagpore is "grown upon and in the neighbourhood of the Wurdah "river, and of the Wumah, a rivulet running southward "into the Wurdah, and rising far to the north of "Hinghenhat; and the quality deteriorates the farther "the cultivation withdraws from the influence of the "moist soil adjacent to the river bank. I myself tried "an experiment upon a field of a little more than "eight acres, the ploughing and sowing having been "conducted in the ordinary local fashion; but as soon "as the flower made its appearance, I commenced "watering every evening, obtaining the water from the "river by coolies. Although my field was surrounded "by others sown with the same seed, my plants were "nearly as big as currant bushes, produced at least "three times the usual quantity of cotton, and the "staple was equally fine, but considerably longer; in "fact nearly as long as the best Sea Island cotton, "which fetches the highest price in the English market.

"The Natives always look with great anxiety for rain "when the flower buds begin to open. Should the "Madras Irrigation Company, therefore, extend its "operations to the cotton-fields of Berar and Nagpore, "a very wonderful change and improvement in both "the quantity and quality of Indian cotton may be "expected."

The above extract will remind some of my readers of the fact, that a new kind of Indian cotton has recently arrived at Liverpool *via* Bombay; of which the brokers only know that it is called "Hinghenhat cotton," and that its quality is very superior to that of cotton hitherto sent from India, and would be equal, if properly prepared, to that of the bulk of American cotton: the present extraordinary high price having made it worth while to transport this cotton between 500 and 600 miles, on bullocks' backs, to the port of Bombay. But the water line we have so long been urging the Goverment to open, runs through the very fields where this cotton was grown, so that, in this hour of our need, but for the successful resistance of a cabal, during the last seven years, to the opening of the Godavery line to Hinghenhat, we might now have had as good cotton as American, steaming down as good an inland navigation as those in the Southern States, and reaching us in any quantity required, at a price fully one-third less than we have been accustomed to pay for the same quality of fibre.

This is what we might have had; let us see what we have instead. The plan which the Government has preferred for opening the cotton district of Berar, like its plan before noticed for opening the valley of the Ganges, must appear something like insanity to those

who fancy that such questions are decided with reference to the interests of India, or of our manufactures and commerce, instead of being decided with reference to Parliamentary interests in the House of Commons.

With a water line of 440 miles to Hinghenhat, so nearly made to their hands by nature, that it would take but a fraction of the cost per mile of a railway, to render it perfect; with the great probability that, as usual, the irrigation at different parts of the line would defray the whole cost of the navigation, and leave a large profit besides; with the certainty that the excessively cheap carriage on the line would create an enormous traffic, by permitting so free an exchange of the great staples of produce at each end of it, as would double or triple their value; with the knowledge that easy communication with the cotton-fields of Berar might any day become the salvation of our manufacturing districts, and that this line might be opened in two or three years; with all these considerations pressed upon them incessantly by a Parliamentary *minority*, the Government have preferred to make a line of railway to the district, instead of the water line; about 100 miles longer (from Bombay to Nagpore is 537 miles); about 25 times dearer; about 6 times slower in construction (the work has been 10 years in hand, and is by no means finished); finally, a railway, unable, as I have shown, to carry with a profit at 10 times the present charge on the water line in the delta (viz.: the $\frac{1}{8}$th of a penny, which is considered much too high, and will be reduced); what could the railway possibly have in its favour to induce the Government to prefer it? Ingenuous reader! it had the one thing needful: it had a *Parliamentary majority*.

And in these circumstances what has been the course taken by the Indian authorities? In India the Government has been most liberal in its professions, and, I believe, most earnest in its attempts to act up to those professions; it has recently granted another 3 lakhs, £30,000, towards opening the Godavery line to Berar; and therefore it may surprise the reader to add that the public discontent has been the greatest, at the very time when the Government was doing most to remove it. But when it is remembered that the language and efforts of Government at once drew all men's attention to the scandalous want of public works throughout the country, and showed conspicuously the utter inadequacy of its spasmodic action to supply that want, in an emergency for which the Government was unprepared; the discontent of the public may appear natural enough. They could not help taking a general view of the neglected state of the country, and revolting against any patchwork of the old system, by grants of a lakh here and a few lakhs there, in this crisis of their affairs. Consequently, no sooner was the Public Works Budget for this year promulgated, than it was met, although the Government had done its utmost with the means at its command—by a storm of contemptuous remonstrances from every Presidency: all men felt that the crumbs of surplus revenue could no more meet the requirements of the country, than Mrs. Partington with her mop, could dry up the Atlantic.

And so we are once more thrown back on the old question, ever recurring with greater seriousness, will Parliament still refuse to let India borrow three or four millions a year, for Public Works that pay some 50 per cent. profit, in order to prostitute her credit to the private objects of a railway clique?

This is the vital question which the House of Commons is once more called upon to decide, with the certainty, that any Minister will do his duty if the House decide equitably; that no Minister can do it without; and that the distress of some millions of our own most industrious and intelligent operatives, for want of raw produce, and for want of markets—endangering our commerce, our marine, our revenue, and our social security—is distinctly traceable to that policy of sacrificing national to personal objects, in this question of Indian Public Works, which Parliamentary pressure has hitherto forced upon every Government, and which Parliamentary support alone can enable any Government to reverse.

Capital Account on Bengal Division of East India Railway (166 miles) to June 30, 1860.

		£	£
1.	[A] Cost of Construction, paid before April 30, 1855, [B]166 miles at £16,000 ..	2,656,000	
2.	[C] Debt for guaranteed Interest, before April 30, 1855	157,562	
3.	Ditto ditto, from April 30, 1855, to June 30, 1860		
	[D] Annual Interest on £2,656,000 = £132,800 × 4 years = £531,200		
	Less Profits on above 166 miles,* from the beginning to June 30, 1860 ..... £375,915		
		155,285	
			2,968,847

* £325,656 to end of 1859.
Less 17,834 for N. W. P.
307,822
Plus 68,093 1859 to June, 1860.
£375,915

4.	Cost of Depreciation, to be added to Capital if not reserved from Revenue: 2 per cent.† on cost of construction by an average of 4 years (because 37 miles were open 6 years, 120 miles open 5 years and 5 months, 142 miles open 1 year and 6 months, 166 miles open 10 months) = £53,120 × 4		212,480
			Dr. £3,181,327

† On the Massachusetts line it is 2¼ per cent., exclusive of rolling stock; therefore 2 per cent. for everything cannot be an over-estimate for Indian lines.

[A] Danvers' 1st Report 1860, page 40, para. 163 and para. 164, and 2nd Report, 1861, page 23, para. 50, lines 5, 6, 7, 8.

[B] Danvers' Report, 1860, page 25, statement 1.

[C] Ditto ditto, page 11, para. 32.

[D] Ditto ditto, ditto, and Danvers' Report for 1861, pages 17 and 18.

Revenue Account.

Annual Interest on Capital of £2,968,847 at 5 per cent.		£148,442 7
Annual Depreciation on Cost of Construction £2,656,000 at 2 per cent.		53,120
	Total *Dr.*	£201,562
[E] By net profit of year ending June 30, 1860	*Cr.*	£133,251
	Annual Loss *Dr.*	£68,311
Annual loss without any allowance for depreciation	*Dr.*	£15,191
Annual interest on estimated cost of construction		£132,800
Annual net profits		133,251
To pay debts to Government, and heavy repairs and renewals on 166 miles of Indian Railway!		
	Balance *Cr.*	£451

[E] Danvers' Report for 1861, page 17, statement No. 4.

REMARKS

ON THE

INDIAN RAILWAY REPORTS

PUBLISHED BY

THE GOVERNMENT,

AND

REASONS FOR A CHANGE OF POLICY IN INDIA.

BY

JOHN DICKINSON, F.R.G.S., F.R.A.S., F.E.S.,

Chairman of the India Reform Society.

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RAILWAYS IN INDIA.

It has been reported that, in answer to a request for more definite information, the Secretary of State assured an eminent member of Parliament that "Danvers's Reports" would give him all the statistics of Indian Railways required to show:

1st. The amount invested, or to be invested, in such undertakings;

2nd. The conditions of the investment; and

3rd. Its results;

In the progress of the works;

In their expense;

In their profit or loss;

In their development of the traffic of the country; and

In their capacity for carrying passengers and goods, in such quantities and at such rates as India requires.

Now it is as great a mistake to suppose that Danvers's Reports have given the above information hitherto,* as it is certain that this information is indispensable to show whether these Railways are so useful as to justify the enormous liabilities the Government is incurring to construct them; or whether they are not, on the contrary, a failure in every important item of their results, and therefore an unjustifiable and dangerous burthen on Native tax-payers; at the same time that

* Only two of Mr. Danvers's Reports have been published to this date, May 23rd.

their monopoly of State credit is the sole impediment to giving India the sort of communications which her people, and the suffering population of our manufacturing districts, really require?

To show the utter insufficiency of the information supplied by Danvers's Reports, it will be necessary to analyze his statements on particular heads, of which the first will naturally be the item of "expense."

He says (para. 161, Report of 1860), that the success of all railways is *of course contingent on certain conditions;* and that "by applying these conditions to India, it may "be possible to arrive at something like a correct "estimate of the commercial value of Railways in that "country;" adding, that the first of these conditions is the "original cost" of the railways. And after laying down this canon, he gives, as we shall see, so many *contradictory and widely different* estimates of this "original cost," that he leaves the reader absolutely without any clue to it whatever, unless he can make out for himself, without the help of the Government Reporter, some account of the money actually spent, and the work actually done for it.

For instance, at para. 122, Report of 1860, he states the total length of railways sanctioned for India, at 4,917 miles; and he states, paras. 117 and 118, the amount estimated for them at £52,150,000; or, on an average, £10,606 per mile. At para. 163, same Report, he states the "original cost" of the East Indian, Great Indian Peninsula, and Madras lines, to be respectively, per mile, £12,084, £8,758, and £7,000. In the very next sentence, para. 164, he states the cost of the East Indian line to be, per mile, £14,480 for a single line, and £17,480 for a double line; and it must be observed that in this, as in every other case of self-contradiction,

the Reporter attempts no explanation, and offers no apology for the gross discrepancies between his statements.

In the next year's Report, he states, para. 9, the total length of railways sanctioned at 4611½ miles, and para. 30, their estimated cost of construction at £55,380,000, or £12,246 per mile: here the "average cost" has jumped up in a single year about £2,000 a mile, or between nine and ten millions sterling for the total length; and as we shall soon see it is destined to rise to a far higher figure than that.

Para. 50, same Report, he says that the cost of the East Indian line had hitherto been estimated at about £12,000 a mile, and was now estimated at "upwards of "£16,000" a mile.

What he means by "upwards of £16,000" we may learn from para. 30, where he gives a definite estimate for this East Indian main line of £20,750,000 for 1137 miles, or £18,249 a mile! (this is after 500 or 600 miles of it had been constructed, of which only 67 were double line). At the same time he gives estimates of the cost of all the other lines: making the average of the whole £12,246 per mile.

On these estimates of their "original cost," which Mr. Danvers has stated to be "the *first condition* of their "success," the Government continues to assume "the "commercial value of the railways in India," and to increase yearly at a frightful rate the amount of its investment in them; and Mr. Danvers's second Report concludes by a strong recommendation to continue the expenditure upon them without ceasing.

Yet the same authority which gives us these estimates, hints afterwards that they are doubtless incorrect and far below the true amount! in other words, Mr.

Danvers states at para. 50, that the East Indian line, whose estimates have already grown, as we have seen, from £12,000 to £18,249 per mile, may be taken as an example of all the others in this respect, and that "*our judgment of their remunerative powers must be suspended* until all the materials for calculation are attainable"!

It is perhaps not unreasonable to advise us to "suspend our judgment," or even renounce it altogether, in continuing this blind expenditure; but while it would only be an act of folly if we squandered our own money in this way, it must be a question whether it is not as much an act of fraud as folly when we are administering a trust for the Natives of India, and throwing millions after millions of their money into the laps of English speculators*.

To return to Mr. Danvers: One thing at least is clear from the tissue of mystification we have been examining with regard to the cost of these railways, viz.: that the Government know their cost will be far greater than what the public have been led to expect, and so much greater that the Reporter is only permitted to break the truth to us by degrees. He has raised it the first year ten or twelve millions, and hinted that "bad begins, but worse remains behind;" what if the cost should ultimately prove even double the original estimate?

Now as we should prefer to know the worst at once, let us try to make some computation, with the help of such half-lights as Mr. Danvers affords us, of the amount of money spent, and of work done for it, to a given date. In his first Report, in noticing the finances of all the above-mentioned railways, Mr. Danvers states

* We learn from para. 118 of Mr. Danvers's first Report, that only one 43rd part of the funds for these railways is subscribed in India; all the rest in England; and I believe that even this one 43rd part is almost entirely subscribed from the savings of English officials in India.

the sums that had been actually spent upon them, up to December 31st, 1859, which, added together, amount to a total of £23,501,022. In his second Report, para. 2, he states that the length of the railways opened for traffic to that date, December 31st, 1859, was 634 miles: so that it only remains to ascertain what progress had been made with them, beyond the number of miles opened for traffic, to show what had been the work then done, for the twenty-three and a half millions sterling spent. We have a clue to this unknown quantity, in the further statements of Mr. Danvers, in his second Report, with regard to the line opened, and the money spent, during the next sixteen months, after 31st December, 1859, viz.: that they opened an additional 208 miles for traffic in the next twelve months, with an expenditure of £7,670,331; and another 211 miles in the four months after that, with an expenditure of £3,552,775; altogether 419 miles in the next sixteen months, with an expenditure of £11,221,106.

It must therefore be a very liberal estimate of their progress, in addition to the line opened at the date of December 31st, 1859, if we reckon their total work at double the amount of line open, and give them credit for the construction of 1300 miles, at the time when they had 634 miles open.

Nevertheless, on this assumption that they had then constructed 1300 miles, for the £23,500,000 spent, it appears that the average cost of these railways had actually been not £10,000, nor £12,000, but more than £18,000 a mile, to the date of December 31st, 1859. And as these *trunk lines* are only single lines at present, with the exception of one hundred miles, and will require an additional expenditure of £3,000 a mile, according to para. 164 of Mr. Danvers's first Report, to

make them double lines, which it is intended to do, it follows that Mr. Danvers had solid grounds for estimating their average cost, when completed, at £21,000 a mile, at the date when he stated it in his first Report at £10,606 a mile!

And this cost, which would amount to £96,841,500 for the 4,611½ miles already sanctioned, is exclusive of a heavy charge for the purchase of land, amounting in the Island of Bombay to about £300,000 for three miles, which is contributed by the taxpayers of India, although not stated in Mr. Danvers's accounts; and also exclusive of a large prospective but certain expenditure for sidings, sheds, &c, which must be met as the railway traffic developes. But it is unnecessary to go further into detail, as I have said enough to show that Danvers's Reports give us no reliable estimate of the cost of these railways.

The next item on which we require more definite information than we find in Danvers's Reports, is the "profit or loss" on these railways (of which between one and two thousand miles are now open). It may be objected, that no information on this head would be worth much, if the Government Reporter is to begin by under-estimating the cost of these railways more than one half; but there are other conditions on which this profit or loss of railways is contingent, besides the original cost, viz., as stated by Mr. Danvers in his first Report, para. 161, "their management; the trade of "the country and extent and habits of the population "through which they pass; the deterioration of the "plant and road; the amount of the working ex-"penses, &c."

On one of the most serious of these items, "deteriora-"tion," his Reports give no information beyond this,

that these new lines and plant are kept in repair by a trifling addition to the working expenses. Why, of course they need no repair while they are new, but wear and tear will bring a necessity for heavy repairs and renewals, amounting to an average annual charge of 3 per cent. on the cost of English and American lines, and not likely to amount to less in India. We should like, therefore, to know more of this item from Mr. Danvers, for a charge of 3 per cent. for "deteriora-"tion" would absorb the greater part of that "steady "profit of 5 per cent." which the Reporter and Government are sanguine enough to look forward to when the lines are completed. (See para. 160 of First Report, and Sir Charles Wood's speeches every session).

Another vitally important point in calculating the profit or loss of railways is, as Mr. Danvers truly stated, "the trade of the country, and extent and habits of "the population through which they pass." No point is more important than this, and therefore the Reporter ought to have given some information about it; both as regards India, *per se*, and India compared to other countries where railways are able to pay a dividend of 5 per cent.

For instance, there are some districts of India where the population varies from between two and three hundred to between six and eight hundred to the square mile, and where the commerce and wealth of the country is concentrated; and there are others where the population does not exceed from sixty to eighty to the square mile, and where the wealth and trade of the people does not reach a *thirtieth part* of what it is in the first class of districts. And as the railways that "tri-"angulate India" have started for about a thousand miles, at various points in the rich districts, and are

now being prolonged for about three thousand miles through the poor ones, we ought to have some estimate of the degree in which their returns will fall off, in proportion to the falling off in wealth and population through the greater part of their course.

Judging from the latest traffic returns, published in India, the decline in their receipts will be something prodigious as they advance into the country. When there is a difference of six and a half to one, even between one rich district and another, there may be a difference of thirty to one between the richest and the poorest districts; which would involve a proportionate falling off in the average returns of the railways and their chances of profit.

The last mail* brought the average traffic returns for the following four lengths of railway now open: 320 miles near Calcutta, at £45 10s. per mile, per week; 243 miles between Allahabad and Cawnpore, at £14 14s. per mile, per week; 437 miles near Bombay, at £12 12s. per mile, per week; and 133 miles through Guzerat, at £7 per mile, per week. And yet the last of these districts, although its returns fall off so much as compared to the first, is not only one of the most populous and wealthy districts of India, as compared to the generality of them, but is at the least four times as rich as two-thirds of the country across which the railways are being carried; so that if the returns near Calcutta are six and a half times as much as those in Guzerat, they will probably be six and a half multiplied by four, or twenty-six times as much as those in the poorer and greater part of the country.

What havoc this would make with the profits is self-

* Vide *Bombay Gazette*, April 12th.

evident; since the average returns per mile, per week, of the above four lengths of line, amounting to 1183 miles, are already less than half of those in the best district, viz.: £19 19s. to £45 10s., the average returns of the 4611 miles of railway, when the "triangulation of India" is complete, are not likely to be more than a sixteenth or twentieth part of those near Calcutta! and even if they are as much as a tenth, which would be £4 11s., a sum of less than £5 per mile, per week, of which about half is paid away for working expenses, would not go far towards paying a guaranteed interest of 5 per cent., and a charge for "deterioration" of 3 per cent. on railways that have cost £21,000 a mile; viz.: £5 a week from the average traffic returns, less working expenses, is £2 10s.; and 8 per cent. a week on £21,000 is £32 6s.; so that the difference, or weekly loss per mile of railway, would be £29 16s.; which, multiplied by 4,000 miles, would make a weekly loss of £119,200, and an annual loss of £6,198,000, to be defrayed by the tax-payers of India, whose patience may ultimately be taxed too far, as well as their pockets.

Another vitally important consideration in estimating the profit or loss of railways, is, whether their traffic is what is technically called a "poor traffic," or a "rich traffic;" which means a traffic paying much or little for the work done.

Of course it makes all the difference in the world to people's profits, whether they receive pounds or shillings for a given amount of work. For instance, there is a difference between England and many parts of the continent, literally of pounds to shillings in the payment of professional men, Ministers of State, &c.; and such classes abroad could not live on their pay, and would

be ruined, if they had the same expenses to defray on the continent as the corresponding classes have in England.

Now all Mr. Danvers ventures to hope about Indian Railways, is that their expenses "will not be greater than "those in other countries," (para. 165 of First Report); he assumes that they will be about the same; and therefore we ought to be told what rates of payment they receive; whether these also are the same as here; or whether, on the contrary, the Indian Railways are not obliged to carry the bulk of their passengers at rates of from three to five times as low as the rates in England; whether their first-class passengers are not a mere fraction, only about 1 per cent. of the total number; whether they are not obliged to carry the bulk of their goods at equally low rates by comparison; in short, whether their traffic is not what is called a "poor traffic," in the strongest sense of the term.

And further, we ought to be told whether even these low rates on Indian Railways are not still too high to allow Native passengers and goods to travel more than very short distances after all? We ought to know what is the average number of first, second, and third-class passengers, and the average tonnage of first, second, third, and fourth-class goods carried over the whole length of their lines; in short, what is the average distance that their different sorts of freight can afford to travel? We have a right to something more definite than the very vague information given by Mr. Danvers on all these points; for it is only by comparing specific results with those obtained in other countries that we can estimate the profit or loss on these Indian Railways.

Finally, let the Government Reporter not forget to

tell us how much of their present traffic returns is derived from a charge for the carriage of their own materials and fuel, which forms a very large proportion of their total tonnage, on some of the lines?

The next item on which Mr. Danvers's Reports are not explicit is with regard to the development of the traffic of the country by these railways.

There is one way in which they must have developed its commerce, viz., by a lavish expenditure. The country had been so drained of capital until the last few years, that expenditure in the interior, for any purpose, even for carrying on war, had the effect indirectly of stimulating the industry of the people; as every rupee spent among them enabled them to produce something not produced before, and was sure to fructify in a land where labour only waited for capital to set it to work. An expenditure, therefore, of forty millions sterling on these railways, of which rather more than half appears to be spent in India, must have enormously increased the general wealth and trade of the country.

But we want to know something more than the general and indirect effect of this expenditure. We have been used to receive reports from Indian officials of the success of any really and eminently useful public work, tracing its effects distinctly in the rise of the Government revenue, and the material and moral progress of the people, in that particular district where the work was constructed. Mr. Danvers ought, therefore, to tell us precisely what has been the effect of carrying ten miles of railway through any inland county of India?

It must, of course, have raised the value of labour and the price of commodities immensely for a time, and perhaps the money spent locally in constructing

it may have doubled the produce of all the neighbouring parishes. But the question is, What has been its permament effect on the district? Has it made so great a difference in the price of exports and imports, by raising the first and lowering the second, as to establish a simultaneous increase of public revenue and private fortunes, sufficiently marked to induce the Collectors to report upon it to the Government? We know that they would have done so if they could, for their pens are only too fluent, and therefore we cannot help inferring from their silence that the results of these costly railways in developing the traffic of their districts have quite disappointed them.

The last item, and by far the most important of all, on which we require specific information, is with regard to the capacity of these railways for carrying passengers and goods, in such quantities, and at such rates, as India requires.

The Government Reporter was especially bound to give some definite statement on this head, because the capacity of these railways to fulfil either of the above objects has been publicly and repeatedly denied on the highest professional authority, with illustrations furnished by experience in other countries similarly situated to India and in India itself. Yet these arguments have never even been noticed by any responsible official authority; although if the Government knows that they are unanswerable, its conduct in squandering a hundred millions of money on railways, which it knows to be comparatively useless to the people, and refusing to develope water communications, which it knows to be essential to them, is dangerous in the extreme.

Because this tacit admission that railways in India

are comparatively useless to the people, involves the further admission that these railways will not pay that guaranteed interest, whose amount the Government is continually increasing; so that the Native taxpayers will be simultaneously burthened with a dead loss of several millions a year to defray the interest of railway capital, and deprived, by the entire appropriation of State credit to the railways, of those really useful works that could alone make them rich enough to afford such communications.

I do not see any escape from this dilemma. Either the Government can answer the arguments of Sir Arthur Cotton, Captain Haig, &c., or it can not; if it can not, its policy in continuing this railway expenditure is quite unjustifiable; if it can, its Reporter was bound to make some answer. But a man must be simple indeed if he can doubt that Mr. Danvers would have gladly answered Sir Arthur Cotton, if it were possible to confute his reasoning.

As I will refer the reader in an Appendix to the public documents in which the above-mentioned arguments against these railways are contained, it will be unnecessary to do more than give a mere outline of them here. (See Appendix A.)

The incapacity of railways to carry the quantities required in India, results from two causes; partly from the inherent impossibility of carrying more than a limited amount of goods on a *passenger* line, and partly from the vast traffic that must be provided for on the trunk lines of India.

The first cause may easily be conceived by those who have witnessed the choking on the thoroughfares of London; although on these, vehicles can at least pass each other at every step of the way, which is not the case on a railroad.

This choking arises from the fact, that passengers will not, and cannot be expected to travel at the slow pace of goods; whilst, as every increase of speed involves a proportionate increase of expense, goods cannot afford to travel as fast as passengers, and therefore are continually stopping the way.

But, whereas choking on a common road only involves loss of time and annoyance, on a railroad it involves not only frequent and sometimes fearful accidents, but such a ruinous wear and tear, by running goods too fast to get them out of the way, and such a multiplication of "sidings," that the "London and North-Western Company" found it necessary to make a third line of railway by the side of their old main line, when their traffic was a fourth less than it is now; that is, when they were estimated to carry between three and four thousand tons a day on the busiest part of their line. They now carry probably between 4,000 and 5,000 tons a day* on the same part, by means of 120 trains worked over three lines of rail; or five trains per hour, every hour of the day and night.

Yet even this tonnage of the "London and North-Western," large as it seems, is but a fraction of the daily traffic of London, or of what should be provided for on the trunk lines of India. In this little island (little by comparison with India), every district is so near a seaport, that the traffic is not concentrated on any long single line of communication, but divided between a great number of short lines.

In India the case is exactly the reverse. The population there is massed on the deltas of great rivers, several of which are fourteen or fifteen hundred miles

* Reckoning it at two-thirds more on week-days than Sundays.

in length; and the traffic is concentrated on the lines of these rivers to a degree which cannot have any parallel in England; though there is an analogous state of things in the United States of America.

The result is, that, to take the valley of the Ganges as an example, it would require six or seven *passenger* railways like the East Indian, where it is a double line, to give sufficient facility for developing the traffic on this single line: in fact, nothing can do it but a first-rate water communication, able to carry with ease twelve or fifteen thousand tons a day, such as the Government persist in refusing to construct.

The last and most fatal objection to these railways is their incapacity for carrying passengers and goods, at such rates as India requires. These expensive communications of highly civilized life are as useless to a country inhabited by millions of poor to a few hundreds of rich, as an importation of fashionable London equipages would be to the nations of Africa.

There are two reasons why the rates of charge for transit in India should be about twenty-five times as low as the rates in England: one is the difference in the value of money, and the other is the difference in the distance travelled, in the two countries.

It was stated in the Statistical Tables published by the Government in 1853, that the difference in the value of money, as measured by the cost of labour and of the necessaries of life, *and therefore by what men could afford to pay for transit*, was as seven to one: *i. e.*, that money was worth seven times as much in India as it is among us. No doubt its value has decreased since, in proportion to the increasing wealth of the people; but it is still estimated, and I think fairly, everywhere but in or close to the Presidency

towns, at five to one; and this difference in the value of money would alone require the rates of transit in India to be five times as cheap as in England.

But this difference must be multiplied by another still more important difference between the distances travelled in the two countries. In England our railway rates may be cheap enough, because the average distance travelled is comparatively short: ten years ago it was estimated to be about 30 miles. But if England were magnified to the size of India, and the average distance travelled was ten times as far, of course the cost of transport must be ten times as cheap, to permit the same amount of traffic: *i.e.*, if the selling price of an article will afford 5s. for cost of carriage, this sum (5s.) will pay twopence a mile for a distance of 30 miles, but only one-fifth of a penny a mile, for a distance of 300 miles.

The consequence is that in immense countries like India and America, where the average distances travelled are many times greater than in England, and where the cost of transit must be proportionately reduced, no railway can afford to carry cheaply enough to develope a great traffic; and the low rates required can only be secured by first-class water communications.

Assuming therefore that the average distance goods now travel in England is 50 miles, and the average railway charge three half-pence a ton a mile, and that the distances in India and America are five times as great, then the cost on trunk lines in the latter countries should be five times as low, if the value of money were equal; but allowing for a *much less* value of money in America, the charge should there be about one half-penny a ton a mile; and allowing for a *fivefold greater* value of money in India, it should there be about one-

sixteenth of a penny a ton a mile; to give as much opportunity for the development of traffic in these countries respectively, as is given by railways in England.

Now it is curious that this charge of one-sixteenth of a penny a ton a mile, *at which of course no railway can ever afford to carry*, is the actual charge by ocean freight to Calcutta (and it used to be much lower); it is the actual charge for minerals, at long distances, on the Mississippi and the Ohio; it is not much below the present charge on some water lines in India (which is being gradually reduced); and it might soon be the *average* charge by inland navigation in India, if anything like the same interest were felt in its improvement, that is and has long been felt in America.

For it is the most remarkable point in all this controversy, that the whole question of the respective merits and capacities of water and iron communications, has been thoroughly sifted and settled in America many years ago; and the reader will find in a single official report,* presented to the United States' Legislature in 1854, the substance of the arguments on both sides, with that conclusion for which I am contending, established by statistics published by authority (and such as our Government ought to publish).

That conclusion was, that the cost of carriage by good water communication was incomparably cheaper than by railways, and that the bulk of the traffic depended on cheap carriage. The Reporter showed that where first-class water and iron lines competed, the water lines, though closed by frost for five months of the year, carried 108 tons to 1 on the railways, of

* That of the State Engineer and Surveyor, on the Canals of New York

low-priced commodities, and 32 to 1 of the total tonnage; the one 32nd part carried by the railways being either purely local freight, or else very valuable articles, or else perishable things, such as meat and vegetable food, &c., for which there was a fluctuating price and demand in the market, and which could not afford to wait five months until the canals were thawed—(there would be no waiting of this sort in India).

The above conclusion, which has been confirmed by all subsequent experience in America, and has led to the investment of immense sums by the different States in improving the inland navigations of that country, is still ignored by the Government of India, which will patronize nothing but railways, though it does not deny that they cannot give the people of India the very cheap carriage they require.

I give in an Appendix an article from a Punjaub journal on the Scinde and Lahore Railways, showing what a ruinous loss is expected in the country itself from these lines. But although the facts stated in this article are not denied by the Secretary of State for India, their publication only stimulated him to sanction immediately the expenditure of some millions more on similar lines, as if he were in a hurry to commit the Government to as large an expenditure as possible on railways, before public opinion could interfere to stop him. What can be the reason of this?

Two reasons, one a solid and the other a sentimental one, have been assigned for his preference of these railways to every other sort of communication, and his apparent eagerness to extend their construction.

The first reason is, that they will secure our military occupation of India, by enabling troops to move in any direction. But the experience of the present cam-

paign in America shows that, although water communications secure the movement of troops to the strongest maritime power, it is a complete mistake to suppose that railways do so, in a roadless country like India.

The remarks of a military critic on this subject, written without a thought of their application to another country than America, are so conclusive that I will quote them here :—

"It is extremely difficult to speculate with any degree of confidence on the military operations of the contending parties. In any other country in the world some conclusions might be reached by allowing a margin for contingencies. But in America the introduction of railways before there was any development of a system of ordinary turnpike roads, the nature of the stoneless clay soils in the South, the physical conditions of the mighty rivers which swell or subside capriciously with incredible velocity, the vast extent of uncleared lands, and the magnitude of the space over which operations are carried on, baffle all attempts to arrive at satisfactory conclusions from any *data* whatever. Beauregard and Johnston would have annihilated Grant, but for two days' rain, which delayed their forces, and gave Buell time to come up and save the Union troops. The rain, which cut up the roads from Manassas to Alexandria, interfered with the embarkation of M'Clellan's army for Monroe, and gave time to the enemy to move troops to the Peninsula. The same agency impeded the march of the Federals to Yorktown, checked them for days, and gave time to the Confederates to add materially to their intrenchments and to their strength. It is scarcely intelligible in Europe that the destruction of the arches of railway bridges, or the tearing up of rails, should paralyse the march of a column for several days or weeks; but it must be remembered that these railways are often the sole means of communication in large districts, that they pierce great primæval forests, span rivers by miles of trestle work, or are carried through swamps on lofty tiers of woodwork, so that the burning of a few bridges may halt an army without a chance of their being able to advance till the damage is remedied."—*Army and Navy Gazette* of May 3.

The sentimental reason is, that railways are a symbol of our enterprise and power, which will strike the people with awe, and ensure their submission to us. But the world, even in India, has outgrown the age of symbols; and we might as well imitate the ceremony of the Doge of Venice marrying the sea, and try the moral effect of

Queen Victoria's dropping a ring into the bosom of Neptune, as imagine that the Natives will be reconciled to the cost of these railways by the "awfully enter-"prising" nature of the speculation.

The real reason, as I said in a recent pamphlet, the real reason for the policy of the present and past Secretaries of State for India, with regard to these railways, is the Parliamentary pressure of English public opinion, such as it is, about India. I cannot suppose that Cabinet Ministers understand less of this subject than I do, (in fact Lord Stanley formerly expressed the same convictions)*—but they yield to pressure from without, which has hitherto been exerted on the wrong side.†

In noticing the other day the quarters from which this pressure had proceeded, I forgot to mention the Manchester Chamber of Commerce; whose "*urgent* "*pressure on the Government, from the earliest period to* "*the present, that no consideration should be allowed to in-*"*terfere with the progress of the Indian Railways,*" was dwelt upon emphatically in a memorial which a Deputation from the Chamber, headed by the Members for Manchester, presented to Sir Charles Wood on the 21st of March last.

* See Appendix C.

† It is said by one of the most plausible of the railway advocates: "No doubt "water communications are very good things, as well as railways; why not "make both?" (Why not? indeed!) The insinuation is, that although both are not made, it is not the "railway interest" which prevents it. Who is it, then? It cannot be the public, which takes no part in the matter; it cannot be advocates of water communications themselves. Can he mean the Government? Now it is not very likely in these days of a free press that the Government should be less enlightened than the people it governs; and I have heard it said by one of the most distinguished authors and politicians of our age and country, that he believed, from his experience, "the Government was always in advance "of public opinion in its convictions." I must say I incline to think so, too; and therefore I must repeat what I said in a recent pamphlet: if the nation now believes that Sir Robert Peel was ready to repeal the Corn Laws *at least as soon* as the people of England were, the presumption is that Sir Charles Wood is equally ready to develope the water communications of India, as soon as public opinion is prepared to support him in doing so.

This is an exemplification of Voltaire's saying: "On "aime son intéret, et ne l'entend pas." These gentlemen have had their wish, *and no consideration has been allowed to interfere* with the progress of Indian Railways; but all this has profited them nothing, because their pre-occupation about their own interest so contracted their views, that they could not see what their true interest was.

The Manchester manufacturers supposed that all their business with the Government was to get their goods carried into the interior, which railways could do for them; therefore they pressed for railways: taking care not to invest in them. They did not believe, few of them believe now, that the supply of cotton from America could ever be so seriously and permamently diminished as to render them dependent on India for their fibre. They have been wrong on both points. After having got a railway to the North-West Provinces, they find it cannot distribute their goods any more than the Ganges could; and they learn from the Report of the late Col. Baird Smith, that not above one-third of the population can purchase their manufactures, for want of cheap communications all over the country.

If the Government had made these cheap communications, not only would they have brought Manchester goods to the doors of the people, but they would have put plenty of money in the people's pockets to buy them. As the case stands, the people remain poor from want of such communications; and are made poorer still by the heavy taxes taken out of their pockets to pay for these railways—a state of things very adverse to the interests of Manchester.

Again: the Manchester spinners did not believe in

Indian cotton, except as an article invented to keep the price of American within bounds; few of them are hearty converts even now; but now that they are just beginning to believe in Indian cotton, they suppose that a little extra cost by railway will not make an important difference to the price of such a valuable article as cotton, worth ten, and often fifteen times as much as the bulk of raw produce.

But here again they are mistaken. In the first place the extra cost is not a little, but a great deal; and if the railways do not carry cotton at a loss, the difference in cost of carriage between iron and water, will be the difference between pounds and shillings, *i.e.*, between $1\frac{1}{4}$d. and one 16th of 1d. a ton, a mile; and when the cotton is carried hundreds of miles, this will materially affect the price even of such a valuable article as cotton.

In the second place, Indian cotton may well be disbelieved in, without a great and permanent improvement in its quality. It is of no use now to send samples of what can be done. We have known any time the last fifteen years what can be done; and now, when we want the thing done, when we are sick of hearing it talked about, when cotton planting ought to have been years ago as scientific and lucrative a business in India as in America, we are scarcely a bit forwarder than we were when M. Shaw made his experiments in Dharwar in 1847.

But we have not effected this improvement, and never shall do it, until we give the Indian grower the same advantages as the American; we must enable the Native village, like the "Negro lines," to bring its food a thousand miles, and its clothing fifteen thousand miles, if necessary, and sell its produce without an extra charge for some hundred miles of railway carriage

upon it; we must enable them to realize the same profits in the world's market as their competitors; and make it worth their while to produce an article of first-rate quality, if ever we expect to get a cotton from India that we can believe in.

In short, we must not sacrifice the Mississippis and Alabamas of India to railway speculators; we must rescue the Natives if we expect them to rescue us; and unfortunately the Manchester cotton spinners did not see this in time—they succeeded in coercing the Government, so that *no consideration was allowed to interfere* with the construction of railways; they did not succeed in getting their best markets* and best cotton in India, which they easily might have done, and the result is that their mills are still, and their operatives starving.

Moreover, after they had done so much to urge the Government in a wrong direction, with respect to Indian Public Works, they discovered that it was not their business to urge it in a right one, and their especial organ, the "Cotton Supply Reporter," took for its motto the words: "Cotton knows no politics."

Perhaps the motto suited the period they have just passed through. Perhaps they could not be expected to look to the future, or take any thought for public interests, during years of unprecedentedly high profits. But the creed that "Cotton knows no politics," was not the opinion of Manchester manufacturers at the time of the Anti-Corn-Law League; it is not a logical deduction from the situation of the United States; and

* We may judge what the Indian market might be to us from the following facts: Although we are told that not one-third of the people can yet purchase Manchester goods for want of cheap communications, our exports to India have risen from £7,578,980 in 1850 to £21,958,947 in 1861; *i.e.*, they have trebled in ten years; and there is no reason why they should not be trebled again.

if Mr. Bazley is right, as I believe, in saying* that, "Slavery is doomed to extinction, even if the differ-"ences in the States of America be reconciled," then the American cotton supply can no longer be depended upon, and Manchester will eventually learn that it is true wisdom, even in this world, to look beyond one's self; that "*sui amantes sine rivali* are many times un-"fortunate;" and it would have been better for Manchester to support those politicians who laboured to promote the interests of the Natives of India, because a good supply of cotton, as well as good markets, depended on their success.

What, then, is to be done? Evidently the first thing is to leave off forcing India to borrow endless millions for works that will *not* pay, and allow her to borrow instead for works that *will* pay, for such cheap roads and hydraulic works, &c., as *have* paid enormously in India.

Loans for these objects, to the amount of three or four millions a year, to be repaid within a given period, either by a sinking fund added to the interest, or by an appropriation of the profits of the works;—loans supplemented by an annual publication of local Government reports, giving maps, levels of the country, lists of bazaar prices in different localities, authentic accounts of the direct or indirect profits on such expenditure, and every encouragement to private contractors to undertake parts or the whole of any scheme sanctioned, with such checks on the initiation and sanction of schemes as were suggested by the Consult-

* *Vide* the *Globe* of May 21.

ing Engineer to the Government of India;*—loans of this sort would have the following effects:—

1st. They would permit the repeal of the most obnoxious taxes;

2nd. They would not only save the people's money, but put more money in their pockets;†

3rd. They would compel an effectual supervision of Public Works expenditure; and ensure that the most remunerative works, in other words, the works *most useful to the people*, were preferred in the choice of projects, and those prosecuted to completion;

4th. They would facilitate the introduction of European skill and science, improve our supplies of raw produce, and probably extend the sale of our manufactures, in a few years, from twenty to sixty millions;

5th. They would soon relieve the Government from the necessity for interference, by tempting individuals to invest their capital independently in the development of the country's resources; which independent invest-

* Parliamentary Paper, No. 149 of 1861, page 51.

† It is a serious qualification to the warm feelings of admiration with which every intelligent Englishman must read Mr. Laing's Budget speech, to come to such sentences as these: "At least £2,000,000 of our expenditure on Public "Works is optional, and could be suspended in an emergency"—"The reserve "is there if needed."—"The Government has not been unmindful of the "maxim, *si vis pacem para bellum*." Surely the able Indian financier has not risen, in this instance, "*aux niveaux de la science actuelle?*" Might he not rather have said, "The greatest lesson we have learnt from the contest in America is, "that the best reserve we can make for war, is to make comparatively none!—to "devote almost the entire means at the disposal of Government to promote the "education and wealth of the people; this alone has rendered possible the prodigious development of military force effected by the Federals in a single "year; and though the lesson may not be applicable to Europe, where one "country proportions its armaments to those of another, it is applicable to "India, where we have no dangerous neighbours, and where we can devote our "revenues as exclusively to education and improvement as the Free Labour "States of North America did."

ment has raised a thousand-fold the value of the people's industry in England and America;

6th. They would employ, on national objects, some portion of those tens of millions of English funds, which are now being lent to Russian, Turkish, Egyptian, and other foreign Governments;

7th. They would be the first instance of the application of India's credit to the making of her own fortune, and would ensure a great name in History for the Minister who inaugurated such a policy.

APPENDIX A.

"Memorandum of Col. A. Cotton, on the Bombay Minutes of the Members of Council on a railway from *Beitkul* Harbour to *Hyderabad*."

"Report on the direct and indirect effects of the Godavery and Kistnah Annicuts, in *Rajahmundry*, *Masulipatam*, Guntoor, &c., and the Coleroon Annicuts in *Tanjore* and South Arcot."—Parliamentary Return No. 234, 15th April, 1859.

"Reports on certain projects," by Col. A. Cotton, "on the means of connecting Calcutta directly with the Ganges."—H. Smith, Fort St. George, Madras.

"Letter to the Society of Arts, on Indian Public Works; being a reply to the Report on Col. Cotton's papers on Indian public works, made by Col. Baker, by order of the late Governor-General, Lord Dalhousie. By Col. A. Cotton."—Richardson Brothers, Cornhill, London.

"Letter addressed by Captain Haig to the Secretary of State for India, on the navigation of the Godavery river; and Minute of Sir Charles Trevelyan, relating to the Irrigation works, and the Navigation of the Godavery river."—Parliamentary Return No. 54, 6th February, 1860.

Evidence of Captain Haig before the Colonization Committee, 28th March, 31st March, and 4th April, 1859. Report from the Select Committee on Colonization and Settlement (India), No. 198, 7th April, 1859.

APPENDIX B.

INDIA AND HER RAILWAYS.

[Leading article from the *Lahore Chronicle* of March 15th, 1862.]

"It seems ungracious to speak disparagingly of railways, and moreover it requires some degree of courage to run counter to the general delusion on the subject, but the obligations of truth being sterner and more imperative than what is due to mere popular opinion, we shall

not hesitate expressing our convictions concerning the improbability that railways in Scinde and the Punjaub will ever be remunerative speculations.

"The Scinde Railway, 106 miles long, and which has been constructed at a cost of above a million sterling, has now been opened for a sufficient time to test its prospects of profit, and from what we have heard of its operation, and from what we know of its receipts, we are justified in predicting that when the traffic returns come to be published, there will be found to be no profits whatever. Meanwhile the capital account, we are informed, is allowed to be swelled by constant accumulations not contemplated by the Government in their contract, and on which they will have to pay interest. Thus it is provided in the contract that after the line has been opened for traffic, the cost of any repairs which may be necessary shall be repaid out of revenue, or be deducted from the interest payable by the Government to the company. But the Scinde line having recently suffered considerable damage from floods, incurred a considerable expense for repairs, which we understand is to be defrayed out of capital, and not of revenue, a proceeding which, if correctly reported, is one full of danger, and a most mischievous precedent, as it saddles the Government with indefinite expenses, and they can never know when their responsibility is to cease. We are further informed that with the view probably of exhibiting as large a traffic as possible on the line—however productive of loss rather than profit—the company is carrying grain at the rate of one farthing per ton per mile. In Europe and America it is found that less than one penny per ton per mile will not reimburse the expenses of carrying goods on a railway, and in India the cost of railway conveyance for goods cannot be made less than it is in other parts of the world, without a loss instead of a profit resulting. The truth cannot long be concealed by such shifts, and it is far better that the Government should look the matter in the face, and reconcile themselves to the conclusion that the Scinde Railway project was a mistake—that it was carried out with a needless expense, and that its position and prospects are now maintained in a needless obscurity. It is hopeless to contend with physical facts. If we have made a blunder it is better to admit it and to extract from the error a caution for the future. How could any reasonable man expect that a railway carried through such a country as the Scinde line traverses, could return its expenses? As well expect figs from thistles. In other countries fertility and wealth and population are supposed to be the necessary antecedents of a successful railway. Do the deserts of Scinde possess these conditions of prosperity? Those who have travelled in these districts, or have gained information from trustworthy sources, very well know that from end to end of the Scinde Railway there is not a town, and scarcely a village or field. And if any person on this locality has been led into taking shares in such a scheme, it is mainly on the inducement of the Government guarantee, which, however, recent revelations show is not of the absolute character that was supposed. In fact, it appears that, notwithstanding the guarantee, shareholders may receive nothing whatever, as

is stated by Mr. Slaughter, the secretary of the Stock Exchange, in his publication on Railway Investments. While therefore the Government suffers a heavy loss, the shareholders may be left without any dividend whatever, and in the case of the Scinde Railway it is difficult to see from whence a dividend could come.

"The line between Lahore and Umritsir presents, we are happy to say, better prospects, nevertheless we have serious doubts whether even it will prove remunerative. It has been constructed at heavy expense. Its length, 33 miles, is not such as to make it worth while to tranship grain and other commodities from the carts on the road to the railway, and the road is so good that the force of traction required to draw vehicles upon it is not much greater than it is upon the railway. The ekkas upon the road at present carry passengers from the heart of the city of Lahore to the heart of the city of Umritsir for 4 annas, or sixpence sterling, and what railway can beat that in cheapness with profit to itself?

"With regard to the Mooltan line, its prospects appear to be worse than those of the Scinde, as the country it traverses is equally destitute of towns and population, and it is 206 miles long instead of 106, and most of the materials required for its construction have to be brought nearly 1,000 miles into the interior of the country at a very heavy expense. The whole tract of country, stretching from Mooltan to Lahore, is almost one unbroken field of stunted jungle, inhabited chiefly by goats and their attendants. Can any man, woman, or child, believe that a railway carried through such a country will return its expenses? The waste of capital on such barren enterprises, lamentable though it may be, is even less to be deplored than the discouragement which will be cast by such examples on the influx of European capital into India; and who in England will believe in any Indian undertaking, when they have suffered so severely from gigantic delusions?"

APPENDIX C.

Extract from Lord Stanley's speech at a Meeting of the Manchester Cotton Supply Association in 1857:—

"As to roads, he feared we were in danger of being misled by the precedent and example of England. It seemed to be thought that because costly lines of railway for high speed were suitable for this country (before a line was constructed we had a complete canal system, adequate to our heavy traffic), they were equally suitable for India. He believed, and so did more competent judges, that *that system of proceeding was a complete mistake*. What was wanted in India was not costly lines for rapid travelling laid down in a few

parts, but a comparatively inexpensive, though slow, means of communication extending over the whole face of the country. In that matter we should follow the precedent of the United States rather than of England."

Extract from Lord Stanley's speech in the House of Commons, June 23rd, 1857. (See Hansard, page 298.)

"The result of that absence of an influential public opinion, independent of the governing class, was seen in the constant and notorious tendency in the Indian Government to quarrel with its neighbours, which quarrels invariably exhausted funds that might otherwise have been devoted to the improvement of the country. Nothing could keep an Indian Governor-General quiet except a deficit, and even that would not always do it. The public in India consisted of civilians and the military. The civilians foresaw an extension of patronage in every new annexation, and both they and the military were flattered by prospects of the extension of the power of this country. Even the missionary interest, he believed, was not hostile to what might enable it to propagate, under British protection, its opinions in a new district. And so it happened that whenever there was any prospect of a dispute it was almost certain that all parties would be in favor of a warlike policy. He did not say that from theory only. He was in India at the time that the second Burmese war broke out. He was not about to criticise the policy of that war, but this he would say, that before it was competent for any man to have formed an unbiassed opinion upon the dispute between the Indian and the Burmese Governments, before any certain or authentic information had been or could be received, there was throughout the country a cry taken up by every class of Europeans, without arguing, without hesitation, and without reflection, in favor of going to war. He mentioned that fact because the same causes still existed and were likely to exist for a long period, why we need not hope that the surplus revenue of India would be applied to the development of its resources. If we were to wait until India applied her revenue to works of internal improvement we might have to wait for a long time. These works should be undertaken without regard to the question of surplus or deficit, for looking at the question in a merely financial point of view, the cost to India of delay will be much greater than if they were carried out at once."

TO THE EDITOR OF THE "CALCUTTA ENGLISHMAN."

SIR,—I have received your second pamphlet, and a later issue of your paper, dated Dec. 23, containing among other things the libel on my character published in the *Friend of India* last year, that I had advocated the restoration of Dhar from pecuniary motives. Having already denied this assertion, I can only say when it is repeated, that it is a scandalous falsehood. My answer last year was sent not only to the *Friend*, but to all the leading journals of India, and was published in every Presidency. It stated that when I made known my desire to retire from the India question, the intended presentation of two "Testimonials" was announced to me—of which one has been received—but that I *had never worked for pay, and had never been paid for work*, during all the years that I had agitated the question of India reform, which is true to this day.

Why, Sir, are you so anxious to persuade people that I have worked "for money?" and why have you a horror of working for money? Do you work only "for love?" I should not be ashamed of working for money if I wanted it, but I happen to want something else much more: I covet honour!

> "But if it be a sin to covet honour,
> I am the most offending soul alive."

Before I notice your reply, the result of nearly two months' incubation over my letter, I must say a few words on the weekly budget of calumnies now regularly supplied to you by the Calcutta Foreign Office, respecting certain Native gentlemen in Central India, subjects of the Maharajah of Indore, and the Rajah of Dhar, and not sparing those princes themselves. I have long been aware, that one of the most trusted and deadly weapons of the Annexation School was "calumny." In Major Bell's new work on the Mysore case, in quoting a prophecy of the late Duke of Wellington, that one alternative of the fate of a Native Government was to be "destroyed by calumny;" he adds in a note, "only those who know some of the secrets of the

'political' system in India, will appreciate the full force and significance of this prediction." Well, I know "some of the "secrets," and I denounce the above communications as a conspiracy to "destroy by calumny" the two Native Governments which have excited the implacable animosity of the Calcutta Foreign Office. It is the wish and the order of the Imperial Government, that the Native States should be supported and *conciliated;* it is becoming more and more an urgent necessity of English policy (for military and other considerations) that these wishes and orders should be complied with. It is almost impossible that a Native administration should go on successfully, when our executive officers are notoriously hostile to it. It is their duty to encourage and assist Native statesmen; yet here is a case in which the Calcutta Foreign Office is attempting to "destroy by calumny" two friendly and allied governments, to gratify a personal pique against all who have contributed to the restoration of Dhar.

I now come to your "Reply," which, with the help of "a narrative "published in the *Calcutta Review*," undertakes to refute my "abom- "inable mis-statements." By the way, do you not refute yourself, Sir, when, after blaming me in the beginning of your pamphlet for quoting the "statement of a Native correspondent to a Native newspaper," that the Rajah of Dhar was competent to govern, you admit at the end of your pamphlet that his State has been restored to him, in consequence of a report to the same effect from the Resident at Indore? I must dismiss the first seven pages of your pamphlet with a single sentence. To vary a little Grimm's critique, these seven pages contain nothing that is true, and nothing that is new—except a contradiction of my account of the revocation of the Dhar Minister's authority, which, be it remembered, I verified by quoting official documents in the archives of Dhar: the rest is merely a reproduction of Colonel Durand's Minute of July 22, 1858, which I carefully analyzed, exposed, and refuted in my book. The eighth page brings us to a charge of "culpable negligence" against Sir Robert Hamilton, and, for reasons not given, against Major Hutchinson. This afterthought has evidently been suggested by the exposure in my letter of the injustice of persecuting men who were never tried, and talking of their "proved" guilt, when, as far as anything was "proved" in the absence of a trial, it was their

innocence. This was an awkward blow, and as it could not be parried directly, an attempt is made to do so indirectly, by throwing the blame of not trying these men on Sir Robert Hamilton. It might just as well be thrown on the present Resident at Indore!

The thing is really too absurd. Why should justice have waited for Sir Robert Hamilton? Justice was pretty swift and summary in those days; there was no morbid feeling about saving rebel prisoners' lives, and punishment followed with anything but a "lame foot" in November, 1857. I have shown in my book that there was no delay in trying the officer suspected at Nalcha, and if Bheem Rao and the Dhar minister were suspected,—if there was any plausible charge against them—they ought to have been tried at once, while the evidence was *hot* at hand; and so they would have been, and hung, to a certainty, if any taint of rebellion could have been brought home to them. But they were not tried, though Colonel Durand remained in charge for a month and a half after the capture of Dhar! They were not tried, and could not be tried, because Colonel Durand quitted the Residency, actually without leaving any charges whatever on record against them! When Sir Robert Hamilton had time to attend to the matter, he was obliged to bail the men, because there was no indictment, and no evidence, against them: and of this the Government was informed at the time, in spite of the Reviewer's denial. Moreover, Colonel Durand was then at the Governor-General's elbow; why did he not insist on the trial of these men? If he could have brought any criminal charge, or procured any evidence against them, he had ample opportunity for doing so,—indeed, the justification of his severities at Dhar depended on his doing so—yet he never even attempted it; and his failure to do it, or even try it, is a proof that the men were perfectly innocent, and he knew it! Of the Calcutta Reviewer's three charges against the minister, the first is disproved in my book; the second will be disproved in India; the third is beneath notice.

However, Sir, you reiterate this charge against Sir Robert Hamilton; you say that he "disobeyed positive orders" (which only exist in your imagination,) to bring these men to trial, and you even hint that he may have been induced to spare them by "the "undue influence of Holkar!" Now it is most unlikely that Holkar should ever have said a word on the subject; if he did,

it must have been from a strong sense of Justice, because it was directly opposed to his own interest. If the confiscation of Dhar had been upheld, Holkar would have got almost the whole of the territory: I have heard that this was intimated to him. As it is, I do not know that he has received a single village for the immense services he rendered us, and at the risk of his life, in that terrible month of July, when Colonel Durand's absence from his post rendered confusion worse confounded in Malwa, and even obliged the Governor-General to transfer the authority over the Bundlecund chiefs from Colonel Durand, in spite of his objections and predictions of evil, to the Saugor and Nerbudda Commissioner; an authority not restored to the Central India agency, until Sir Robert Hamilton arrived to take charge of it.

Perhaps, in your next reply, you will explain, Sir, why Colonel Durand deserted his charge during the whole of that month; which was the first cause of all the anarchy in Dhar, where they actually waited till the 22nd of July before they appointed a minister. On the 4th of July, the rebels marched away from Indore, and the gallant Hungerford had secured the fort of Mhow; from that day we received the active assistance of Holkar, as I find from the incessant testimonies of Colonel Showers at Neemuch, Colonel Hungerford at Mhow, Lord Elphinstone at Bombay, and Major Hutchinson, who even visited Holkar at Indore, and gave counsel to him. Throughout July there were constant expresses to Colonel Durand; on the 12th Colonel Hungerford assured him that "the "whole country round Mhow was tranquil," and "a few hundred "dragoons would make the whole of Malwa as tranquil and peace-"able as it was six months before;" yet I find Colonel Hungerford complaining again and again, even so late as the 17th, that "no "communication of any kind has been received by the Indore "Durbar, or by me, from Colonel Durand;" and he did not return to Mhow till the 2nd of August, and then became immoveable again till the 20th of October! This fatal silence, and absence, and immobility, remain for you to explain, Sir.

To return to Sir Robert Hamilton. What could he do? Was he to go to Dhar, and hunt up a cold scent of suspicion, which Colonel Durand had neglected for a month and a half before? I will show that it was impossible. He had returned from England when

affairs grew serious, after being at home only a few weeks,* and had gone, by order, first to Calcutta, to concert with Lord Clyde and Sir William Mansfield a plan of operations for Central India, which was to sweep the country from Jubbulpore and Indore, with Mhow as a base, to the two points of Calpee and Banda—the entire political authority over all these territories, and much more, being confided to him. He was relied on for information as to the routes, the forts, the people, and where opposition was to be met with. From the day of his arrival at Indore, he had to act and move with Sir Hugh Rose's column, and to keep up daily inter-communication with General Whitlock's, which started from Jubbulpore, with respect to intelligence, supplies, carriage, cash, and all requisites for the troops; managing the whole political business at the same time. The crisis was unexampled, and the work, from December to the 19th of June, the fall of Gwalior, was almost sleepless. How was Sir Robert Hamilton to attend to Dhar business through the tremendous responsibility and labour of this campaign? Such attention as he could give to it from time to time, resulted, not in confirming, but in dissipating the suspicion of rebellion, so that in his final Minute, of August 30, 1858, he exposed the hollowness of Colonel Durand's case. But considering how he was then employed, and that the Government so highly appreciated his services as to make him a K.C.B. for them, the public will hardly condemn him for "culpable negligence" at that very time, on the authority of anonymous writers in the *Calcutta Review*, and *Englishman*.

I have now, Sir, to acknowledge a mistake in my letter, and to thank you sincerely for correcting it. I said that when the Dhar papers were sent home in December, 1859, Colonel Durand came home with them; you remind me that he came home some time before. It is perfectly true that he did so; I had forgotten it, but I now remember that he was a member of the Council for India at the time the papers came home; so that when the papers arrived, *minus* Sir Robert Hamilton's despatch of August 30, 1858, which came by the "long sea" passage with a cargo of "accompaniments," Colonel Durand not only had the advantage of pleading his own

* See Parliamentary Paper No. 498 of 1863, Page 39.

cause in person, but he had the satisfaction of seeing the Home Government decide the Dhar case virtually on his Minute of July 22nd,—the orders of the Supreme Government on August 12th being a mere echo of it,—in entire ignorance that his despatch had been completely answered and refuted by Sir Robert Hamilton's Minute of August 30th, which, arriving after the decision, was so completely buried in oblivion, that its very existence was unknown to members of the Home Government until long afterwards, when they happened to ask why Sir Robert Hamilton had not answered Colonel Durand's despatch of July the 22nd. I repeat, Sir, that in a Court of Equity, this piece of sharp practice would involve a new trial. Let the reader observe that the further this case is investigated, the more clearly the facts come out, that no act of rebellion was ever proved or even seriously charged against any member of the Dhar Durbar; that the Home Government decided rightly at first, under Lord Stanley, that it was "inconsistent to punish a weak State for "that inability to control its mercenary troops which it only shared "with its powerful neighbours of Gwalior and Indore, and even "the British Government itself" (whose inability in fact *caused* that of Dhar); and therefore that the punishment inflicted on Dhar hitherto has been wholly unjustifiable, and the confiscation of its treasure as prize-money was simply "a robbery:" as, indeed, I find it called, in a private letter of one of the principal officers engaged in the capture.

There is only one more point in your reply, Sir, which I shall advert to. You assert that "Annexation is not so simple a question "as some public writers seem to consider;" that "there is extreme "difficulty in laying down any general law," owing to "Great "Britain's conflicting classes of duties to the princes and people of "India;" . . . and that I "do not attempt to grapple with this "question." I deny the first of these propositions without reserve; I assert that Annexation is a perfectly simple question, and that there is no difficulty whatever in laying down a general law with reference to what you call "Great Britain's conflicting classes of "duties;" but as, of course, I cannot grapple with such a comprehensive question at the close of a long letter, I will refer you to a work which expresses my own views of what our future policy ought to be towards the princes and people of the Native States of

India, without pledging myself to the writer's opinions beyond that point; viz., "The Reversion of Mysore," by Major Evans Bell.

In conclusion, Sir, allow me to observe that you misunderstand me, when you say at page 3, that I "complain of your mild per-"sonalities." On the contrary, I think this controversy most useful; I think the style of your attacks on me, and on respectable Native gentlemen in Central India, must enlighten the public as to the unscrupulous character of some of the present occupants of the Calcutta Foreign Office; therefore I by no means wish to stop our present interchange of "mild personalities." In the words of Celimène:—

> "Il ne tiendra qu' à vous qu'avec le même zèle
> Nous ne continuions cet office fidèle,
> Et ne prenions grand soin de nous dire entre nous,
> Ce que nous entendrons, vous de moi, moi de vous."

I remain, Sir,

Your humble servant,

JOHN DICKINSON.

12, Haymarket,
February, 1865.