

when they are parties to the words "as long as the sun and moon shall endure," not only in the Mysore treaty alone, but quite pointedly again in another treaty of 1807, explanatory of the third article of this very subsidiary Mysore treaty: by the words, "these four additional articles, which, *like the original treaty of Mysore*, shall be binding on the contracting parties as long as the sun and moon shall endure."

Such pointed expression of the duration of the treaty of Mysore, coupled with the words "treaty of *perpetual* friendship and alliance," at the very heading of the treaty itself must certainly make any English statesman who has the slightest consideration for the honour of his country's word, pause before trying special pleading. I appeal to you as Englishmen to say whether, had such pleas been put forward by a native ruler, the most indignant denunciations would not have been poured out, not only against himself but against the whole Hindu race? How loud and angry would have been the uproar of the virtuous indignation of the upright Englishmen against the innate depravity and treachery of the Hindu race? And yet it is calmly pleaded by English statesmen, that in their language, in treaties made by themselves, when it suits the occasion, "perpetual" means "temporary;" that the duration of the existence of the sun and moon means only a man's lifetime; and that "treaties" mean "deeds of gift." But, strange to say, as the sun and moon sometimes send a ray through the heaviest cloud, to assure poor mortals of their existence, the sun and moon of this treaty have sent one stray ray through the heaviest cloud. In the dispatch of August 31, 1864, from Sir John Lawrence to Sir Charles Wood, it is said:—"By the favour of the British Government, and in the exercise of its sovereign right, acquired by conquest, the Maharaja was raised from a prison to the government of a large principality, *subject to conditions*; which, if fulfilled by him, would have been the safeguard of his authority, and the guarantee of the *continuance of a native rule* in Mysore." Now, I leave to you, gentlemen, that if this treaty was simply a personal treaty, what is meant by "subject to conditions which, if fulfilled by him, would have guaranteed the continuance of a native rule in Mysore?" Are there, then, certain conditions in the treaty guaranteeing the continuance of a native rule in Mysore? Then what becomes of the personal character of the treaty?

Now, revert to the question, whether Lord Wellesley had a bad intention in drawing his pen through certain words, or whether he meant to do something consistent with a faithful performance of his obligations

under "the partition treaty." The only explanation I can at present see of Lord Wellesley's proceedings, is this. There is no doubt in my mind that Lord Wellesley did not mean to act in bad faith; that allowing the words perpetual, and about the sun and moon, to remain, he did mean what he said; but that his object in striking out the word "heir," &c., was to keep such full control over the native principality as to enable the English Government to oust any particular oppressive sovereign, and put some other in his place, or, in cases of disputed succession, that the English may be able to decide in favour of one or the other without being encountered by the difficulties which the word "heir" might occasion; that the word "unnecessary" in the margin means that as far as permanency of native rule was concerned, the words "perpetual" and "as long as the sun and moon shall endure," are sufficient; and that the word "dangerous" means the strong title which an "heir" may maintain, and thereby lessen the complete English control; and that according to practice a new treaty may be made with every successor, with such modifications as time and circumstances may require. I venture to offer this explanation for your consideration, leaving alone the question whether any departure from "the partition treaty" was justifiable. I cannot, however, persuade myself that a statesman like Lord Wellesley would be guilty of such a mean act as the present discovery of Lord William Hay is made to imply. I do not stand here as the advocate of either the Raja or the English. I wish only for justice and truth, be it on the one side or the other.

Much has been said about Lord Canning not having sent the adoption *sunud* to the Raja. Was Lord Canning justified in doing so? Did he do so as a punishment for the Raja's past offences? This is not the case, as the Raja was declared deserving of reward for his thorough loyalty. Two reasons are urged: first, it was because Lord Canning knew that the Raja intended to leave his territories to the English. By admitting this position, Lord Canning admitted the power of the Raja to bequeath; but it was subsequently urged that the treaty itself did not entitle him to any such adoption. Now, I ask, do English words mean one thing in one treaty and another thing in another treaty? If not, I request explanation for the following anomaly.

The treaty of 1805, with the Raja of Travancore, is, *word for word*, in *all* its important portions bearing upon the present issue, the same with the treaty of Mysore. I give these portions in the Appendix.

Now I trust it is a fair question to ask, why the very same words which in the Travancore treaty entitled the Travancore Raja to the

adoption *sunu*?, did not mean the same thing with the Mysore Raja. The parallel, however, does not end here. The Raja of Travancore, like the Raja of Mysore, also incurred the displeasure of the British Government, and the latter were going to assume the internal administration of the country. But the Raja died. Nobody, however, then thought of interpreting the treaty of 1805 as a personal one, and the heir was allowed to succeed. The difference, then, in the cases of the Raja of Mysore and that of Travancore, seems to be that the latter, by his death, made the treaty of 1805 an hereditary one, and the former, by living longer, has rendered, in some mysterious way, a similar treaty a personal one. It is pressed that Sir Stafford Northcote ought not to have reversed the policy and gone against the opinion of three governor-generals and two secretaries of state. Sir Stafford can well be left to hold his own. He needs no defence at my poor hands. But I ask, Is it because the others were right that Sir Stafford should not have reversed their acts, or is it meant that even they were wrong, Sir Stafford should have abided by their decision? I know full well what English prestige means in India. In fact, it is the settled opinion of the natives for the English high character, that is your principal charm and spell over them. When once that is broken, half your strength is gone. But it is not by special pleadings, or persisting in a wrong course, that the prestige will be increased. Howsoever vehemently or authoritatively may assertions be made of honest decisions, the natives can think for themselves, and can know where there is real honesty and where there is sham. If Sir Stafford has subverted the decision of fifty governor-generals and as many secretaries, if he has but done what is right, he will have increased your prestige far more than any amount of persistence in a wrong course. I trust the objectors on the ground of authority do not mean to contribute a wasp of an idea to Mr. Buxton's collection, that "the perpetration of a wrong is a justification for persisting in it." If the objectors mean that the former decision was right and Sir Stafford is wrong on merits, then let them discuss on merits only, instead of holding up the bugbear of high and many authorities.

Again, it must be remembered, that we look for authorities when the subject is exclusively a study for few students; when the materials for ordinary judgment are not sufficiently accessible, and when therefore decisions for action can only be based on authority, the number and positions of authorities are matters of importance; but as in the present case, when the materials are at the command of all who choose to see

them, when Sir Stafford Northcote is exactly in the same position as any other individual, to judge for himself, how could mere priority of time give to the others an infallibility? On the contrary, Sir Stafford ought to be, if he make a right use of his opportunities, under a proper sense of responsibility, in a better position to decide rightly, having the views and arguments of his predecessors before him.

There is again the argument of the good of the people of Mysore. I hope I am not dead to a desire for the welfare of any people, and more especially of my own countrymen. The picture of an Englishman holding off the savage ruler from his victim is no doubt a very pretty and gratifying one, but unfortunately there is a little want of truth in it, and a little daub in it. First of all, the Rajah repeatedly offered to allow such arrangements for the welfare of the people as would be satisfactory to the British, and so there is no savage king tearing up his victim. But then, is not in that case the Rajah a mere puppet? How strangely does this exclamation come from persons who pride in their sovereign being not a despot, but subject to law and order, and guided by wise and able ministers. What constitutional sovereign is not a puppet, if to govern under fixed and well-regulated administration be to be a puppet? Besides, it is a strange reflection upon the British Government that with their control and influence they do not bring up the native princes in the way they should go. Besides there being some untruth in the picture, there is this daub. In the corner of the picture the natives of Shorapore and the assigned districts restored to the Nizam stand surprised at this turn of philanthropy. Now is it possible for the native to increase his esteem and believe in your sincerity with such inconsistent conduct before them, notwithstanding the most vehement assertions of your desire for the good of the Mysoreans?

To destroy the native rule in Mysore it is pressed that as Englishmen have settled there, it ought to be taken into English possession. This I suppose is an invention of the nineteenth century. What a fine prospect this opens up of conquering the whole world without much trouble. Some Englishmen have only to go and settle in a country, and then the English Government has simply to say, "You see English people cannot be managed by you, therefore you should give up the country to us;" and there is a conquest! But, unfortunately for the inventor, those stupid fellows the French and other continentals, the Americans and such others, won't see it.

Then again, is this an encouragement to the other native Rajahs to allow Englishmen to settle in their country, and derive the benefits of

the contact of English enterprise and knowledge? If they take such a step the result is loss of rule, on the plea that Englishmen cannot be managed by natives. If they do not, then they are blamed for being pathetic and indifferent to the best interests of their dominions and people.

The important question constantly arises, Who is to judge when the British Government and a native prince are at issue? How can the decision of the stronger party in its own favour be free from the suspicion of being interested? Cannot, when such important questions of the rights of Government arise, an important judicial commission of some of the best judges of this country be appointed to try the matter? I should think that, considering the confidence the natives of India have in the integrity, uprightness, and independence of English high judges, the natives would feel satisfied to have such issues tried by such impartial tribunals: otherwise the native, like anybody else, naturally thinks when the decision is against him, that injustice is done to him; and it is only when the justice of the decision is so clear as to be *entirely* above suspicion, that the British Government does not run the risk of being considered as having taken advantage of their might against right.

I have not here entered upon the general question of adoption, as in the present case the reason urged is that the Rajah is by the treaty itself not entitled to leave his territories even to his own son, any more than to his adopted son. Nor do I here enter into a discussion of the general question of annexation, nor into that of the rights of the Nizam, as the present decision of the Secretary of State renders this discussion unnecessary.

I would not take up much of your time upon the subject of the relative position of the Nizam and the British power at the time the subsidiary treaty was made, and the real source of that treaty. I shall simply quote a few sentences from two or three treaties, leaving you to draw your own inferences. In the treaty of 1790, between the English, the Nizam, and the Mahrattas, Article 6 says—

“The three contracting powers having agreed to enter into the present war, should their arms be crowned with success in the *joint* prosecution of it, an *equal* division shall be made of the acquisition of territory.”

In the treaty with the Nizam of 1798, in the preamble it is said—
“And the present juncture of affairs, and the recent hostile conduct and

evil designs of Tippoo Sultan, so fully evinced by his sending ambassadors to the Isle of France, by his proposing to enter into a treaty, offensive and defensive, with the French republic against the English nation, and by actually receiving a body of French troops into his dominions, and immediate pay, rendering it *indispensably necessary* that effectual measures for the *mutual* defence of their respective possessions should be immediately taken by the three allied powers united in a defensive league against the aforesaid Tippoo Sultan," &c. &c.

In the treaty of 1800 with the Nizam occur these words :

"Who, with uninterrupted harmony and concord having *equally shared the fatigues and dangers of war and the blessings of peace, are, in fact, become one and the same in interest, policy, friendship, and honour.*"

The partition treaty of 1799 says—

"And whereas it has pleased Almighty God to prosper the just cause of the said *allies*, the Honourable English Company Bahadoor, and his Highness Nizam-ood-Dowla Ausuph Jah Bahadoor, with a continual course of victory and success, and finally to crown their arms by the reduction of the capital of Mysore, the fall of Tippoo Sultan, the utter extinction of his power, and the unconditional submission of his people; and, whereas the said *allies* being disposed to exercise the rights of conquest with the same moderation and forbearance which they have observed from the commencement to the conclusion of the late successful war, have resolved to use the power which it has pleased Almighty God to place in *their* hands for the purpose of obtaining reasonable compensation for the expenses of the war, and of establishing permanent security and general tranquillity for themselves and their subjects as well as for all the powers contiguous to their respective dominions. Wherefore a Treaty for the adjustment of the territories of the late Tippoo Sultan between the English East India Company Bahadoor, and his Highness the Nawab Nizam-ood-Dowlah Ausuph Jah Bahadoor, is now concluded by according to the under-mentioned articles, which, by the blessings of God, *shall be binding on the heirs and successors of the contracting parties as long as the sun and moon shall endure*, and of which the conditions shall be reciprocally observed by the said contracting parties."

The above extracts show what the relative position of the English and Nizam was, and the last extract shows that "the partition treaty" was binding on both parties for ever.

This partition treaty, binding, as above stated, on "heirs and successors" of the contracting parties, provides in Article 4—

"*A separate government shall be established in Mysore; and for this purpose it is stipulated and agreed that the Maharajah Mysore Kishna Rajah Oodiaver Bahadoor, a descendant of the ancient Rajahs of Mysore, shall possess the territory hereinafter described upon the conditions hereinafter mentioned.*"

Again, in Article 5 :—

"The contracting powers mutually and severally agree that the districts specified in Schedule C, hereunto annexed, shall be ceded to the said Maharajah Mysore Kishna Rajah, and *shall form the separate government of Mysore, upon the conditions hereinafter mentioned.*"

Article 8, again, throws some light on the relative position of the Nizam and English :—

"Then the right to the sovereignty of the several districts hereinbefore reserved for eventual cession to the Peishwa Rao Pundit Prudhan Bahadoor, shall *rest jointly* in the said *English East India Company Bahadoor, and the said Nawab Nizam-ood-Dowlah Ausuph Jah Bahadoor who will either exchange them with the Rajah of Mysore for other districts of equal value more contiguous to their respective territories, or otherwise arrange and settle respecting them, as they shall judge proper.*"

Article 9 gives the conditions referred to in Article 5, and is the authority of the subsidiary treaty.

So the facts are these : A *separate* government of Mysore was to be formed, and which stipulation is binding on the heirs and successors of the contracting parties. The question then simply is, Was Lord Wellesley justified in introducing anything into the subsidiary treaty that would in any way destroy the "*separate government of Mysore,*" or anything beyond the condition contained in Article 9 as to the provision for a subsidiary force ?

This is Article 9 :—

"It being expedient, for the effectual establishment of Maharajah Mysore Kishna Rajah in the government of Mysore, that his Highness should be assisted with a suitable subsidiary force, it is stipulated and agreed that the whole of the said force shall be furnished by the English East India Company Bahadoor, according to the terms of a separate treaty to be immediately concluded between the said English East India

Company Bahadoor and His Highness the Maharaja Mysore Kishna Rajah Oodiaver Bahadoor."

In accordance with Article 9 of the partition treaty, given above, a subsidiary treaty was made, and the preamble simply recites the same purpose, as it in honesty ought.

The heading begins with the words, "A treaty of perpetual friendship and alliance;" then the preamble says, in accordance with the partition treaty :—

"Whereas it is stipulated in the treaty concluded on the 22nd of June, 1799, between the Honourable English East India Company Bahadoor and the Nawab Nizam-ood-Dowlah Ausuph Jah Bahadoor, for strengthening the alliance and friendship subsisting between the said English East India Company Bahadoor, his Highness Nizam-ood-Dowlah Ausuph Jah Bahadoor, and the Peishwa Rao Pundit Prudhan Bahadoor, and for effecting a settlement of the territories of the late Tippoo Sultan, *that a separate government shall be established in Mysore*, and that His Highness Maharajah Mysore Kishna Rajah Oodiaver Bahadoor shall possess certain territories, specified in Schedule C annexed to the said treaty, and that, for the effectual establishment of the government of Mysore, His Highness shall be assisted with a suitable subsidiary force, to be furnished by the English East India Company Bahadoor; wherefore, in order to carry the said stipulations into effect, and to increase and strengthen the friendship subsisting between the said English East India Company and the said Maharajah Mysore Kishna Rajah Oodiaver Bahadoor, this treaty is concluded by Lieutenant-General George Harris and by His Highness Maharajah Mysore Kishna Rajah Oodiaver Bahadoor, *which shall be binding upon the contracting parties as long as the sun and moon shall endure.*"

Nothing can be clearer than the preamble, distinctly based upon the partition treaty, which binds for ever the English for a "separate government in Mysore," and providing for a suitable force. And yet this is the treaty which is endeavoured to be made personal, and by which some Englishmen have created a right of annexation.

Let us see the treaty further on. The very first article treats the two parties on an equality of duties, like two independent powers :—

"The friends and enemies of either of the contracting parties shall be considered as the friends and enemies of both."

Further articles relating to the question are given in the Appendix.

I shall make only one more short extract, which shows that the Mysore Treaty by the British Government was not to be perpetual, &c. &c. These are the words in Article 5 :—

Provided always, that whenever and that so long as any part or parts of His said Highness's territory shall be placed and shall remain under the exclusive authority and control of the East India Company," &c. &c.

I leave now to you, gentlemen, to say whether the subsidiary treaty could, under all these circumstances, be considered as a simple personal treaty, and that the English have the right to annex Mysore on the death of the Rajah ?

This paper is written by me not for complaint, but for thanksgiving. To Sir Stafford Northcote, as well as to Lord Cranbourne and the few councillors who sided with them, sincere thanks are due not only from the natives of India, but even from Englishmen, for having to the former done an act of justice—or if you will have it, a proper and politic act of generosity—and for the latter, vindicated and maintained to the natives of India and to the world the character of the English nation for justice and liberality.

What gratitude and admiration such noble words as the following from Sir S. Northcote deserve, needs no comment from me :—"And we should endeavour as far as possible to develop the system of native government, to bring out native talent and statesmanship, and to enlist in the cause of government all that was great and good in them."

The following letter was addressed to Lord William Hay in connection with the above subject :—

32, GREAT ST. HELEN'S, LONDON,

MY LORD,

8th July, 1868.

I again take this opportunity of thanking you for pointing out to me without hesitation what you considered as an oversight on my part. I have no object in this matter except truth and justice. We may now see whether I have really made any mistake. You will please first remember that the words "perpetual," or "for ever," or "as long as the sun and moon shall endure," or words of that character, are not admitted by you as of any consequence in giving to the treaty a permanent character. You want the words "heirs and successors," or either of them, to make the Mysore Treaty a permanent one.

In the Travancore Treaty of 1795 the word "heirs" does not occur anywhere. The word "successors" does occur often; but, as you will see below, in the Treaty of 1805 *great care* is taken not only to strike out this word "successors," or any other words of similar import, but even pointedly to describe the Rajah of Travancore as one of the contracting parties, as "His Highness the Rajah of Travancore *for himself*," which words "for himself" are not used even in the Mysore Treaty. This itself would be sufficient to show that if the subsidiary Mysore Treaty was a personal one, the Travancore Treaty of 1805 was especially, by the special wording of that treaty, a still more personal one for the Rajah with whom that treaty was concluded.

Now, if under the 5th Article of the Mysore Treaty the English were entitled to take the administration of Mysore into their own hands and afterwards to claim that the country should not be restored because the Mysore Treaty was a personal one, it was the more logical, that as the Treaty of 1805 was concluded by the Rajah of Travancore "for himself," and as the special stipulation made "*by himself*" was infringed by the Rajah, that therefore under the treaty his country should have been annexed. I say that this single circumstance of the words "for himself" would have been enough, according to the argument adopted with Mysore case, to annex Travancore to British India, which was not done.

But I proceed further, and show that the Travancore Treaty of 1805 was, *with all possible care*, made to correspond in every possible way with the Mysore Treaty, and whatever may have been Wellesley's objects (which it is not at present my purpose to search for), it is clear that the Rajah of Travancore was put in the same position as the Rajah of Mysore, or if anything in a worse one, by the words "for himself."

In the preamble of the Treaty of 1795* the Rajah, as a contracting party, is described not only by his own name, but is further described as "the *reigning Rajah* of Travancore," while in that of the Treaty of 1805 the Rajah, as a contracting party, is described simply as "His Highness the Rajah of Travancore *for himself*."

Article 2 of 1795 is modified by Article 1 of 1805. It will be seen in this that while in the Treaty of 1795 the words used are "the country of the said Rajah or of his successors," in that of 1805 the words "his successors" are omitted.

* See Appendix, in which both the Treaties of 1795 and 1805 are given.

Article 3 of 1795 is modified by Article 3 of 1805. It will be seen that in the Article 3 of 1795, "The Rajah of Travancore doth engage for himself and *his successors*," while in Article 3 of 1805 the words "his successors" are omitted, and only "His Highness engages to pay," and only "His said Highness further agrees."

Article 4 of 1795 is modified by Articles 3 and 4 of 1805. It will be seen that while in Article 4 of 1795 the stipulations are on behalf of "the Rajah and his successors," in the corresponding Articles 3 and 4 of the Treaty of 1805 the words "his successors" are omitted, and instead of "the Rajah and his successors" the words are only "the said Maharajah" or "His Highness."

Articles 5 and 6 of the Treaty of 1795 are modified in the 7th and 8th Articles of the Treaty of 1805. Now it will be observed, that while in the Articles of 1795 the Rajah is described, "the Rajah present and future," "the Rajah or his successors," and "the reigning Rajah of Travancore *for the time being*," in Articles 7 and 8 of 1805, we have neither "Rajahs future," nor "his successors," nor "reigning for the time being," but only "His Highness Maharajah Ram Rajah Bahadoor," "His said Highness," or "His Highness."

Article 7 of the Treaty of 1795 is repealed by Article 2 of 1805. Now in the Article 7 of 1795 we have "the *said reigning Rajah for the time being*," while in the 2nd Article of 1805 we have only "Ram Rajah Bahadoor." I do not suppose it was intended, or that it has been, or that it is likely to be, so acted upon, that after the death of this Ram Rajah Bahadoor of the Treaty of 1805 "his successors" would, by the 7th Article of the Treaty of 1795, cancelled, as above shown, be made to pay again what was released and discharged in this Article 2 of 1805.

Article 9 of the Treaty of 1795 is altered by the Articles 5 and 6 of the Treaty of 1805. Now it will be seen, that while in Article 9 of 1795 there are the words "Rajah or his successors' country" in the Articles 5 and 6 of 1805, the words are only "the possessions of his Highness Ram Rajah Bahadoor," or "his Highness."

The above Articles 5 and 6 of 1805, are the most important Articles by which the British Government came to have *any right* to interfere in the administration of the country, and in providing for this new right, Wellesley not only omitted the words "successors, &c.," but adopted almost entirely the language, word for word, of the stipulations of the

Mysore Treaty. This right of interference is essentially the provision of the Treaty of 1805, and can be exacted in terms of that treaty only, without any reference to any previous treaty, for previous treaties have nothing to say on this point: and so far as any interference is concerned, it is with Ram Rajah "for himself," as the contracting party, that the arrangement was made by Wellesley.

Now, is it a fair inference or not, that by so deliberately and carefully omitting in *every* Article of the Treaty of 1805 the words "successors," "for the time being," "Rajahs in future," &c., Wellesley deliberately intended to bring the position of the Rajah of Travancore to the level of the Rajah of Mysore? And is it not also fair to infer, that had that part of Article 9 and Article 11 of 1795 which are the only Articles (out of the few which have not been modified) that contain the word "successors" by implication or directly, been also modified or repeated in the Treaty of 1805, the word "successors" would have been deliberately and carefully struck out? If not, then why were they struck out throughout the *whole* of the Treaty of 1805. However, whether you admit this inference or not, what does the Article 9 of the Treaty of 1805, from which you quoted, amount to? It cannot certainly renew and confirm what is altered in the Treaty of 1805. It renews and confirms that part of the Treaty of 1795 which is not modified in that of 1805. Now there are only part of Article 9, and the Article 11, which contain directly, or by implication, the word "successors," to which this confirmation can be of any consequence for the present argument (if the confirmation is at all such as you suppose, which is not the case, as I shall show hereafter). But I ask again whether, had these clauses been at all touched in the Treaty of 1805, Wellesley would have allowed the word "successors" to remain? However, be this as it may, for whom does the Article 9 of 1805 "confirm and renew" the remaining Articles of 1795? It is distinctly for the "contracting parties." And who are the contracting parties? The Indian contracting party of the Treaty of 1805 is not, as in the Treaty of 1795, the "Rajah and successors," or "Rajahs future," or "for the time being," but only "His Highness the Rajah of Travancore for himself," and nobody else any more than I.

Now what I say is this, be the intentions of Wellesley what they may, they were the same with regard to the Rajahs of Travancore and Mysore, and the two treaties are on the same footing; and that this is clear by his having so carefully and deliberately expunged the words successors, &c.

in *every* Article in the Treaty of 1805, by adopting the very phraseology of the Mysore Treaty in that of 1805, as far as possible, and by "confirming" in the 9th Article, for the "*contracting parties*" only, and not for "successors," &c.

I hope, therefore, you will now be satisfied that I have not been inaccurate in my statement, and that I had carefully compared the Treaties of 1795 and 1805; and I am correct in stating, and in accordance with the Travancore Treaty of 1805 and the Mysore subsidiary Treaty, the Rajahs of Mysore and Travancore were deliberately put on the same footing by Wellesley, whatever that footing was.

As you do not desire any controversy upon the merits of the Mysore case annexation, &c., I do not enter into that discussion, and content myself with the simple remark, that in my humble opinion your remarks on that subject are refutable.

I remain, yours truly,

DADABHAI NAOROJI.

LORD WILLIAM HAY.

CHAPTER II.

ESSAYS—(*continued*).

V.

ADMISSION OF EDUCATED NATIVES INTO THE INDIAN CIVIL SERVICE.

(Read before a Meeting of the East India Association, London, Friday, April 17th, 1868. E. B. Eastwick, Esq., C.B., F.R.S., in the Chair.)

GENTLEMEN,—Since our deputation waited on the Secretary of State for India with the Memorial* relative to the Indian Civil Service, I find several objections urged from different quarters; and, as I see that Mr. Fawcett is going to move a resolution, I beg to submit for your consideration my views on those objections. They are, as far as I have met with, principally these:—

1. That the natives are not fit, on account of their deficient ability, integrity, and physical power and energy.
2. That Europeans would not like to serve under natives.
3. That native officials are not much respected by the natives, and that when a native is placed in any position of eminence, his fellow-countrymen all around him are ready to backbite and slander him.
4. That natives look too much to Government employment, and do not show sufficient independence of character to strike out for themselves other paths of life.
5. That though natives may prove good subordinates, they are not fit to be placed at the head of any department.
6. That natives who seek for admission into the Civil Service should be Anglicised.
7. That natives ought not to be put in positions of power.
8. That the places obtained by the natives will be so many lost to the English people.
9. That natives are already largely employed.

To avoid confusion, I give hereafter the replies to these objections separately, but it is necessary to guard against being drawn into a

* Appendix B.

discussion of these objections, and thereby missing the *real* point at issue. Whatever may be the weight or value of these objections, they are now altogether beside the question. The real position of the question at present is simply this: That, notwithstanding *all these* and other such objections, after a searching inquiry, and after taking them all into very careful consideration, Parliament has decided and publicly enacted, "That no native of the said territories (India), nor any natural-born subject of His Majesty resident therein, shall, by reason only of his religion, place of birth, descent, colour, or any of them, be disabled from holding any place, office, or employment under the said Company." This enactment by Parliament in the year 1834 was again confirmed in distinct, honest, and emphatic terms by our gracious Sovereign in the year 1858: "We hold ourselves bound to the natives of our Indian territories by the same obligations of duty which bind us to all our other subjects, and those obligations, by the blessing of Almighty God, we shall faithfully and conscientiously fulfil. . . . It is our further will that, so far as may be, our subjects, of whatever race or creed, be freely and impartially admitted to offices in our service, the duties of which they may be qualified by their education, ability, and integrity duly to discharge." The tests of qualifications, character, and health are laid down. Now the question simply is, whether these solemn Royal declarations and enactments of Parliament are to be *fairly* and *honestly* carried out, or whether they are only to be a mockery and a delusion as far as the British subjects in India are concerned. This is the whole question. I have not the least doubt that the intentions of our Sovereign and Parliament are honest, and the only course open is, not to subject any one class of British subjects to greater difficulties and sacrifices than another. Every obstacle left or thrown in the way of the natives of India is equivalent to making the Royal word and Parliamentary enactment, as far as they are concerned, a dead letter and a mockery. The only way in which natives of India can be put on an honestly equal footing with Englishmen is by holding examinations in India also. I trust that in the debate in Parliament this real point at issue will not be lost sight of, and will be distinctly pronounced upon.

The questions which will have to be necessarily discussed in connexion with this point are—1st. Whether it is practicable to hold examinations in India. 'It is evident that there can be no insurmountable difficulty. I need hardly take up your time on this point, as you are all well aware that there are competent staffs of examiners in India. I would only throw out one or two suggestions. If it be considered

necessary that *all* the candidates both of this country and of India should be subjected to the *same* examination, papers for both written and *vivâ voce* examinations can be sent from here, to be opened in India in the examination rooms on the same day as they are opened here ; and in the case of the *vivâ voce* examinations (whether papers are sent or not, or questions additional to those given in the papers are put by the examiner for obtaining fully the object of the *vivâ voce* examinations), if the examiners are required to write down all the questions put and answers given, with such remarks as may occur to them as to the manner of the replies of each candidate, the Commissioners here will be well able to control the whole examination, and bring it to a common standard. If, on the other hand, the Government of India be left to carry out the examination in India, there will be no difficulty whatever in finding a competent staff of examiners. It is neither desirable, nor should it be expected by the natives, that the English portion of the service should not be larger than the native ; and a small portion of the annual appointments left to be competed for in India, is all, I think, that they can at present fairly ask. In that case the latter plan of leaving to the Government of India to conduct the examinations would be preferable. The chief objection to this latter plan is that by a separate examination a native may come in who may be inferior to the English candidates rejected here. To avoid this difficulty, either the first plan of "same papers" must be adopted ; or, if the Government of India adopt a sufficiently high standard of examinations and a high minimum, considering that the number of appointments will be very small indeed compared with the number of candidates who are likely to compete in such a large population, the successful candidates will not only be comparatively, but absolutely, good and superior men. Again, on the other hand, the chief objection to the "same examination for all" is that as the number of candidates will be in the course of time much larger in India than here, on account of the immensely larger population from which they will come, there is some chance that the Commissioners may find a much larger number of natives coming high than the Secretary of State may think desirable to give appointments to. If, therefore, any natives are then rejected and their English inferiors are selected, the cry of injustice will naturally arise, which contingency ought, I think, to be avoided. Upon the whole, therefore, I think leaving the examination to the Government of India, with a sufficiently high standard, will be the most practicable plan, as the chance is very slight of inferior men passing in a very large competition. Again,

whether the examinations should be held in some one place only, or at all the Presidency towns, is another question. This can be well left to the Viceroy. Each Presidency is so large a country by itself that, if a distribution of the appointments were made among them, the work of the examiners will be ample, and the civil servants being thus drawn from the different localities of India, a larger and more varied experience will be introduced into the service than if they were all or most of them drawn from one province only, which I think will be an advantage. These details, however, had better be left to the judgment of the Secretary of State.

As to the general character of the candidates, the certificates will be mostly from the English heads of their colleges, about whom certainly nobody can object that they would not be as conscientious and honest as the heads of the colleges here. The weight of any other certificates that may be produced by the candidates can easily be judged of by the examining authorities. In short, Government may adopt such rules as they may deem necessary to get the Indian candidate of the same level with the English, whether in acquirements, *character*, *physical energy*, or in any other particular. If the natives fail in coming up to a fair standard, it would be their own fault; *they only ask a fair trial*. Now suppose any inefficient person by some accident found admission into the service (which is very unlikely in a large competition for very few places), or suppose that after admission the integrity of any was not found satisfactory; there is no difficulty for Government in discharging such a person. By his appointment once he does not become a permanent fixture. Nor is it incumbent upon Government to promote any servant who does not prove his fitness for promotion. So there is no reason whatever why the enactment of Parliament or the proclamation of our Sovereign should not be fairly carried out, and the mere bugbear of the fear that some native *employe* may misbehave himself be allowed to interfere with a necessary act of justice and policy.

As to the locality for the examinations, Clause XXXII. of the Act of 1858 does not fix any. The Secretary of State for India is not prevented from holding examinations where he may think necessary.

The second question will be the necessary expenditure, but it is only natural and quite evident that the natives would only be too glad to have any necessary portion of the revenue devoted to such purposes.

I need not here do more than simply state that the two requests made in our memorial have been by some confounded with each other as alternatives, but you are aware they are not so. The very wording of the second request and the speech of Sir H. Edwards shows that the two requests have two different objects, the first to give a fair, free, and impartial chance to the natives to enter the Indian Civil Service on the same footing as Englishmen, and the second to send out natives in various independent professions to India, "where by degrees they would form an enlightened and unprejudiced class, exercising a great and beneficial influence on native society, and constituting a link between the masses of the people and their English rulers."

When I moved the memorial, I did not go further into this matter than pointing out that our Sovereign and the Parliament, and the press as representing the people of this country, and the present Government were of the one opinion which is expressed in the words I have quoted before from an Act of Parliament and from the proclamation of our Sovereign. Even now the press of this country, while commenting on the Blue Book of the comparison of the British and native rule, have almost unanimously declared that a fair field for the aspiration of natives of ability and character is one of the most important wants of the British rule, both to make it beloved as well as as efficient. I also then urged that the best interest of the service required that the first competition for selection should take place in India, in order that selection of qualified natives may not be made from a small body only, but to select the *best* talent and character from the *whole* talent and character of the country.

With such a clear case of law, justice, and necessity, we may think, and properly too, that I should have nothing more to say, and that my paper should end here. So I had thought on the occasion of proposing the memorial, but as some objections have been since started from quarters, no matter of whatever character, and as it is likely that some members of Parliament may desire to know the value of these objections, though, as I have explained before they are all now quite irrelevant, I discuss them one by one.

1. "That the natives are not fit, on account of their deficient ability, integrity, and physical power and energy.

The reports of the education department of India and of the administrative departments, show what the abilities and acquirements of the

natives are, and how offices of trust and responsibility hitherto entrusted to educated Indians have been discharged by them.

The testimony as to the ability and intelligence of the natives is now complete, that the intellect of the natives of India is equal to that of any other people. Its ancient literature speaks for itself, and the result of modern education is that its universities declare, year after year, that their work is successful, and that graduates begin to number by hundreds, and undergraduates by thousands. I shall revert to this point again shortly, in connection with the question of integrity.

With regard to the general integrity and character of the whole nation, it would be too long to go over the ground I have once treated in my paper on the European and Asiatic races. Nor is it at present necessary for me to do so, as the question now before us is not the indiscriminate employment of natives generally in high offices of trust and responsibility, but only of that class which proves itself qualified by its high education, ability, and character. Now, it would be a strange commentary on the educational results of the English colleges in India (which are very justly regarded, both by the English nation and the natives, as one of the greatest boons and blessings conferred by England upon India), and on the character of all English intellectual, moral, and scientific literature, if the highly educated youths of these colleges did not also attain to high moral character. But as in the immutable order of nature a good seed can never produce bad fruit, especially in a soil that has once proved itself fertile, it is not the fact that the education of these colleges does not raise the sense of moral duty of the students. I might here reason out a long argument to show why the natives ought to be and are as good as any other people under similar circumstances; but, as any length of argument or number of assertions will not carry conviction home to those who have now to pronounce on this point so completely as a few actual facts, I applied myself to this task. Before I give you the result, I have to make one observation. I do not do this in any spirit of recrimination, or ill-feeling, nor do I wish to urge the delinquencies of any one class as any justification for those of another; but it is only in simple fairness and justice that I ask English gentlemen to make proper allowances. Those gentlemen who so often cast stones at the want of integrity and the corruption of the natives, should not forget how some Englishmen in India, in former days, were suddenly transformed into rich nawabs; how Mr. Drake got his Rs. 280,000, or how a number of others got their lacs to side

with one or other of the contending native princes, to the tune of some millions sterling within nine years, from 1757 to 1766,* and how, after selling their power and influence in India in the above manner, the Company bought their power in the English legislature, by bribing in the legislature to something like 90,000*l.* in the year 1693;† how the Company's servants cheated their own masters; how, in Mr. Mills' words, in one matter, "The conduct of the Company's servants upon this occasion furnishes one of the most remarkable instances upon record of the power of interest to extinguish all sense of justice, and even of shame."‡ It is natural for gentlemen who have received a high education, and who begin their Indian service or life with high pay or profits, and high prospects, to feel indignant at the bribery and corruption of the poor people with low education, low pay or profits, and low prospects, and exclaim how can such things be. But if those gentlemen would only observe a little more around themselves, observe the amount of fraud and "doing" in this metropolis, if they would only remember the cry very recently raised against butchers and grocers, and discounts for servants, the convictions for false weights, the puffs of advertisements, the corruption among the "independent and intelligent electors," and their respectable corruptors, that, as said above, English gentlemen bought and sold power, and that several Englishmen from the lower classes are not behaving quite creditably in India now, &c., they will then see that such things not only can be, but *are* to be found even in this country under similar circumstances, learn to make allowances for similar phenomena among other people, and agree in the "decided conviction" expressed by the Court of Directors,§ that "we have no right to calculate on them (the natives) resisting temptations to which the generality of mankind in the same circumstances would yield."

The real question now, gentlemen, is whether, when natives are as highly educated as Englishmen, they attain to the same character for integrity or not, whatever may be the difference of opinion about the character of the whole nation, or of native agency generally.

I have collected a large amount of testimony with regard to native agency. Here I have in my hand a pamphlet of ninety-five pages, entitled 'Evidences relating to the Efficiency of Native Agency in

* Mills' 'British India,' vol. iii., ed. 1826, p. 326. † Ibid, vol. i., ed. 1826, p. 115.

‡ Ibid., vol. iii., ed. 1826, p. 300.

§ Letter to Bengal Government, dated 23rd July 1824.

India, published under the superintendence of the British India Society, reprinted with a supplement by the British Indian Association, Calcutta, 1853.' This pamphlet contains a collection of the testimony of Indian officials up to 1853. We have further in the Parliamentary reports of the same year a large amount of evidence on the same subject, and also a good deal scattered over in different works, or in periodical literature. But for our present purpose nearly the whole of this mass of evidence is inapplicable; and therefore useless to lay before you. All this evidence has been chiefly upon the question of native agency *generally*, but the present question is not the efficiency and integrity of the natives generally, but of the particular body who can pass the ordeal of a high examination and produce satisfactory testimony of character. I therefore thought proper to request several Indian officials now resident in this country to give me their opinion. I addressed the following letter:—

"I shall be exceedingly obliged if you would kindly give me your opinion as to the efficiency and integrity of the educated natives employed in the various departments of the Indian service in offices of trust and responsibility."

To this inquiry several gentlemen have kindly replied. I give you all these replies in Appendix A, and leave you to judge for yourselves. Out of the testimony already published I give you a few extracts only in the same appendix, which directly bear upon the present question. It will be observed that the appended testimony represents *all* parts of India. Sir W. Denison's opinion appears unfavourable. He admits that there *are*, even though as exceptions, some natives who *are* serving the state with efficiency. Now it is only for men like these, and who can also prove their character, no matter whether they are few or many, that our memorial asks for free admission. It is only those natives who can prove their ability by passing through a severe ordeal, and who can also prove their character by satisfactory testimony (and not natives indiscriminately), that we ask admission for. And even after such natives are admitted, if any is found wanting, either in efficiency or integrity, there is nothing to prevent Government from dismissing him. Nor is Government bound to promote, unless satisfied with the merits of any servant. Against Sir W. Denison's opinion representing Madras, we have, on the other hand, a different opinion from Lord Harris, Sir C. Trevelyan, General Briggs, and Mr. Edward Maltby. On a fair estimate of the whole evidence, I venture to conclude that the educated natives of India, when employed in the public service,

have proved their efficiency and integrity. My humble testimony may be worthless, especially in a matter in which I am one of the petitioners ; but I think I may at least say what I conscientiously believe, that as a native, and therefore having good opportunity of knowing the private character of the educated natives of the Bombay Presidency, many of whom were my students, fellow-students, friends, acquaintances, or fellow-labourers in public movements (without undertaking to give an opinion as to their efficiency, though I know well their ability), I conscientiously believe that their integrity is undoubted, and that they are actuated by a true and genuine sense of moral duty in their good conduct and public spirit. Among them a spirit of condemning any lapse of duty, to the want of which, among natives generally, Sir R. Wallace alludes, is getting very strong, and the severest reproach that any one administers to another is to tell him that he did not behave in a way worthy of his education. The feeling among them is very strong, that their high education demands from them a high moral character, and a performance of their duties. I can give extracts of open censure from the native press. Our present rulers may well be proud of such result of their educational establishments, and point to it as one of their strongest claims upon our loyalty and gratitude. It only now remains for our rulers to let such results bear good fruit, instead of running into discontent and mischief, by giving a fair and reasonable scope for the talent evolved. The question is simple : either the natives must be allowed to have a fair share in the administration of the country, or the nation must be kept ignorant, and the rulers take the chances of the results of such ignorance and hatred for foreign rule combined therewith.

I am glad to say that as far as I am aware of the views of some of the English principals and professors of the colleges in the Bombay Presidency, they are the same with mine, and it is with much pleasure I find that Sir A. Grant, the present Director of Public Instruction, has distinctly recorded his opinion as follows. In his report as Principal of Elphinstone College,* for 1862-63, he says, "As far as my experience goes, nothing can be more untrue than the common notion that English education is injurious to the moral principle of natives. In the College, I have invariably found that students improve in trustworthiness and respectability in direct ratio to their improvement as scholars." Any doubts about the physical energy or pluck of the candidates can easily be removed by requiring any tests for the purpose. Certainly the

* Bombay Education Report, 1862-63, p. 94.

people with whose assistance, as the native army, the British Indian Empire has been mostly built up, cannot be pronounced as wanting in physical power and energy. They ought to have a fair trial. From the political cause of long subjection to foreign rules, and several religious and social causes, it cannot be denied that the people of several portions of India are enervated,—those of Lower Bengal I am told especially; and some Englishmen, observing the effeminacy of these people, have drawn the general conclusion with regard to all India. But about this very people Mr. Anstey told us the other day*: “Who were the Sykhs when their prophet first found them out? Poor miserable starving fugitives from Bengal, of whom their great founder, knowing well the stuff from which Asiatics were made, looking with a prophetic eye into the future, said, ‘I will teach the sparrow to strike the eagle.’ In comparison with the great dignity of Aurungzebe, it was the sparrow as compared to the eagle, and in less than a century the sparrow did strike the eagle.”

Let, therefore, the natives once feel that it is time for them to shake off this effeminacy, and that, under the blessing and ægis of the British rule, there is full scope for the head, heart and hand, and I have no doubt that they will prove themselves worthy of the power and civilization they once possessed, and of the blessing of the new regeneration now bestowed upon them by the light of the higher enlightenment and civilization of the West by their British rulers.

In short, whatever may be the value of the objection as to the efficiency, integrity, and energy of the natives, the very fact that none can find admission into the service who are not qualified as required, removes the objection altogether. I once more wish to impress that it is not only the willingness of a native to be examined that will find him admission into the examination-room, but he will have to prove to the satisfaction of Government that he is a person of character, in the same way as the candidate is required to do here; that his further promotion will be entirely in the hands of Government, and his failure will bring dismissal.

2. “That Europeans would not like to serve under the natives.”

This I cannot help considering as a libel on the English character. I have a much higher opinion of it than to believe that Englishmen are not capable of appreciating and respecting true merit. Moreover, facts

* Journal of the East India Association, No. 2, p. 182.

disprove this objection. The native judges of the high as well as the subordinate courts, and natives in any other position of eminence, are respected by English subordinates. Englishmen serve both here and in India native masters with every respect. In the Bombay dockyard, Englishmen served under native superiors. In short, it would be strange if it were otherwise, for Englishmen are especially alive to merit. Why, if there be any Englishmen in the service, who should be so lost to their sense of duty and appreciation of true merit as to be reluctant to serve under natives of merit, they do not deserve to be in the service at all.

3. "That native officials are not much respected by the natives, and are envied and slandered."

This objection can only be the result of the ignorance of the feelings of the natives towards officials of real merit, be they Englishmen or natives. The gratification of seeing their own countrymen rise in dignity and honour is naturally as great among the natives as among any other people. That narrow minded or interested people will envy others is a trait which can be met with as much among any other people as among the natives of India. Only some weeks ago I read in the 'Hindu Reformer' of Bombay, of 15th January last, "We hail with excessive joy the selection of Mr. Mhadeo Govind Ranade, M.A., LL.B., Niayadhish of Kolapore, to fill the chair of English Literature and History in the Elphinstone College. . . . The honour which is thus conferred on Mr. Ranade is as much deserved by him as it is suggestive of his superior accomplishments as a scholar, and we have not the slightest doubt that it will cause much satisfaction to all who take an interest in the cause of the education of the youth of this Presidency." This is a fair specimen of the feelings of the natives towards their countrymen of merit. I can give more extracts if necessary. When I was appointed Professor of Mathematics in the same college, I can candidly say that I think I was looked upon with very kindly feelings by my countrymen around me generally, as well as by the students of the College and the masters of the school departments. The feelings of my European colleagues were so kind towards me that I shall always remember them with pleasure and gratitude.

Turning to official testimony, I think none can be more satisfactory and complete than the following :—

In one of the Government Gazettes of Calcutta, of last year, the following paragraph appeared :—"The Governor-General in Council has

received, with sincere regret, official intimation of the death of the Honourable Shamboonath Pundit, one of the Judges of Her Majesty's High Court at Fort William. The Honourable the Chief Justice in communicating this intelligence to the Governor-General has said, 'So far as Mr. Justice Shamboonath Pundit was concerned, the experiment of appointing a native gentleman to a seat in the High Court has succeeded. He had a considerable knowledge of his profession, and a thorough acquaintance with the natives. I have always found him upright, honourable, and independent, and I believe that he was looked up to by his countrymen with respect and confidence.' The interest which both in India and England attaches to the experiment of placing a native gentleman in the highest judicial situation in the country has induced the Governor-General in Council to make public the opinion of the Honourable the Chief Justice, in which His Excellency entirely agrees."

Certainly the above extracts prove anything but envy. They also disprove the first objection as to the ability and character of the natives. Sir A. Grant is no ordinary judge of scholarship, and that *he* should appoint a native as Professor of English Literature and History speaks volumes. The testimony of the Governor-General and the Chief Justice about Pundit Shamboonath speaks for itself.

The Court of Directors say, "The ability and integrity of a large and increasing number of the native judges to whom the greater part of the civil jurisdiction in India is now committed, and the high estimation in which many among them are held by their fellow countrymen," &c.*

The North-West Provinces report that the Courts of Honorary Magistrates appear to possess the confidence of the people.†

4. "That natives look too much to Government employment, and do not shew sufficient independence of character to strike out for themselves other paths of life."

This is also contrary to facts, and has its origin in superficial observation, or in the knowledge of particular localities. That they should look to Government appointments, and wish to aspire to a share in the administration of their own country, is only as natural with them as with Englishmen here. Until lately there were very few openings for educated men. The legal profession being now open to them, many

* 'Educational Despatch of 1854', p. 77.

† 'Return, Moral, &c., Progress, 1867', p. 83.

are going to it. The medical profession is availed of as far as it can be, in spite of the prejudices against dissection. But except at the Presidency and some other large towns, an educated doctor can hardly get practice suited to his position; the number, therefore, of well-educated practitioners who can at present pursue this profession with profit is limited. The fact that European doctors chiefly confine themselves to the Presidency and some few other towns, shows that the field for educated medical men is not yet very large. The educated theological profession has yet to be created, except among native Christians. The Gujurati Hindus of India have been merchants from time immemorial, and they are still as enterprising as ever. There is a large internal commerce carried on by the natives. Many among educated natives would gladly become merchants, or follow other professions, if they had the requisite capital or means. During the years 1862-64, when there was such a rush for trade and speculation, many natives left Government service. The manufactures of England, especially textile, have broken down very much the corresponding industries of India; and now, as the establishment of manufactories is a question of large capital, it is naturally shut to those who do not possess it. Still, several natives get employment in such as are established. In railways and other works they are ready to be employed. Besides, civil and marine engineering is adopted by several.

In short, this objection may be answered briefly in this way—that there are only about 400 natives in Government service at a salary above 300*l.* per annum and upwards (see Return 201-206, 1858, 223; sec. ii, 1859). What do all those other thousands of natives do who are also earning as much? So far as the native finds an independent opening, he does not fail to take advantage of it. I know from my experience of the educated natives of the Bombay Presidency, that they are very glad to have independent careers.

So far was I convinced of this and of the necessity of affording facilities for new careers, that I made an attempt in 1864 to adopt some means to enable highly talented natives to continue their studies for professional careers *after* completing their college education. One of the natives of Bombay offered a lac, and some others Rs. 1,75,000 for two fellowships of Rs. 200 and Rs. 300 per month respectively, and asked Government to contribute as much; but unfortunately the offer was not accepted by Government.

In addition to these fellowships, which were intended to encourage high education and high independent careers, there was also started for the less educated, and the enterprising spirits generally, a "Students' Loan Company," to lend money at moderate interest to persons wishing to visit England and other places, to complete their education or to learn any trade, art, or profession. The Rs. 300 fellowship and the Students' Loan Company were intended for the benefit of all India. The commercial crash broke down all these proposals. I don't think that there can be any question that the natives do *not* look to Government employments any more than the people of any other country in similar circumstances. Supposing, however, for argument's sake, that there was among the natives some tendency to look a little too much to Government employments, that certainly can be no good reason that they should therefore be debarred from aspiring to a reasonable extent to a share in the service of their own country when *qualified* by their ability and character. It is said that this tendency was observed in Lower Bengal, but, even in that part of India, the tendency, if it ever existed to any unreasonable extent, is now changing. The body of independent barristers, solicitors, and vakeels, doctors, and merchants shows that even the Bengalees are not blind to the advantages of independent careers as they become open to them.

5. "That, though natives may prove good subordinates, they are not fitted to be placed at the head of any department."

Without giving a fair trial, such an objection is, to say the least, very unreasonable. Besides, the objection is not borne out by facts. In any instances in which natives have been put in positions of trust and responsibility, they have shown themselves equal to their duties, as you must have seen from the evidence I have read to you. If, in any case, Government found inefficiency, there could be no difficulty in removing it, just as it does with English servants. Moreover, after getting admission into the service, the natives would not be put at the head all at once. They will have to show their efficiency, and to work their way up; and Government will have every opportunity of testing whom they can trust and whom not with higher positions.

6. "That natives who seek for admission into the civil service should be first Anglicised."

The education that natives receive in India is in itself a process of Anglicising them, with this advantage, that they retain the sympathy and knowledge of their own country; and if a native is required to

visit this country after his selection by the first competition, the object of the visit to this country will be realized. If it be thought that two years' visit to this country is not enough, there can be no difficulty in arranging and requiring the native successful candidates to spend a little longer time here; because the reasons why English candidates are required to go India at an early age do not apply to the natives, as the natives do not require to be acclimatized, nor do they require the same time to learn the character, thoughts and habits of the people that foreigners do.

I do not mean to say that young boys should not also be brought here for education. But there are many difficulties and troubles for taking care of them. Unless good care is taken to keep them within the charm of the circle of good society, there is some danger of evil instead of good resulting. When those educated in India come here at a mature age, everything they see is novel to them, every moment of their sojourn here is valuable, and spent in comparisons; they return to India *enthusiastic*, and do much good. We know what good a Karsandas Moolji or a Dosabhoj Framjee has done to their country by their visits here. Now, it is not to be understood that the objections given above to very young boys coming here, or what I have said in favour of visits at a greater age, apply generally. There are some youths under my care for several years, who I am sure, will do credit to themselves and benefit to their country. I give the above *pros* and *cons* not as a speculation, but the actual result of my experience during the past twelve years, during which time a good many youths have been under my care, coming here at different ages, from about ten to twenty-one. Upon the whole, I think that the necessity of coming here at an early age cannot be reasonably urged against holding examinations in India. There is much to be said in favour of both early and late visits to this country, and the best course will be to have a proper proportion of both. As I shall point out hereafter, there are strong objections urged to making compulsory any visit at all to this country, either before or after selection, on account of the caste difficulty for the Hindus, who form the majority of the native population.

* 7. "That natives ought not to be put in positions of power."

If the British rule is to be based on willing consent and sincere loyalty, it is necessary that means be adopted to give the natives an interest in and a gratitude for the British rule, by giving them a reasonable share and voice in the administration of the country. If India is a trust for

the good of India, that trust ought to be faithfully discharged. It is rather strange that there should ever have been at this day a necessity to ask whether the British or native rule was more liked by the natives. The question should have been by this time put beyond all doubt. There is no comparison between law above sovereign and sovereign above law. I must wait for another opportunity to give my views fully on this subject. If, instead of fearing to give a reasonable share of power to the natives, our rulers would do what remains to be done, they may well challenge the whole world to say whether they have not acted nobly. Unless the people are taught what British rule and machinery of administration are, and are brought up with the idea that the British rule is a blessing to them, it is simply unreasonable to hope that they could appreciate what they do not understand. We may as well expect the blind to appreciate a painting. If with this knowledge, by national education, is associated a gratification of the high aspirations and patriotic feelings of the educated native for a voice and share in the government of his country, and if the material prosperity of the mass is promoted by a bold policy for public works to develop the resources of the country, and if the princes and the aristocracy be sure of good faith with them, and receive the benefit of good advice, Britain may well point to its handiwork with pride, and India may for ever remember with gratitude the hand that raised it. If, in consideration of the interest which England has to retain her power in India, it gave India the benefit of all her influence and credit, by guaranteeing the Indian debt, the relief to India of some two millions a year will go far to the attainment of the other objects. Great indeed would that statesman be, the benefactor of India, who would achieve this glorious work of regenerating a nation of 200 millions. If the British don't prove better rulers, why should they be in India? However, be the value of the above remarks what it may, one thing is certain, that among the remedies pointed out, and those I think as necessary to make the British rule popular and beloved, this one at least, of giving freely and impartially to the natives a share in the administration of the country, is admitted on all hands by those who have given their opinions to the Viceroy, and their reviewers in the Press and Parliament. I will just remark here that, in connection with the necessity of giving a voice in the application of the revenues, the very modest proposal made in a petition by the British Indian Association of Calcutta, reported in the 'Times of India' Summary of 7th March last, will, I hope, have due consideration from the Secretary of State for India.

That there is no danger in entrusting power to educated natives is

proved by the well-known fact that they understand and appreciate *most* the benefits of English rule, and, in the words of Sir B. Frere, "And now, wherever I go, I find the best exponents of the policy of the English Government, and the most able coadjutors in adjusting that policy to the peculiarities of the natives of India, among the ranks of the educated natives," &c. &c. I also showed this at some length in my paper on "England's Duties to India."

8. "That the places obtained by the natives will be so many less to the English people."

The mere statement of this objection is its own condemnation as to its selfishness and want of a due sense of justice, statesmanship, and the high moral responsibilities of the British in India. It is the plain duty of Government to secure the most efficient service they can, and for that purpose let the words proclaimed in the name of the Sovereign be honestly fulfilled, "that as far as may be our subjects, of whatever race or creed, be *freely* and *impartially* admitted to offices in our service, the duties of which they may be qualified by their education, ability, and integrity to discharge." To compel the natives to come to England for competition for service in their own country is no more reasonable, free, or impartial, than it would be to compel Englishmen to go to India or Australia for admission into the Civil Service in England.

9. "That natives are already largely employed."

The facts, however, are these. There are above 1,700 Europeans in the covenanted services in India at a cost of above three millions per annum, at a salary of from 240*l.* to 25,000*l.* per annum (Return 116 to 1860). There are 849 Europeans and Anglo-Indians in the uncovenanted service, at salaries of 300*l.* and upwards; while of natives there are only about 600 at a salary at and above 240*l.* a year (Return 201—vi. 1858, 223, sec. ii., 1859), of whom about 350 are between 240*l.* and 360*l.* per annum. This return will also show how very few—only about a dozen—natives there are at salaries at and above 840*l.* a year. Since these returns there have been some few more high positions given to the natives, but I cannot say whether there is yet any or more than one or two above the salary of 2,000*l.* per annum.

In my remarks of course I don't mean to say that there are not, and would not hereafter be, found black sheep among the educated natives as among any other people, but that in a fair trial the natives will come up to the average of ability and honesty of any other people.

There is only one more point to which I wish to draw your attention. To the Hindoo the caste question is socially of great importance till the system is broken down. It may be said that a candidate for the Civil Service ought to show that he has the moral courage to break through such trammels. This he would do by his visit to this country *after* his selection, but it is certainly not reasonable to expect that any one should subject himself to great sacrifices both of money and social position on the risk of the uncertain result of his venture. If he succeeds in his competition in India, he acquires a certain position of respect, and he can then well undertake the journey to this country with the 100*l.* for the first year, and 200*l.* for the second year, which will be allowed to him by Government, with the double object of completing his qualifications and of giving a finish to his education, and of dealing with the trammels of caste with advantage. It is not proper to sneer at the cowardice of submitting to the caste system. The English even now have their trammels in other shapes, as of fashions, society, &c., and had till very lately their exclusive guilds. The English ought also not to forget at what cost reformatations have taken place in Europe, and what previous preparation of the revival of knowledge has been necessary, and has led to them. The Hindu institution of caste has a growth of centuries, and over a people numbering above a hundred and fifty millions. It is so intimately mixed with some of the most important social relations of births, deaths, and marriages, that due allowance ought to be made for the difficulties and sacrifices of overcoming its difficulties.

Some English and native gentlemen, with much effect, urge that the Hindus should not be subjected to this sacrifice at all, by being required to come to this country even *after* selection. When I consider the advantages of travelling in foreign countries, which is so much considered of for the youth of this country even, when I see the necessity of the natives in high positions being able to deal with English officials on a footing of equality in the knowledge of the world, especially of the English world, I cannot help still urging that the visit to this country after the selection, should be insisted on; though I think the first Hindus coming here, even *after* the selection, will have to put up with much inconvenience and sacrifice, and be something of martyrs in a good cause.

I am also emboldened to adhere to this opinion by finding that some of the native papers of Bombay, conducted by *Hindus* themselves, have

also expressed their views that the visit to this country after selection is desirable. Moreover, in the petition from the Bombay Association, adopted at a large and influential meeting at the house of its President, the Hon. Munguldass Nathoobhoy, and by last advice being extensively signed by *all* classes of natives, it is also proposed, "that if necessary they (the selected candidates) may be required to proceed to England to receive a course of special training, prescribed by the existing regulations, for which there are greater facilities in Europe than in India." Besides, though there may be some inconveniences to the first native civilians, the respectability of their position, and the certainty of the number of such officials increasing every year, will give them in time sufficient weapons to fight their battles against losing caste. Also, if I am not mistaken in my impression, I think the following circumstance has already met the difficulty, or at least prepared the way for the visitors to this country, *after* their selection, being able to deal with some ease and power with the question of losing caste. I remember, whether from reading or from conversation I cannot tell, that his Highness the Holkar intended to send some pundits to this country. He called a meeting of the learned Brahmins, and asked their opinion. It was decided in that assembly, that persons going abroad for *State* purposes do not lose caste, because in the glory and height of Hindu power, ambassadors went to different courts for state purposes. If so, that will be just the proper argument for *selected* candidates. After their selection, being servants of the *State*, and being required by their Sovereign to visit this country for qualifying themselves for State purposes, they cannot lose caste.

It is said by some that if Government grant the second part of our memorial, by conferring scholarships upon youths after a certain competition, those youths will be able to study for the service and compete here; and the object of opening the service freely and impartially to the natives of India will be gained. Nothing can be a greater mistake, I think. Now it must be borne in mind that the scholarships are intended to leave the scholars holding them free to pursue whatever professional study they like, in order especially to create an independent class of educated native gentlemen. If the stipend of these scholarships is sufficient to enable youths to come here, its natural effect will be that most of them will prefer other independent professions, as certain in their results, to studying for the Indian service with the risk of failure, and the want of opportunity to learn any profession afterwards. Then to the Hindu the failure in the competition here will be

the greatest injury possible ; for having first incurred the penalties of losing caste, and the displeasure of his friends, the mark of failure on his forehead, no matter whether deserved or not, would render him an object of ridicule among his countrymen. Such an amount of sacrifice it is utterly unreasonable and cruel to exact. But after he is selected in India, and is sure of his position, it is reasonable for important purposes that some sacrifice and inconvenience should be asked from him. There is another way in which mere dependence upon these scholarships will not secure the free admission of the *best* talent of the country. We must remember that it is not the horse who makes the best start that always wins. So by this plan of scholarships, if even all studied for the Indian service, contrary to the real object, the State will be spending money upon good-starters only, whether they may ultimately succeed or not. But by allowing the competition in India, the State without this expenditure gets the actual winners of the race in a competition of a large number, who have proved their mental calibre as well as their character, by their stay through a trying college course and by fulfilling all the conditions of ability and character for admission, and who at an advanced age can be left by their friends to act as they like, and are able to take care of themselves. While the boys are very young, many parents would be unwilling to allow their sons to go to a distant country out of their own care, and thus again the area of selection for the scholarships will be much limited, but young men at the age required for the competition are more free to act and more able to take care of themselves. So that we then have a competition among all those who have proved talent and character. You will see, therefore, that though these scholarships may remove the obstacle of money, there are, in the case of the Hindus especially—who, it must be borne in mind, form the principal population of India—other most serious obstacles, which can only be dealt with by transferring the examination for a portion of the selection to India.

The Governor-General in his resolution last year admits that "he is fully alive to the urgent political necessity that the progress of education has created, for opening up to natives of ability and character a more important, dignified, and lucrative sphere of employment in the administration of British India;" and as the remedy, his Excellency recognizes the eligibility of natives for only some higher grades in the non-regulation provinces. First of all the natural effect of this will be that those serving and living in those provinces will very likely have in time the little benefit thus held out, while in the regu-

lation provinces—those in which education has advanced most—the natives of which have the greatest claim for a share in the administration as British subjects of long standing, should be required to incur all the sacrifices and risks (which to the Hindu are of no ordinary order) involved in a visit to this country for several years as youths. If the political necessity is so emphatically admitted by the Viceroy, I do not see how it is possible to rest satisfied with offering a few situations in the non-regulation provinces. Mark again, it is only to men of ability and character. If so, how can anything short of a free competition in India give a satisfactory fulfilment to this political necessity, and an honest performance of the promise of our gracious Sovereign?

Such honest and candid declarations of necessity and justice, when followed by poor and inadequate fulfilment, naturally create dissatisfaction and irritation.

It is said that high appointments in the uncovenanted service may be given to natives in the regulation provinces also; but if qualified natives are to be trusted with such high appointments in the uncovenanted service, in regulation or non-regulation provinces, why are they unfit to enter the covenanted service? Certainly no one means to say that high uncovenanted appointments require less trustworthiness, responsibility, respect, or confidence than covenanted appointments. Has the word “uncovenanted” such a charm that it at once removes all those objections which are urged against the free and impartial admission of qualified natives into the covenanted service? If the declarations of Government are sincere, of which I have no doubt, then I see no escape for the honest fulfilment of the words of our Sovereign and Parliament from holding examinations in India, as proposed by us, so as to put *all* Her Majesty’s subjects on a fairly equal footing.

Again, in the uncovenanted service also, the principle of appointment or promotion should be fitness, no matter whether the right person be European or native, only that the principle should be honestly adhered to.

It is sometimes urged that natives do not learn for learning’s sake. It is strange anybody could be expected to appreciate a thing before he knows what it is. Educated natives fully appreciate learning.

I hope, gentlemen, I have satisfied you that educated natives have already shown ability and character as among any other people (and which is tacitly admitted by the Viceroy himself), and that the only

honest way of fulfilling the promise of our Sovereign and Acts of Parliament, of securing the best talent for the service, and of increasing the loyalty and gratitude of India, is by giving a free admission to such natives of ability and character by competition in India.

You will have observed that I have not entered into any discussion of the great benefit to the administration and of the encouragement and inducement to high education, not only among the people generally, but among the higher and aristocratic classes, by the granting of our petition. The whole of India will by this concession be quite electrified. But as on this point there is no doubt or question, it is unnecessary for me to take up your time, nor could I enter on it fully in this paper.

Now, gentlemen, I have said my say, and leave to you to say or act as you think proper. I conclude by moving the resolution of which I have given notice :—

“That a letter be addressed to the Secretary of State for India, with a copy of this paper, to request him to take it into his consideration, and in reply to Mr. H. Fawcett’s motion, to accede to the memorial presented on 21st August last by a deputation from this Association.”*

* Appendix B.

whether of the present or future generation, cannot do better than take Mr. Dadabhai for his model, and learn to speak and write on political questions in the spirit of practical statesmanship, of which his writings and speeches furnish many examples.

I have only to add that I am extremely obliged to Mr. Dadabhai for having permitted me to bring out this book, and to my friend Mr. Motilal Samnadas Shroff for useful help throughout its preparation.

512, *Shaikh Meman Street,*
Bombay, November 1887.

C. L. PAREKH.

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VI.

THE WANTS AND MEANS OF INDIA.

(The following paper, which had been previously circulated among the Members, was taken as read, in a Meeting at the Society of Arts, London, Wednesday, July 27th, 1870. Sir Charles Trevelyan, K.C.B., in the Chair.)

GENTLEMEN,—After the able paper of Mr. Prichard, and the calm, earnest, and thoughtful address with which we have been so kindly favoured by Sir Bartle Frere, I intended to plead some justification for troubling you to meet a fourth time upon the subject of finance. I think, however, that now I need not offer any apology, as the occasion of this meeting will give us the opportunity of knowing the views of our Chairman, of whose long experience and ability you are already well aware. In order that he may have sufficient time for his address, I circulate this paper beforehand, so that all the time saved in its reading will be turned to much better account by him. I propose the following question : Is India at present in a condition to produce enough to supply all its wants ?

I shall first see what its wants are.

1st. Sufficient food, clothing, and shelter for the whole population, to keep it in a healthy condition.

2nd. Sufficient to provide for all its social wants, arising from various social duties and positions.

3rd. A sufficient saving by each individual, and of the wealth of the nation generally every year, to meet any unforeseen contingency of natural calamity.

4th. Means for improvements or new public works.

5th. Means to pay for the high price of foreign rule, which causes a great and continuous drain in consequence of the amount withdrawn from India to the extent of 10,000,000*l.* annually.*

* "Home charges" (exclusive of railways) are nearly 8,000,000*l.*, and of about 9,000,000*l.* paid in India to English employes of all classes, I take only 4,000,000*l.* as remitted to England as savings, for education of children, for support of families, for English goods for their consumption, English manufactured stores purchased by Government in India, &c., making a total of 12,000,000*l.*, including interest paid in England on public debt of about 2,000,000*l.*, leaving 10,000,000*l.* as assumed by me. (I have treated this subject at some length in my paper "On England's Duties to India," *East India Association Journal*, vol. i., No. 1.)

The first four wants are common to all nations; but the fifth want is peculiar to India. It is one of the principal elements of disturbance which causes our financial troubles. The whole question of the existence of a foreign rule depends upon this peculiar circumstance. No foreign rule can maintain itself unless it manages to enable the country to produce not only sufficient for the ordinary wants of a civilized nation, but also for the price of the foreign rule itself. If the foreign rule fails to produce this result, its existence is naturally felt as a crushing burden to the nation, and either starvation, decimation, and poverty, or rebellion against the foreign rule, is the inevitable consequence. If therefore our British rulers desire to perpetuate their rule, and I sincerely trust they may be able to do so for a long time to come, with benefit both to England and India, they must look this question in the face. Let them distinctly ask themselves whether India is at this moment producing enough for all its ordinary wants and the 10,000,000*l.* or so more that must be remitted to England every year for the price of the English rule. It is no use blaming the Finance Minister or the Viceroy if they are required to supply all these wants while India is not producing enough for the purpose, for they cannot produce something out of nothing.

One would think that India, on account of this one circumstance of having to remit some 10,000,000*l.* clean out of the country, was heavily weighted enough in its race for prosperity. But in addition to this, it has 100,000,000*l.* of national debt. If the whole interest of this debt were being retained in India, it would not be a matter of so much consequence economically, but out of the total registered debt of India some 15,000,000*l.* are held in this country, besides the loans raised here of about 30,000,000*l.* This makes an annual interest of about 2,000,000*l.* to be remitted to this country. Again, of the registered debt of India, which is about 60,000,000*l.*, nearly 30,000,000*l.* are held by Europeans, so that a portion of the interest on that amount is also transferred to this country. There are besides 600,000*l.* for interest on East India Company's stock. Thus, then, there is another item of about 3,000,000*l.*, besides the 10,000,000*l.* sterling for the price of the English rule, which India has to produce every year over and above its ordinary wants. Moreover, I shall take the last item at 12,000,000*l.* to be on the safe side, or even 10,000,000*l.* Again, during the past twenty years while the railways have been building, the present generation has been put to the strain of providing some 30,000,000*l.* in the shape of guaranteed interest for railways. Of this about 14,000,000*l.* have been recovered from railway income. But what we have to bear in mind is that the burden of providing these 30,000,000*l.*

was first thrown upon the present generation when it could least afford to do so, for the benefit of the future.

But there is not an end to all yet. The present generation has been compelled to spend within the last twelve years in what are called "original ordinary public works," somewhere above 30,000,000*l.*, independent of repairs amounting to about 9,000,000*l.*, and all this heavy outlay at the sacrifice of the present generation for the benefit of the future, or as if all these public works were only to last for the year when they are built!

Such is the strain to which the present generation has been put, and now I ask, Can any one prove that our English rulers have, while putting on such heavy burdens, enabled India to produce enough to meet these wants? or has India been to some extent starved to meet these requirements? If so, is it an act of justice to the present generation to crush them so heavily for the benefit of the future, instead of arranging matters in such a way that the present and the future should be made to contribute in the proportion of their capabilities and their benefits?

The next question is, What does India produce? I do not presume to be able to answer this question completely. My chief object in this paper is to ask my friends of India here to discuss this vital question. If they can satisfactorily show that India *is* producing sufficient for all, I shall be more glad than myself. I shall be glad because I have a desire to see the British connection with all its moral benefits continue for a *very* long time, as that India should not be starving and in distress. Now let us see what the economical condition of India is.

I am obliged under the pressure of the current work of our Association to prepare my paper at much disadvantage, and am therefore not able to place all such figures before you as I might otherwise have done. I am compelled to content myself at present with those ready at hand.

In the United Kingdom the imports of the ten years 1858 to 1867 are (including bullion, &c.) 2,640,000,000*l.*, and exports 2,110,000,000*l.* These imports include all remittances, such as interest on or repayment of loans to foreign countries and India, and say, a good deal above 100,000,000*l.* of political remittances from India. On the other hand, we have to deduct from exports about 80,000,000*l.* of railway loans and other public loans during the period raised for India, as also any loans

remitted to foreign countries. I omit taking minor items into account. Upon the whole, I think it will be admitted that the non-commercial exports must be greater than the non-commercial imports. In other words, the actual excess of the commercial imports over commercial exports must be a good deal more than the difference of the figures I have given above, *i.e.* 2,640,000,000*l.* minus 2,110,000,000*l.*, equal to about 530,000,000*l.*, giving something like 25 per cent. profit on the amount of exports. In order to be quite within limit, I suppose no one will object if we put down the commercial profits of any nation to be 15 per cent. or even 10 per cent. Such is the economical condition of the United Kingdom. I may just remark here, whether it is not unjust or mistaken to make any comparison between the position of the finance ministers of England and India. The former has a highly prosperous country, in which nearly the whole revenue of 70,000,000*l.* returns back to the taxpayers themselves, and which is further aided by the political remittance of some 10,000,000*l.* a-year from India, while the latter has a poor country, of which the whole revenue of 50,000,000*l.* does not return to the taxpayers, but some 10,000,000*l.* of it go clean out of the country.

Let us further see how the Colonies are faring—for instance, Australia and Canada. The imports of Australia, including bullion, &c., during the same ten years (1858-67) are 309,000,000*l.* (including bullion, &c.) 268,000,000*l.*, leaving excess exports of about 41,000,000*l.* The imports of Canada, including bullion, &c.) are 148,000,000*l.*, and exports 120,000,000*l.*, leaving excess of imports 28,000,000*l.*

This shows how the Colonies are prospering; while under the same British rule, as I shall show hereafter, India is "very poor."

Let us take the United States before examining Indian figures. The total imports for the years 1868 and 1869 are 381,000,000 dollars and 463,000,000 dollars, while the corresponding exports are only 341,000,000 dollars and 365,000,000 dollars.

Now with regard to India, I again take the ten years 1858-67. Before I give the figures for these years, it must be borne in mind that, as I have shown in my paper "On England's Duties to India," England has down to the year 1858 derived from India during the connection of the two countries as the price of English rule, at the lowest computation, without adding anything for interest or booties or bribes of former times, more than 200,000,000*l.* This amount on the one hand has fructified in

the hands of the energetic and enterprising people of this country,—I cannot venture to say how many fold,—and on the other hand diminished so far the productive power of India. This drain has to be made up by some wise, statesmanlike policy of our rulers. Leaving this, however, for the present alone, and taking India as it is, we find that even with the help of opium and the productive benefits of the railways, as well as irrigation and other works, increased land under cultivation, &c. &c., in short, with everything you may name as having contributed to increase production, the total exports (including treasure) for the years 1858-67 are 456,000,000*l.*, and the imports (including treasure) are only 419,000,000*l.*! But even this amount of imports (short as it is of exports by some 37,000,000*l.*, or about 4,000,000*l.* a-year) includes about 72,000,000*l.* of railway loan and other public-debt loans raised during these ten years, and the whole profits of the cotton trade during the American war. Were it not for this railway loan, &c. &c., which to some extent modified the effect of the political remittances, in what a sad condition would India have been now!

India's exports say, are about 50,000,000*l.* a-year at present. Now can this sum earn enough of profit to pay 10,000,000*l.* a-year of the political remittance, and leave something to be added to its capital? As it is, the opium revenue which is paid by China makes up some 7,000,000*l.* for the political drain, and the rest must be withdrawn from the production of every year, reducing the productive capital so much.

In addition to this, India has to suffer another economical disadvantage, which in Mr. J. S. Mill's words is this:—

“A country which makes regular payments to foreign countries, besides losing what it pays, loses also something more by the less advantageous terms on which it is forced to exchange its productions for foreign commodities.”*

It cannot be therefore wonderful, under such circumstances, that Lord Lawrence should have recorded his deliberate opinion in his minute of the 26th March, 1864, that “India is, on the whole, a very poor country. The mass of the people enjoy only a scanty subsistence. They are impatient of taxation, except where it is of that peculiar nature to which they have long been accustomed. The tendency of new modes of taxation is to irritate and even to oppress. We ought to avoid, so far as may be practicable, such fruitful causes of discontent.” In the year 1864

* Mill's ‘Political Economy’, vol. ii., p. 178, 3rd ed.

when Bombay went mad with the cotton prosperity and revelled in fictitious share-wealth—when the imports of India were the highest, say 50,000,000*l.* (though even then less than exports by 16,000,000*l.*), the highest official in India, the Viceroy himself, declares that “India is, on the whole, *a very poor country*, and the mass of the people enjoy only *a scanty subsistence*,” and Mr. Grant Duff, the highest Indian official sitting in the House of Commons, so late as 10th May last (after all the progress made by the help of such railways and other public works as have been already constructed), asks the House, in reply to Mr. Lawson’s motion about opium, whether it would be tolerable to “grind an *already poor population* to the very dust?” Can it be then a matter of any surprise that the very first touch of famines should so easily carry away hundreds of thousands as they have done during the past twelve years? I appeal to the British nation whether such poverty should be the result of their rule in India, or whether this is to be their mission in that country? I say it as much in the interest of Great Britain as in that of India, that if the British people and Parliament do not pay their most serious attention to India, and repair the impoverishing effect of a foreign rule by the importation of large foreign capital, I am afraid they will have an Indian difficulty in time, far more serious and disastrous to the natives than any they had ever to deal with. But, moreover, we must also remember that the opium revenue may at any time slip through our fingers, and unless great efforts are made to increase the quantity and improve the quality of cotton, I am afraid that trade will also fail us when most needed, for America is making great exertions to regain its lost ground. It has already produced 3,000,000 bales, is likely to give $3\frac{1}{2}$ next year, and hopes to produce 5,000,000 before five years are over. How great is the necessity that our British rulers should take every care!

Let us see whether we can apply another test regarding the poverty of India.

The whole produce of India is from its land. The gross land-tax is put down for 1870-71 a little above 21,000,000*l.* Now I suppose I shall be within the mark if I say that Government takes for this land-tax on an average one-eighth of the gross produce, if not more. This gives for the gross production of the country, say about 168,000,000*l.*; add to this, gross opium revenue about 7,000,000*l.*; gross salt revenue, 6,000,000*l.*; gross forest, 600,000*l.* The total thus of the raw produce of the country amounts to under 182,000,000*l.* To be on the safe side,

let us say 200,000,000*l.* to include the produce of half a million tons of coal, of alienation lands, or anything else there may be. Now the population of the whole of British India is nearly 150,000,000, giving therefore less than 27*s.* a head for the annual support of the whole people. But unequally distributed as this produce must be, *viz.* 10,000,000*l.* remitted to this country, the rich and middle classes keeping a larger proportion for their share, and provision for a large administrative and military expenditure, what a "*scanty subsistence*" indeed must remain for the "very poor" mass! I am sorry I have not time at present to work out this test of the total production of India fully; I take it at present very roughly.

Some may say that I had not taken excise revenue into account. It or other manufacturing industry does not affect the estimate of raw produce. The manufacture of spirits and drugs from which this excise is derived is for 1870-71 about 2,250,000*l.*, and if I make this to represent 10,000,000*l.* of value added to the production of the country, I shall be above the mark. As to other manufacturing industries of the country, we know that the exports of manufactured goods do not make up 2,000,000*l.*, and the inland manufacturing industry is limited and confined to a low stage. If therefore I raise the total production from 200,000,000*l.* to 300,000,000*l.*, I shall be, I think, making a high estimate. This makes 40*s.* a head for the gross production of India. Add 75,000,000*l.* more if you like, and make the gross production 50*s.* a head; and what is that after all! The people of the United Kingdom pay above 48*s.* a head for *revenue* only. While the imports of the United Kingdom are above 9*l.* a head, those of India are not 9*s.* a head.

If I am wrong and if somebody will show, that India does produce equal to her peculiar wants, none shall be more glad than myself. If Lord Lawrence and Mr. Grant Duff are right, then the question must be carefully considered how the remedy is to be provided. If India does not produce what it needs, the evident reply is, Make India produce more. If Mr. Grant Duff's desire, expressed in the same speech I have alluded to, of making "the already poor" India "one of the most prosperous portions of the earth's surface," the only remedy is—increased production. England is bound to do this for the consolidation of its power in India, as well as to fulfil its beneficent mission of making India what Mr. Duff desires. I think Sir Bartle Frere's proposition is the most suitable remedy; that *large* public works are absolutely necessary, that the necessary capital must be supplied by this country, and

that in order that this capital be used without waste and judiciously, Parliament must enquire from time to time how it is employed. Moreover, as long as the Supreme Legislature of India is not composed of a sufficient number of independent and representative members to examine every item of the Budget every year, as is done here by the House of Commons, the control of Parliament and investigation, not only for the application of such funds, but for the whole general administration of India from time to time, is absolutely necessary. I do not mean the slightest reflection upon the officials of Government, but it is only human nature that when one has the fear of being called to account, he will take greater care in his work.

Mr. Mill says, in his 'Political Economy,'* "In countries where the principle of accumulation is as weak as in the various nations of Asia, where people will neither save, nor work to obtain the means of saving, unless under the inducement of enormously high profits, nor even then, if it is necessary to wait a considerable time for them, where either productions remain scanty, or drudgery great, because there is neither capital forthcoming nor forethought sufficient for the adoption of the contrivances by which natural agents are made to do the work of human labour; the desideratum for such a country, economically considered, is an *increase* of industry, and of the effective desire of accumulation. The means are, first, a better government, more complete security of property, moderate taxes, and freedom from arbitrary exaction under the name of taxes; a more permanent and more advantageous tenure of land, securing to the cultivator as far as possible the undivided benefits of the industry, skill, and economy he may exert. Secondly, improvement of the public intelligence, the decay of usages or superstition which interfere with the effective employment of industry, and the growth of mental activity, making the people alive to new objects of desire. Thirdly, the introduction of foreign arts, which raise the returns derivable from additional capital to a rate corresponding to the low strength of the desire of accumulation and the importation of foreign capital, which renders the increase of production no longer exclusively dependent upon the thrift or providence of the inhabitants themselves, while it places before them a stimulating example, and by instilling new ideas and breaking the chains of habit, if not by improving the actual condition of the population, tends to create in them new wants, increased ambition, and greater thought for the future. These considerations

* Vol. i., p. 230, 3rd ed.

apply more or less to all the Asiatic populations, and to the less civilized and industrious parts of Europe, as Russia, Hungary, Spain, and Ireland."

Now India has not only all these requirements, but also those of a foreign rule, which renders her case still more urgent for suitable remedies.

Again, Mr. Mill has shown that production depends upon natural agents, labour and capital.

Now let us see how matters stand in India.

Natural agents we have in any quantity in the waste land, in the capability of much greater production in the lands already under cultivation, with any quantity of water if properly utilized, not to say anything of its vast mineral and other undeveloped resources. The utilization of the waste land is a great necessity, but how can it be utilized or improved, cultivation introduced, and all the facilities of communication supplied without labour and capital, and without Government paying the best attention to the matter? Labour we have enough if famines are not allowed to carry away hundreds of thousands, and emigration checked by the supply of work at home. More than a quarter of a million of able-bodied men have emigrated during the years 1858-67. The natives of India are not very fond of emigration if they can find work at home. At all events this is a fact, that during the three years 1862, '63, and '64 of the cotton prosperity of the Bombay Presidency, not one man emigrated from that part, but a commencement has again set in. But land and labour are both useless unless we have sufficient capital: Mr. Mill distinctly proves that industry is limited by capital, that law and government cannot create industry without creating capital. Capital, then, is the great and imperative want of India, as much for the existence of the foreign rule as of the people themselves. Next we may consider the requisites described in the long quotation given above:—1st. "Better government, more complete security of property" (these we have). As to "moderate taxes,"—when the mass of people enjoy only "scanty subsistence," what taxes can be moderate? On the subject of "proper tenure of land," &c. &c., I shall not speak at present, as the great doctors of land tenure disagree, and it is too important and wide a subject to be treated off-hand. 2nd. "Improvement of public intelligence," &c. &c. This is increasing, but if Government showed confidence in the great importance of this element, they would and ought to do far more than

what they have done. 3rd. "The importation of foreign arts," &c. &c., "the importation of foreign capital," &c. This last is the most vital point. If sufficient foreign capital is brought into the country, and carefully and judiciously laid out as suggested by Sir Bartle Frere, all the present difficulties and discontent will vanish in time. But that by any tinkering or legerdemain we can create something out of nothing is simply impossible. The Calcutta correspondent of the 'Pall Mall Gazette,' of 18th inst., quotes Mr. Hunter (the author of 'Rural Bengal' and the editor of the 'Imperial Gazetteer,' now being compiled) as saying in his yet unpublished statement about the necessity of the Gazetteer, "No country ever stood in greater need of imported capital than India in its transition stage." The railways and other public works, though few, are the hope of future good, and far more is necessary in the same direction.

Hitherto I have spoken on the supposition as if the whole present administrative and military expenditure were reasonable and necessary.

But our Chairman had said in his Budget speech of April, 1863, "I agree with those who are of opinion that with proper economy 12,000,000*l.* may be taken as the standard of the expense to be incurred in India for the military force of all arms, even supposing it to be maintained at its present establishment. . . . The great interests of our nation in India require that the estimate of the Indian army should at least undergo the sifting to which the War Office estimate is subjected before it is laid before Parliament."

And now in December, 1869, as Mr. Nowrozjee Furdoonjee has pointed out to us, His Grace the Duke of Argyll says, "The necessity of effecting every practicable reduction of expenditure was fully apparent to me when my financial despatch of 2nd January last No. 62, was written. In that despatch I called your attention to the military charges, and stated the grounds on which I consider that those charges should be reduced to at least the scale of 1863-64, and that it might be possible to bring the whole military charges in India, including stores, a million and a half below the present amount." Mr. Grant Duff also says, "Its (army's) weakest part was its enormous cost" (Speech, 3rd August, 1869).

The Hon. Mr. Strachey, in his speech on the 28th April last, in the Supreme Legislative Council, traces the causes of the present financial difficulty to the circumstance, "that although the growth of the revenues has been very great, the growth of expenditure has been still more rapid. . . . I think it clear that the increase has gone on at a far greater rate than was either right or necessary;" and he gives in proof the re-

ductions made within six or seven months of the discovery of the financial difficulties. He further says, "Our financial system requires radical and fundamental changes."

His Excellency the Viceroy, in his speech of the same day, says, "If I am asked whether I think the main principles of future budgets should be the same as the present, I would frankly confess that I do not think so, and agree with Mr. Strachey that there is great room for improvement."

About the waste of every sort in the public works department we have heard enough, especially in Sir B. Frere's address.

There is another point of view from which the question of State expenditure may be seen. In the year 1856 the total expenditure was less than 32,000,000*l.* For the year 1870-1 the estimate is some 49,000,000*l.* I leave out the provision for "ordinary" original works from revenue, for there is nearly universal condemnation of that plan.* The increase of expenditure is therefore some 17,000,000*l.* Now the question is this: In order that India should be able to find 17,000,000*l.* a-year of more revenue, how many times 17,000,000*l.* must its production have increased to make such increase of State expenditure justifiable?

Can any one show that there has been even so much as four times 17,000,000*l.* of more production than that of 1856, so as to allow Government to take 25 per cent. of it for the use of the State? Moreover, what a hardship it is that of this addition of 17,000,000*l.* more than 3,000,000*l.* are made up by salt revenue!

During the period of this increase of 17,000,000*l.* of expenditure, what a loss there has been of life and property, and therefore of the power of production, by the mutiny and by famines; and what a mercy it is that railways, irrigation works, and the windfall of cotton profits have to some extent counteracted their evil effects and made up to some extent the

* The Right Hon. Mr. Massey in his Financial Statement of 9th April, 1868, says in reference to works like barracks, trunk roads, &c.:—"But if the question lay between new taxation and providing for these works wholly or partially by loan, we put it to the Secretary of State whether it would not be the preferable course to borrow, rather than strain the resources of the country by additional taxation for the mere purpose of constructing great works, of which posterity would reap the benefit."

Mr. Laing's opinion we already know from his letter to 'The Times.' And also the opinion of 'The Times' itself in the several able and forcible articles that have lately appeared in it. In India the opinion has been general during the recent discussions, that barracks, roads, and such "ordinary" works, must be constructed by terminable loans. Sir B. Frere's opinion on this subject, as you are already aware, is decisive against depending upon revenue.

political drain. But will it be seriously contended that the progress of production has been such as to justify an annual increase of 17,000,000*l.* of State expenditure in 1871 over that of 1856?

I hope, therefore, that I have shown that the only salvation for India is large irrigation works, railways, and roads, and other public works of necessity, and parliamentary inquiry from time to time into the administration. Till the commercial exports are sufficiently large to pay from their profits the price of the foreign rule,—or in other words, till the amounts of the commercial exports and imports will be equal, leaving the profits on the exports to be retained by England for the price of its rule,—India cannot be said to be producing enough for its wants; and it will be only when the commercial imports begin to exceed commercial exports, that it will be making any addition to its wealth by the instrumentality of the British rule.

There is one important way to contribute to India's wants, in which England, as a good manager, can give to India the benefit of its credit and moral power without taxing the English public a shilling. If England guaranteed the public debt, a saving will be made in the interest which India has now to pay on it. I propose, however, that this saving be not allowed to remain in the pockets of the Indian taxpayers, but be used in paying off the debt itself. The consequence will be that the whole debt may be paid off in a limited period, without England being required to contribute a single shilling from its own revenue. I cannot on this occasion treat of the moral duty of England to give this help, or enter into the subject at any length.

In Sir B. Frere's speech on Mr. Prichard's paper, he first tells us that elastic as the Indian revenue is, its requirements are still greater, and then he wants us to find out new sources of revenue. I venture to submit, with every deference, that what the anxiety of the Finance Minister or any Indian statesman should be, is not so much to discover new sources of revenue as new sources of production or prosperity. There is no royal road to prosperity or finance. Blood cannot be got out of stone. When prosperity is fairly secured revenue will take care of itself, and the Finance Minister, as in this country, will have to be embarrassed, not with deficits, but surpluses.

Sir Bartle does not see much objection to the present guaranteeing system. I agree with Mr. Fitzwilliam that it is objectionable in principle and not very effective in practice. I do not think the railway

builders have much right to throw stones at the so much condemned public works. I am very sorry this question of guaranteed railways *versus* State railways was not fairly fought out at the Society of Arts upon Mr. Andrew's paper. I am morally certain that there has been great waste in the construction of the guaranteed railways; but it is enough for us to know that such is the opinion of Mr. Juland Danvers, who ought to know. By all means let there be private enterprise, but it must be real and not sham enterprise. Mr. Sumner Maine's proposal, mentioned to us by Sir Bartle, of the association of Government and private enterprise in works in which Government control is necessary, so that each takes its risks and profits according to its share, is a fair proposal. This plan is very well adapted to supply the element of "self-interest," the want of which Sir Bartle so clearly showed to have a great deal to do with the evil of waste. We shall then also have the full benefit of the knowledge and experience of business men as directors on behalf of the private shareholders, for if anything went wrong, the shareholders will soon call them to account.

Now, with regard to the thoughtful scheme of Sir Bartle Frere,* I give it as a note, with only two alterations from myself, which are in italics.

* Propositions for providing the capital required for public works in India :—

1. The capital required for public works in India, undertaken by the Government, is not to be restricted to the sum which can be annually spared from current revenue, but is to be provided from loans to be raised in the following manner.

2. Commissioners to be appointed by Parliament, and empowered to raise by loans in England, under authority and with the consent of the Secretary of State in Council, a sum not exceeding millions. The interest on such loan to be paid by the Secretary of State in Council from the revenues of India, *which in the case of reproductive works shall be paid after any portion is completed and in a working state; and in proportion to that portion*, and the money to be applied to the execution of public works in India undertaken by the Government.

3. Commissioners to be empowered to advance the money so raised to the Government of India, or to the local governments and administrations on the conditions hereinafter mentioned.

4. The local governments and administrations to which advances may be made to be the following :—

The Governments of Madras.

" " Bombay.

Lieutenant-Governor of Bengal.

" " North-West Provinces.

" " Punjab.

The Chief Commissioner of British Burmah.

" " Oude.

" " Central Provinces.

" " Mysore.

The Commissioner of Sind.

5. The Commissioners to certify—

1st. That in the case of each advance, they have received copies of the working plans and estimates, or contract specifications sufficient to

For the alteration in No. 2 I shall give my reason in the words of the despatch of the Indian Government, of 9th March, 1865, on irrigation : " Practically the charge of interest on the money sunk until the work is in a condition to pay, is just as much a part of the first cost as the direct outlay on the construction. There is no reason whatever for regarding such an interest charge as a burden on the revenues, and it may with perfect propriety be paid from the loan. The only essential point is to be assured that all the works undertaken shall, in the end, at least bring back to the State the interest on the capital expended on them, and with a proper system of management we do not doubt that this may be always accomplished."

As for my second alteration, I rather think that in the case of the reproductive works, the repayment of capital should be provided for from the income only of the works and not from revenue. However, taking the scheme as it is, the principle of my alteration is that if on the one hand you should not burden posterity, it is also necessary that you should not be unjust to the present generation, especially because the benefit of all these works will be enjoyed more by the future than the present. I don't think, therefore, that I am asking anything unreasonable to distribute the burden over less than two generations in the one case and four in the other. When, last October, I said something to the same effect at our meeting on the occasion of Mr. Hyde Clarke's paper, I was little prepared to find that Nemesis was pursuing the Indian Government so rapidly for their injustice to the present generation. Sir Bartle's propositions appear very large to some persons, but they forget the large size and population, and therefore the large requirements of India.* In

indicate clearly the limits of the work to be done, and to satisfy them that there is a reasonable prospect of the work specified being executed with the aid of the sum applied for.

2nd. That they have received an assurance of the loan required for the work being repaid by the authority to which the sum has been advanced, with interest sufficient to cover all expenses, within a period not exceeding *years, but not less than forty years for "ordinary" works, and not less than eighty years for "extraordinary works,"* and that they are satisfied with the security given for such repayment.

6. The Commissioners to make an annual report to Parliament, specifying the sums raised, applied and repaid under these rules, up to the 31st December in each year, with the following particulars—

- (a) The Government or Administration to which money has been advanced.
- (b) The names of the works for which the advance was required, and the total sum which each work was estimated to require, and, in each case, the total sum advanced, expended, and repaid up to the end of the year preceding.
- (c) The nature of the security given for punctual repayment.
- (d) An enumeration of projects on behalf of which loans have been asked for and refused, with the reasons of refusal in each case.

the United Kingdom, with only 30,000,000 of population, 500,000,000*l.* are invested in railways, not to say anything of other works. I express this much of difference of opinion from Sir Bartle Frere, with every deference. Mr. Maclean says the income-tax as a war-tax is useless in India, and Government must depend upon its credit. He is right in the case of a rebellion ; but in that case, if Government will not be able to collect the income-tax, it will not be able to collect any tax. In the case of a foreign invasion, however, if the English rulers have done their duty by the people, they, in their turn, will submit to any reasonable burden when necessary ; and if the public debt is guaranteed as I have proposed, the credit upon which he depends most will be much improved. On the subject of the income-tax I shall not say more, as I hope we shall have the benefit of our Chairman's views, who, as you are aware, once sacrificed himself on this very account.

We have had now much discussion both here and in India. We have seen how very various are opinions on the subject of the present condition of India and its administration, and we see now more clearly than ever that Parliament should step in and make a searching inquiry into the whole matter, for Parliament after all is the fountain head, and Parliament I hope will not shrink from doing its duty to a nation of 200,000,000.

As Mr. W. Tayler's proposal completely embraces the scope of this paper, as well as of former ones, the discussion would be best begun by Mr. Tayler moving his resolution after the Chairman's address is finished.

We have Sir Bartle Frere's weighty opinion, that Parliament should be asked to institute inquiry into the conduct of the Administration. Our Chairman has expressed to me a similar opinion, and we have Mr. Fawcett expressing his belief that "there never was a time when the finances of India more urgently required the keen and scrutinizing investigations of the House of Commons."

This inquiry I think will do as much service to the Indian Government itself as to the people of India, if not more.

VII.

ON THE COMMERCE OF INDIA.

(Read before a Meeting at the Society of Arts, London, Wednesday, February 15th, 1871. Sir Bartle Frere, K.C.B., G.C.S.I., in the Chair.)

THE commerce of India is one of the most important subjects that can engage the attention of the public of England. I do not think the audience before me needs to be told the reason why. They know well enough how the prosperity of this country, as of any other, depends chiefly upon its commerce, and how important it is to them that the vast continent of India, with its teeming population, should be opened up for their commercial enterprise. It is a calamity to India, and a great loss to this country, that the subject of the commerce of India is not fully considered by the public or press of England, and that even the merchants and manufacturers do not give to it the attention it demands. I am constrained to say, after my residence in this country for fifteen years, that the knowledge of the public here about India is not only imperfect, but in some matters mischievously incorrect. But why should I blame the English public or others, when those who ought to know best, and upon the information furnished by whom the public must depend, the past India House itself has made statements entirely at variance with facts? I do not wish to blame anybody, but set it down with grief to the misfortune of India. The Parliamentary return No. 75 of 1858, gives "A Memorandum (prepared at the India House) of the Improvements in the Administration of India during the last thirty years." This return, at page 11, gives a paragraph entitled "General Prosperity." In the part referring to the commerce of India, after giving figures for exports and imports of India, at the interval of twenty-one years (from 1834 to 1855) the paragraph ends, in relation to the commerce of India for these twenty-one years, with the strange words, "The great excess of exports above imports (of merchandise) being regularly liquidated in silver." It also states that the exports of merchandise increased 188 per cent., and imports 227 per cent., during the same twenty-one years.

I cannot trouble you at present with several other fallacious statements in this paragraph. I confine myself at present to those I have mentioned about the trade of India. It is a wonder to me how this statement about the liquidation in silver of the excess of exports over imports could have issued from the India House. A return (No. 369) made by the India House itself, on Mr. Bright's motion, in the year 1853,

ves the total imports and exports of India. The total exports, according to this return, *including* all treasure for the first fifteen years (1834 to 1850) out of the twenty-one to which the return of 1858 refers, are given as a little above 231,000,000*l.*, and the total imports of India, *including* all treasure, a little above 163,500,000*l.*, leaving a difference of 67,500,000*l.* of excess of exports above imports, for which, neither in the shape of silver nor of any other goods, has there been any import whatsoever into India. So far, therefore, for the first fifteen years' "regular liquidation in silver" for 67,500,000*l.* of excess of exports was simply a creation of imagination.

Now, let us see about the remaining six years. The return (No. 3891 of 1867) gives the total of exports, including treasure, about 125,500,000*l.*, and the total of imports, including treasure, about 105,000,000*l.* These imports include the loan for railways remitted up to the year 1856. I take this remittance to be only 10,000,000*l.*, as a low figure, as I cannot get from official returns the exact amount. Deducting this, and not making any allowance for any remittances on account of public debt made during the same period, the total amount of imports is about 95,500,000*l.*, or "the excess of exports above imports" of about 30,000,000*l.* which was *not* liquidated either in silver or in any other goods. Thus we have a total of about 97,000,000*l.*; and allowing, to some extent, for the amount of public loans raised in England and remitted to India during the twenty-one years under consideration, an "excess of exports above imports" of above 100,000,000*l.* which was never liquidated in silver or in other goods. To this must be added about 30,000,000*l.* of profit on exports, thus making about 130,000,000*l.* for which India has received no return in imports. And yet the India House coolly told the English public, in the year 1858, that during the twenty-one years previous to 1856, "the great excess of exports above imports was regularly liquidated in silver." I appeal to you, gentlemen, to say whether there ever was a more misleading statement made; and is it a wonder that the English public are indifferent to the complaints of India? The India House would have been correct if it had said that the great excess of exports above imports of India, during the twenty-one years, amounting to above 130,000,000*l.*, was retained for the benefit of England. Now I would not have alluded to a statement made twelve years ago, were it not that I have seen its mischievous effects to the present day. So far as my reading goes, I have not come across a single statement in the subsequent Parliamentary returns which distinctly and directly corrects it, and in my conversation generally, except in very

few instances, I have found that this misleading statement has led to almost universal belief that India is rich and prosperous, when it is so. No more have the imports, with all silver included, been equal exports after 1856. Notwithstanding the so-much-talked-of wealth poured in during the American war, the total figures are, for 1856-1869,* exports (including treasure), about 588,000,000*l.*; imports (including treasure), about 545,000,000*l.* Out of these imports, about 72,000,000*l.* (the total expended till end of 1869 being 82,000,000*l.*, of which I have taken 10,000,000*l.*, the total to 1856) are railway loans about 27,000,000*l.* are public loans raised in England, and about 15,000,000*l.*† of registered debt of India, transferred to this country leaving the actual imports in exchange for exports about 431,000,000*l.* This gives an excess of exports above imports of about 157,000,000*l.* during the last thirteen years, which is not liquidated either in silver or in any other goods. Add to this the profits of the export, say about 60,000,000*l.*, making a total of above 210,000,000*l.*, for which there is no commercial imports into India.

Now, instead of a misleading statement, that the "great excess of exports over imports was liquidated in silver," if the English public were told that during the past thirty-four years exports for about 260,000,000*l.* have had no corresponding material return in imports, nor the ordinary commercial profits of these thirty-four years, to the extent of some 90,000,000*l.*, had been returned to India, its attention would be naturally directed to the strange phenomenon; for everyone knows that in the ordinary course of commerce every country gets a full return with some profit for its exports, and that it is simply impossible for any country to carry on such a commerce as that of India without being impoverished, unless special means are adopted to counteract the evil.

I propose to consider, 1st, the real extent of the commerce of India; 2nd, the reason why it is extremely limited, notwithstanding the progress it has to some extent made; 3rd, what suitable remedies should be adopted for such an unsatisfactory state of affairs. First, we may see what the extent of the real commerce of India is. I take the latest year for which I can get returns. The table for exports from India, as given in return C., 184 of 1870, including treasure, gives the amount for the year 1868-9 about 53,700,000*l.*, and imports including treasure, about 51,000,000*l.* Now, we must examine whether these figures repre-

* 'Parliamentary Return' 3891 of 1867, and C. 184 of 1870.

† 'Parliamentary Return' 258 of 1869.

sent the commerce of India. I have no doubt every gentleman here reads the little paragraph in the money articles of the daily newspapers, about the bills drawn by the Secretary of State for India. I would not undertake to say how many readers of that little paragraph understand its full significance, or care to do so. I am afraid the number is not large. The total of these bills for the last official year was estimated at about 7,000,000*l.* What are these bills drawn for? Certainly not for any commercial purpose. What is the operation of these bills? It is simply this, that out of the proceeds of the exports from India the Indian Secretary keeps 7,000,000*l.* here, and India receives no corresponding commercial import for the amount. In this manner, what are called "the charges in England on the revenues of India" are paid, that is, India exports about 7,000,000*l.* worth of produce to pay for these charges.* You will therefore see that out of the so-called exports of India, about 7,000,000*l.* are not commercial exports at all. Next, in India there are about 2,500 English civilians, covenanted and uncovenanted, about 5,000 English military officers, and some 60,000 soldiers. All these naturally remit to this country, for the education of their children, and for the support of their families and dependent friends, and bring with them their savings. The total of their pay is about 9,000,000*l.*, and I put down what an English friend, who ought to know well, tells me is a low estimate, about half for the remittances I have alluded to. There are, besides, certain English goods especially wanted for the consumption of Europeans in India. If I, therefore, take 5,000,000*l.* as the exports of India for all these purposes, to say nothing of remittances by non-official Englishmen, such as barristers, solicitors, doctors, merchants, planters, &c., making up a large sum, I shall be found much under the mark. Thus, then, we have a total of about 12,000,000*l.*, out of the so-called exports, which do not form a part of the commerce of India at all, whatever else they may be. I cannot discuss what they really are, or what their significance is, before this Society. I may just tell you that Sir George Wingate calls this item the "tribute" India pays to England; or that another intelligent Englishman calls it the "salary of England" for ruling over India. Be that as it may, one thing is clear, that these 12,000,000*l.* are not a part of the commerce of the country, and for which there is no liquidation either in silver or any other goods. India must send out annually at least 12,000,000*l.* worth of

* The "charges on the revenues of India," disbursed in England, are, for 1869-70, above 7,700,000*l.*; and those for 1868-69 about 7,350,000*l.* I put down, say 7,000,000*l.* Return 234 of 1870.

produce, whether it will or no, without any corresponding commercial return. Besides the above two items, there is another which strictly is not commercial. I mean the remittance of interest from India on railways, irrigation, and other such loans. I must not be misunderstood, however. I consider these loans as one of those things for which India is under special obligations to this country. I do not allude to this item in any spirit of complaint. Far from it. On the contrary, I always think of it with great thankfulness. It is a blessing both to the receiver and the giver. I only mean that the interest, even supposing it to be all earned by the railways, though forming a part of the exports of India, is not a part of the commerce of India. This item is about 4,000,000*l.*, making altogether about 16,000,000*l.* of exports from India which are not commercial. The balance of the exports representing the real commerce of the country is therefore about 37,000,000*l.* for 1868-9.

Let us now analyze the imports. The total is about 51,000,000*l.* We must deduct the following items as not commercial :—Railway loan for the year, about 5,000,000*l.* ; irrigation, State railways, and other loans which I have not been able to ascertain, say about 2,000,000*l.* ; Government stores, about 1,500,000*l.* ; payment on account of the Abyssinian expedition, about 1,250,000*l.* ; leaving about 41,250,000*l.* as commercial imports. So we have roughly considered about 37,000,000*l.* exports and 41,000,000*l.* imports. This shows something like a national commercial profit of about 4,000,000*l.* But as, on the other hand, India has had to pay to this country 12,000,000*l.* for its administration, the real balance of India's profit and loss account is some 8,000,000*l.* on the wrong side for the year.

Leaving the question of the nature and consequences of this balance alone for the present, we have this remarkable fact, that while the exports of the produce of the United Kingdom are nearly 6*l.* 10*s.* a head of population, of British North America about 3*l.* a head, and of Australia about 19*l.* a head, for 1868, those of India are scarcely 4*s.* a head, or altogether, including political and non-commercial remittances to this country, about 5*s.* a head. Even deducting the gold exports, the other exports of Australia are about 11*l.* per head.

I may remark here, that just as the India House liquidation in silver of excess of exports is incorrect, so does its assertion of the increase of 188 per cent. in exports, and 227 per cent. in imports, require explanation. From what I have already said, you may have seen that a good

portion of this increase is owing to causes other than commercial, *viz.* increase of political charges in England, of national debt, and the increasing remittances of official and non-official Europeans.

The question is often asked, why India does not take largely of British manufactures? Why is it that, with a population of 200,000,000, there are only about 17,500,000*l.* worth of British manufactures, or less even than 2*s.* a head, exported to India, while Australia, with a population of less than 2,000,000, takes about 13,000,000*l.*, or more than 6*l.* a head, and British North America, with its population of about 4,500,000, about 5,000,000*l.*, or about 25*s.* a head? Before I proceed to a discussion of this scantiness of the export of British manufactures into India, I must clear away two misapprehensions. On account of such misleading statements as those of the India House, and a quantity of silver being actually imported into India, it is a general impression here that India is a great sink for silver, that there is great hoarding, and that it is rich. The fact is, first, that India has not imported as much silver as the India House statement leads one to believe; and secondly, that under the British administration, silver has naturally become a necessary commodity. The revenue having to be paid in cash, a great demand arose for coins, and silver not being produced in the country, its importation became a necessity. Besides coins, it must also be remembered that, as in all countries, several social customs require the use of a certain quantity of the precious metals. I am not at all here taking into consideration the withdrawal of the treasure from India that had taken place in the earlier times of the East India Company. And yet, see what the gross total amount of bullion is which India has retained during the whole period of the last seventy years, from the commencement of the present century. I think you would hardly believe me when I say it is only about 34*s.** a head. Conceive, gentlemen, 34*s.* a head, not per annum, but in the whole course of seventy years, for all purposes, commercial, social, and political, for circulation, wear and tear, for remittances, for railway and other *loans*, and to fill up the drain of former periods—in short, for every possible purpose.

Why, in the United Kingdom, for the last twelve years only, from 1858 to 1869 (there are no earlier returns for imports), you have retained for your national uses nearly 30*s.* a head, besides leaving about 18,000,000*l.* in the Bank of England intact at the ends of 1857 and 1869. There may be some little hoarding by some men, as the means of investment

* Return 133 of 1864 and [C. 184] of 1870.

and circulation in India are not yet developed ; but may I ask whether there is any gentleman now present who has not some hoarding about him of several pounds in his watches, pins, &c.? However, here is the *whole* quantity of bullion imported into India during seventy years, 34s. per head. Now, in discussing the question why India takes less than 2s., or about 1s. 9d., a head of British manufactures,* you will see that the general cry of large imports of silver being the cause is not correct. The wonder is that 34s. a head, received in the whole period of seventy years, could be sufficient for all necessary wants and wear.

The second misapprehension which requires explanation is the notion that wages and prices have risen enormously, and that therefore India is very prosperous. This notion is not only an exaggeration, but it is also incorrect to a great extent. It would be impossible for me to discuss it to-night, as it would require a long time to do so clearly. I need simply say, what I think I am able to prove from actual facts and official documents, that though there is some general rise in prices (not, however, to the extent usually supposed), it is not an addition to former sufficiency, but a return from a low ebb, to which it had gone down before, and that it only indicates some progress towards, but not actual, sufficiency, much less prosperity. There is much confusion of ideas on this subject. For instance, while some writers point to rise in prices as a proof of prosperity, the India House return, in the same paragraph to which I have already referred, speaks of "the cheapening of agricultural produce" as a matter to boast about. Now, the "enormous" or "unexampled" rise in prices or wages, about which so much noise is made by some writers, is no more true than that because there may be a few millionaires in London, therefore all Londoners are millionaires. The phenomenon is simply this, that in special localities, where railway and other public works are being constructed, money congests, and prices and wages for a time go very high, because, on account of imperfect communication, neither labour nor food is drawn there in sufficient quantity to equalize or moderate wages or prices. And because at some of these special localities prices and wages rise very high, a general conclusion is hastily drawn, as if prices and wages had gone up enormously all over India. I shall give hereafter a few instances of prices, which will show that the notion of enormous general rise in prices is incorrect.

I must now return to the question of the causes of the miserable extent to which the natives of India take British manufacture. Do not, gentlemen, for a moment suppose that a native does not wish to put on a

better coat—or rather a coat at all—if he can get it. You should seriously ask the question why India does not afford to English industry and enterprise a field commensurate with its vast extent, population, and natural resources, though it is under your own control and administration. If this country could export of its produce only 1*l*. a head of India's population, it will be as much as you now export to all parts of the world.

There is no question of the vastness and variety of India's resources. The number of principal articles it exports to this country is above fifty, many of them in great varieties, and some two or three dozen of minor importance. Much more can this number be increased. Why should not India alone supply to this country cotton, coffee, sugar, tea, silk, seeds, fibre, or anything else, in any quantity wanted? The causes of this unsatisfactory state of affairs are various, both moral and material. The moral cause, I am sorry I cannot discuss before this Society; I shall only mention them. As long as a people have no reasonable voice, or have only a farce of a voice, in the legislation and taxation, municipal or imperial, of their own country, it is simply impossible there can be that watchful care and attention to its wants which those most interested alone can give. So, also, as long as the people of a country have no fair share in its administration, the powerful stimulus of patriotism and self-interest cannot come into action. Moreover, this want of a proper share for the native in the administration of the country produces one deplorable moral evil: as long as the English are officials, their mouths are shut. All the wisdom acquired by their experience is of no use in guiding the natives. The moment they are non-official they leave the country, and thus drain poor India of wisdom also. After coming to this country, the majority of these retired English officials forget India. Here, for instance, is Lord Lawrence. I congratulate the London School Board on such an acquisition, but there is also another side of the picture. What does this mean to India? Here is wisdom of above thirty years, I suppose, acquired in India, and it is all now lost to it. When and how will India have its own Lawrences, its Freres, Trevellyans, &c., to guide the nation towards progress, enlightenment, and prosperity? This is most deplorable for India that natives are not allowed a due share in the administration, to acquire the necessary wisdom of experience to become the guiding spirits of the country.

One more moral cause I would just touch upon, is the want of adequate education. Most sincerely thankful as I am for even the small

extent to which education has progressed, I need simply say just now that education, both high English and professional for the higher classes, and vernacular and industrial for the mass, is far from being adequate, and yet Government are committing the political suicide of discouraging English education in Bengal.

Having thus simply stated the three moral causes, I now come to the material. What, I wonder, would you say to the following fact? I have been studying for the past six months the administration reports of the different Presidencies of India. From these and other sources (thanks to Mr. Grant Duff, and other gentlemen in the India Office, for lending me any books I wanted), I have myself worked out, as a rough outside estimate, the total gross produce of all cultivated land in the average good season of 1867-8 :—Central Provinces, North-West Provinces, Madras Presidency, Bengal Presidency, and Oudh, less than 40*s.* a head of their respective population; Punjab produced less than 50*s.* a head; and the Bombay Presidency, with all the advantages of the late American war, railway loans, and three lines of railway converging into it, produced 100*s.* a head. But even Bombay, I am afraid, on account of disastrous losses during the last five years, is gradually lowering its level. The average of all British India will be a good deal under 50*s.* a head per annum, or say 1*s.* a head a week. If I put 80*s.* a head per annum, or 1*s.* 6*d.* per week per head, as the total production of all kinds (agricultural, manufacturing, mineral, &c.) of the country, I shall be, I cannot help thinking, guilty of exaggeration or over-estimate.

With this low production we must bear in mind that a larger proportion goes for the consumption of the Europeans in India, of the higher and middle classes of natives, 12,000,000*l.* a year are to be exported to this country, and a portion is to be reserved for seed, and then we may ask how much of this 1*s.* 6*d.* a week a head could go to the share of the poor mass, from whose labour, after all, must all production be raised. Is not this one cause alone quite enough to explain the whole problem why India is such a poor and wretched customer of England? Is it any wonder, then, that Lord Lawrence deliberately stated, in 1864, that "India is, on the whole, a very poor country; the mass of the population enjoy only a scanty subsistence;" and that Mr. George Campbell, in his paper on "Tenures of Land in India," published by the Cobden Club, quotes from an official authority a report made so late as 1869, about the Madras Presidency, as follows :—"The bulk of the people are paupers. They can just pay their cesses in a good year, and fail alto-

gether when the season is bad. Remissions have to be made perhaps every third year in most districts. There is a bad year in some one district, or group of districts every year." Lastly, I would refer to an incidental remark made in the Calcutta correspondence of 'The Times,' published as late as the 12th December last. It says:—"But an ordinary native can live comfortably on about 2*d.* a day. He only needs a few rags for clothing, a little rice, and pulse or bean, and 'curry stuff.'"

Now, I ask you, gentlemen, whether it is from such men, who are obliged to be satisfied with 2*d.* a day, a few rags, and wretched hovels, that you can expect to raise 50,000,000*l.* of annual revenue (nearly one-fourth of which has to be remitted to this country); or even 1*l.* a head, or 200,000,000*l.* of commercial exports, receiving large imports of your British manufactures in return? Pray do not suppose the native would not like to be better fed, clothed, and lodged. Such a supposition will be simply contrary to human nature and to fact. Let us examine a little more closely. Insufficient as the whole production is, and scanty as must be the share of it for the great bulk of the population, perhaps hardly 1*s.* a head a week, the mischief is further aggravated by imperfect distribution, so that the plenty of any one part is not available for the scarcity or famine of another. The best test of this is the difference in the price of food in different parts. If wheat sold at 50*s.* in one part of this country, and 70*s.* or 80*s.* in another part, I wonder how long this Society, or the English public, would allow such a state of things to endure? In Punjaub, in 1869, the average price in Delhi was 52 lbs. of wheat per rupee, while at Mooltan, 34 lbs., and at Peshawar, 30 lbs.

In the Madras Presidency, in the year 1867-68, a good season year, at Cuddapa, the price of rice is 492 rupees per garce (9,256½ lbs.), at Vizagapatam it is 203 rupees, and Godavery, 222 rupees. In the North-West Provinces, for the month of June, 1868, as the month of average plenty, at Meerut, wheat is 54 lbs. for 1 rupee, but at Allahabad and Mirzapore only 34 lbs. In the Central Provinces, in 1867-68, an average good-season year, rice, at Hoosingabad is 5 rupees for 1 maund (80 lbs.), while at Rypore and Belaspore it is only 1 rupee; at Sumbulpore, 1 rupee 2 annas. In the Bombay Presidency, for February, 1868, as a month of average plenty, at Dharwar, the price of jowaree is 84 lbs. for 1 rupee, while at Thanna it is 27 lbs. per 1 rupee. Again, bajree at Dharwar is 80 lbs. per 1 rupee, while at Dhoolia only 26 lbs., and at Broach and Thanna only 24 lbs. (These prices are taken from administration reports and the 'Bombay Government Gazette.')

In Bengal, the 'Calcutta Gazette' gives, for June, 1868, average good time, what are described for rice of cheapest sort, the "ordinary prices at this season," and what do we see? At Maunbhoom 50 seers or 100 lbs. for 1 rupee, and at Bancorah, 47 seers or 94 lbs. per rupee; while close by at Singbhoom, it is only 20 seers or 40 lbs. for 1 rupee; at Patna, 13 seers or 26 lbs.; in the 24 Parrugnas, 16 seers or 32 lbs.

But there is another deplorable test.

Now, what better proof can you have than that—when, in the year 1861, while British India exported to the United Kingdom alone, at the distance of thousands of miles, more than 3,000,000 cwt. of rice, at about 12s. a cwt. here, after paying all charges of freight, profits, &c., or at about 6s. to 8s. a cwt. at the ports of shipment; and to all parts of the world grain worth 3,500,000*l.*, or say about 6,600,000 cwt., the North-West Provinces lost a quarter of a million of lives and immense property by famine.

In the year 1866, the United Kingdom imported above 2,000,000 cwt. of rice from British India, at about 6s. to 8s. a cwt. at the ports of shipment: and all parts of the world imported grain from British India worth 5,250,000*l.*, or say, above 10,000,000 cwt., while Orissa and Madras lost nearly a million of lives and millions worth of property.

Again, the last two years, Rajpootana lost a million of lives, says the Calcutta correspondent, on the authority of Rev. Mr. Robson, in 'The Times' of 27th December last, while the exports of rice to the United Kingdom has been 4,000,000 cwt. in 1868, and I think as much in 1869; and of grain to all parts of the world worth 2,600,000*l.*, or above 5,000,000 cwt. each year. Thus in India, for want of proper communication, and therefore of easy distribution, famine destroys millions of lives and property. Good God, when will this end?

The question may be put by you, what it is I want to suggest. I ask, gentlemen, only for some good English common sense, both political and economical, that common sense which destroyed monopolies and corn-laws, upset the mercantile theory, and established free-trade; and I trust the desire of Englishmen, which is no less mine, and I believe of all educated and thinking natives, that British rule should endure long, would be fairly accomplished—a blessing to India and a benefit to England. Like the causes, the remedies I wish to be applied are also moral and material. About the moral remedies, the statement I have already made of the causes suggests also the remedies. There are, Sir

John Shore said eighty years ago, certain "evils inseparable from the system of a remote foreign dominion;" and I say that these evils must be counteracted if that foreign dominion is to endure, and be based on the contentment and loyalty of the people. These evils can be stated in four words, "material and moral drain." The first I have already shown to be at present 12,000,000% a year. The moral one is that of the wisdom of administration brought over to this country on the retirement of every English official, to whom alone both practical legislation and higher administration are chiefly confined. These two drawbacks political common sense requires should be remedied, or the people cannot be satisfied. It is no use thwarting nature, however strong your arm may be. Nature will avenge every departure from truth and justice. Thus simply touching on the moral remedies, I come at once to the material ones. The very first question suggests itself, Why should India have to remit 12,000,000% a year to this country? This, to a certain extent, is inevitable. If India is to be regenerated by England, India must make up its mind to pay the price. The only thing I have to say is, that England, on its part also, should act justly towards India; the financial relations between the two countries should be equitably adjusted. No unreasonable burdens should be imposed on India because it is at your mercy; and the revenues of India should be administered with economy, wisdom, and the sense of responsibility of a great trust. I appeal to the conscience of English statesmen and thinkers to give a careful consideration to this subject. Here, however, I must leave this point, hoping that England will do justice to India in this matter.

The other, and still more important material remedies, I must discuss at some length, as falling within the province of this Society. It is again a little economical common sense that is required. The most obvious remedy for the very poor production of the country, and its extra-political wants, is to increase production and facilitate distribution. It is no discovery of mine. Irrigation to increase production, and cheap communication are the crying wants of a country like India. These re-act upon each other. Irrigation will supply traffic for communication. Cheap communication will re-act by stimulating production, opening up new markets, and equalizing distribution. This certainly sounds very common-place, and an oft-told tale, but it is this common-place remedy upon which the material salvation of India depends, and it cannot be told too often till it is accomplished. Well, you may say the Indian Government don't deny this. I grant they are as loud in their acknowledgment of this necessity as anyone else. Then where is the hitch? That is just the question.

In order to avoid confusion and save time, I give you at once my own views, without entering into a discussion of the present policy of Government. The expenditure on public works may be divided into two sorts—on repairs and on original works. For repairs, by all means pay from the revenue, for it would be unjust to saddle posterity with any debt for them. The “original works” are divided by Government into “ordinary” and “extraordinary.” Ordinary are those which do not pay directly, such as barracks, buildings for civil administrations, and common roads. These do not bring direct returns certainly, like railways, but repay indirectly, in the saving in rent, and in many other ways.

Now, nobody will contend that these works are only useful for the day, and that posterity, or even one or two generations after the present can have no interest in them. Is it just, then, not to say anything of the want of economical common sense, that the present generation, so little able to bear the burden, should be pressed to furnish the whole means, without any distribution of the burden with the next one or two generations? I maintain that Government should adopt the just as well as the economical policy of distributing the burden of these ordinary works over say fifty years or two generations by means of terminable loans. By adopting this policy, the other most injurious effects of stopping works from time to time, according to the condition of the revenue, will be avoided. What is of the utmost importance is, that these works once decided upon should be carried out vigorously, and completed as soon as possible. I repeat, then, that I ask for only common sense in this matter. When a large load is to be raised, a common, unintelligent labourer tries to raise it directly by his hands, an intelligent labourer tries a lever, and a man of knowledge uses a system of pulleys or some machinery. What is the whole secret or aim of all mechanical science? Simply to distribute weight. Use, I say, the same common sense in financial matters. Use suitable financial machinery, and distribute the weight. Don't waste time, energy, and means in trying to raise the heavy load directly.

It looks almost ridiculous before an English audience to insist on this, but the Indian Government somehow or other does not do this. The mischief of this policy of making revenue pay at once for the ordinary original works is threefold—uncertainty, delay, and the consequent waste in the works themselves; the intolerable pressure of taxation upon the people, and their dissatisfaction; and lastly, what is still worse, the withdrawal of so much capital, which at present is very

dear, and insufficient for the ordinary wants of the production and commerce of the country, Government using capital worth 9 per cent. and upwards, when it can easily get the same for 4 or 5 per cent., causing thereby to a poor country like India a serious loss, and shutting out England from safe investments in a country which is under its own control. Paying for these ordinary works from revenue, or from terminable loans, makes the whole difference to the people between being crushed by a load or carrying it with the greatest ease. It must be also borne in mind that any increase in the communications of the country, and the better attention to the wants of the country, will make the future generation better able to bear greater burdens than the present.

I next come to extraordinary public works, such as railroads, irrigation works, canals, &c. In the case of these works, Government has fortunately adopted the policy of borrowing; but somehow or other, there is some hesitation in going vigorously and boldly into the matter.

The hesitation for borrowing is grounded mainly, as far as I can make out, on one reason. It is said England's tenure in India is uncertain, and that if, after England lent a large sum, she should have to leave India, she may lose her loans. This is a very fair question, and must be fairly discussed. Now what is the best guarantee the English can have? As a native of India, I may answer, the loyalty and affection of the people. But as Englishmen you may say, "Well, we fully appreciate loyalty and gratitude; but after all, it will not be prudent to depend upon that guarantee alone." Well, then, I ask, what is the best thing you can have? Can you have anything surer than a sufficiently strong English army? And if by the same policy which may enable you to have a strong army, you can also secure the loyalty and gratitude of the people, how much more will your security be increased. How can you have a sufficiently large English army without a sufficiently large revenue, and how can you have a large revenue unless the people are able to pay it, and pay it without feeling crushed by it? If, on the one hand, the present political drain continues, and the country is not helped to develop its resources, the result is evident. The people must get poor, and revenue must diminish. If revenue must diminish, you cannot provide for a sufficient military expenditure, the guarantee for your rule is impaired, and still more so by the discontent of the people. On the other hand, if the Government went boldly and vigorously into the prosecution of all necessary public works by sufficient cheap loans, the production

and commerce of the country and the ability of the people to pay taxes will increase, Government will be able to raise with ease larger revenue, and will be able to keep up the necessary strength of the army, the security by which will be further enhanced a hundredfold by the contentment and loyalty of the people.

The most absolute wants of any country, in the undeveloped condition of India, are irrigation and railroads, canals and other cheap communications. Even now, the only or chief bright spot in the administration of the past fifteen years, for which Government claims, and justly receives, the greatest credit, for which India is most thankful to the English public, and which has opened a hopeful day for it, is even with all the waste and jobbery, the railways, canal, and irrigation works already built by English loans. I beseech, therefore, that Government should pursue with vigour this hopeful path, for on this alone do the material salvation of India, and the strength and benefit of English rule depend. There is one more question in connection with loans which requires a fair discussion. It is the opinion of many that the loans should be raised in India. The reasons assigned are, either the fear of uncertainty of English rule, or that India may not have to remit interest to this country. The first, I have already answered, is suicidal. With regard to the second reason, I say, if India is able, by all means raise the loans there. I am very glad that Government have succeeded in inducing some of the native princes to lend money to build railways. But I have shown you already that India does not at present produce enough for its ordinary wants, much less can it save or spare capital for these loans. The very fact that capital is worth 9 per cent. ordinary interest in India shows its insufficiency, even for its very limited commerce.

The idea of making India raise loans is like ordering water to run up a hill. Raise loans in India, the result will be still the same. Water will gravitate to the lowest level. Beyond a certain amount needed in India for investments of trusts, retired persons, banks, unenterprising zemindars, &c., the rest will be bought up by this country. Be this as it may, the test is a very easy one. Let Government open loans at 4 per cent., both in India and England, at the best prices capitalists would give for this interest, and in such a way that the notes be easily negotiable both in India and England, and that the interest may be also obtainable in both countries without unnecessary trouble; and the natural laws of capital will settle the rest. If the English public have confi-

once enough, and if the 4 per cent. sterling loan is now at a premium, why should the Indian Government not allow India the benefit of these loans, and the capitalists of England an investment under the control of the British themselves? It is said that if Government resorted to loans, the future debt of India would be very large. But why such should be the case I cannot understand. As to the ordinary works, the very fact of terminable loans means contributions from the revenue, and limit to the duration of the loan, the great advantages being "distribution of weight." With regard to extraordinary works, they are paying works, and even if they fail in paying the whole interest, the prosperity of the country will easily yield increased resource to make up for any deficit of interest. All progressing countries are building their public works by loans, and come to this country for borrowing, while poor India, with all her material and moral drawbacks, and struggling for her very existence, is tortured by all sorts of vexatious local and imperial cesses and taxes.

When I ask Government to build the works vigorously themselves, I should not be misunderstood as being in any way against true private enterprise; in fact, the principal articles of present export, except cotton and rice, owe their productions mostly to English private enterprise. Who are the producers of the greater part of tea, coffee, indigo, silk, &c., and even in the case of cotton, how much is owing to Manchester constantly knocking at the door of the India House to build roads, canals, &c.? If English capital is encouraged in a reasonable manner, to open up new sources of production, what great benefit may be the consequence, both to England and India. England's benefit would be double; the profits of the investors will ultimately come over here, and consumption of British manufactures will be extended, with the greater ability of the natives to purchase them. The administration reports of the different governments give us figures of many millions of acres of culturable waste land. If Government only did the ordinary duty of opening up these lands by providing necessary communication, and, wherever practicable, necessary irrigation, what a vast store of treasure would be brought out, and what prosperity bestowed upon poor India.

Natives also would do a great deal, if properly guided and encouraged. I am afraid encouraging natives to look out does not seem to be much in the line of officials. I know of an instance, in which one Mr. Rustumjee Bomanjee, a Parsee of Bombay, has been running about for two years from collector to commissioner, and from one official to another, to be allowed to undertake, on his own account, an irrigation project near his

property in Bassein, without, I fear, any result. I do not know whether anything has been lately decided. I don't wish to blame anybody, cannot say what Government's ideas in the matter may be, but standing as this persevering gentleman has had is, I think, sufficient to discourage anybody. Moreover, scanty, if any, encouragement is given to natives to enter the engineering service.

I would just sum up the remedies I have been discussing in a few words of Lord Lawrence, as Commissioner of Punjab, and which are quite as applicable now for all India :—"Let means of export, the great desideratum, be once supplied, everything will follow. . . . Then money will be abundant, prices will recover their standard, and the land revenue will flourish." *

Before finishing the discussion of these remedies, I must urge one on the English public, which I sincerely believe to be an important one. The great misfortune of India, and consequently a great loss to England also, is that its real condition is not known here, and very little cared for. Every institution in this country has its independent body or society to watch its interest; for India, also, some such machinery is absolutely necessary. The India Reform Society, under the leadership of Mr. Bright, aided by the exertions of Mr. J. Dickinson and others, did at one time good service. Latterly, the East India Association has been formed for this purpose. I think it very essential, if England is to derive the full benefit of its Indian Empire, and be at the same time a blessing to it, that this East India Association, or some such body, whose object is to make India better known here, and to watch all Indian and English interests, be well supported by the English public. The result of my fifteen years' observation in this country is, that some such institution is absolutely necessary, or England cannot do its duty to India, and poor India must continue to suffer from the want of an independent watchfulness of the administration over it. I can only appeal to the existence of this very Society, and of many others, without which I do not know how much good would have remained undone, and how much mischief would have continued unchecked. At present the want of unity among the different interests produces its usual consequences of weakness and failure. As each interest, such as tea, or coffee, or cotton, or manufacturers, planters, commercial, civil or military, or any other, English or native, attacks the India Office in its small detachment, it is easily repulsed. But should all these interests combine together, and with the strength of

* 'Select Government of India,' No. xviii., p. 30.

the union of a powerful body, propose well-considered measures calculated to be beneficial to all interests, the India Office, less able to resist such action, will most probably welcome it to aid in its administration, and Parliament will be better guided in any efforts it may make, from time to time, to do its duty to India.

Now, gentlemen, whatever attention you may think my address worth, I am sure that on one point we should all agree,—that the subject of the commerce of India is one of those most important ones for the attention of the English public, whether for duty to India or for their own interest. You are aware that the East India Association has resolved to petition for a select committee of Parliament, and that Mr. Fawcett, having last session moved for a committee, the Right. Hon. the Prime Minister has shown a disposition to be favourable to the motion when made this session. I sincerely trust the Council of the Society, in the way that may seem most suitable to them, will help in asking for the committee, and in getting it to institute a searching inquiry into the great questions why India's commerce is so miserably small, and not commensurate with its vast resources, extent, and population. Is it correct or not that the total production of the country is with all the progress said to be made, yet so wretched as 1s. 6d., or say even 2s. per week per head; and, if so, is such a state of affairs creditable to British administration? Are the British rulers practically adopting a policy which would justify their declarations in the report of the material and moral progress for 1868-69, that "the State has now publicly announced its responsibility for the life of the least of its subjects," or the noble sentiment expressed by Lord Mayo, "The coils that she (England) seeks to entwine are no iron fetters, but the golden chains of affection and of peace"? Will the next ten years be free from the heartrending, destructive famines of the past decade; and cannot the people of India be rendered so contented and loyal as to make Russia's ambition for the conquest of India a mere dream to be laughed at?

In submitting my views at present, and asking the help of this powerful Society in obtaining and utilizing the select committee, nothing is further from my mind than any hostile feeling to the Indian Government both at home and in India. I only desire to see the right administration of the country, and I wish to point out that, just like all the interests of this country itself, those of India also require intelligent, independent investigation by select committees of Parliament at reasonable intervals, and the watchfulness of some independent, well-organized body. The

me Minister himself has given the strongest reason last session :— And the fact, which we must all deplore, that it is not easy to secure adequate attention within these walls to Indian affairs, is an additional reason for having a committee to inquire into the matter.”

It is, gentlemen, my deep conviction that the future elevation of the 200,000,000 of the people of India cannot be in better hands than those of the British nation. I only beseech you to do the good which is in your power, both to yourselves and to India, crowned with the blessings of a sixth of the human race.

Mr. Dadabhai Naoroji, in replying (after the discussion), said he felt exceedingly thankful for the way in which his paper had been received and discussed; and, notwithstanding that some few remarks had been made, as was supposed, in opposition to his views, he could not but congratulate himself that his main points had been maintained and developed much more forcibly by other speakers than by himself. He had, however, been, in one or two instances, slightly misunderstood, as he would endeavour to explain. He had purposely avoided drawing any comparison between the past and present, and had introduced the statistics showing the excess of exports over imports merely to show how fallacious were the statements sometimes put forth on the highest authority; and although this was, no doubt, unintentional, it was none the less misleading. In a question of commerce, in which figures were the basis of the whole argument, it was absolutely essential that they should be accurate, and he must therefore be excused for saying that a great deal more care than was usually given was required in drawing conclusions from the statistics to which he had referred. He had never denied that some progress had been made during the last fifteen years, but upon this point also he would venture to use the following illustration :—A strong man knocked down a weaker one, and, to use the words of Mr. Grant Duff, almost ground him to dust, and then, after giving him a glass of water to revive him, said, “See how I have benefited you; I have given you a good glass of water, and now you are ever so much better.” Down to 1850,* India was being continually impoverished, and then the Government themselves, being aghast at the results, began to look about to see what could be done. They soon struck upon the right path, which was, to send back to India the wealth which had been drained from her during seventy years, to the

* Sir A. Cotton told me, after the meeting, that I was quite right, that about 1850 the poor people were very wretched.

extent of hundreds of millions. 100,000,000*l.* had been lent for the purpose of constructing railways, but this was not enough. England had drawn from India twenty times as much as she had yet lent her. He did not claim that it should be returned, he simply asked for a loan of so much money as would enable India to supply herself with necessary public works, and it should all be repaid, with a thousand thanks for England's good government. When India was lying in the dust, exhausted and helpless, only just reviving a little, it was no use saying to her, "You must help yourself." If no other feeling prompted such action—though he contended there could be no higher object of ambition than to raise up a nation of 200 million souls—selfishness alone should lead Britain not to drain India entirely dry. Many speakers had mistaken his views, but all had agreed that India required further help; and in replying to the charge which had been made against him in some quarters, of not doing justice to the good services which England had rendered to India, he had simply to submit a Dr. and Cr. account which he had sketched out, and to which he believed no exception could be taken.

CR.—In the Cause of Humanity.—Abolition of suttee and infanticide.

Destruction of Dacoits, Thugs, Pindarees, and other such pests of Indian society.

Remarriage of Hindoo widows, and charitable aid in times of famine.

Glorious work all this, of which any nation may well be proud, and such as has not fallen to the lot of any people in the history of mankind.

In the Cause of Civilization.—Education, both male and female. Though yet only partial, an inestimable blessing as far as it has gone, and leading gradually to the destruction of superstition, and many moral and social evils. Resuscitation of India's own noble literature, modified and refined by the enlightenment of the West.

The only pity is that as much has not been done as might have been in this noble work; but still India must be, and is, deeply grateful.

Politically.—Peace and order. Freedom of speech and liberty of the press. Higher political knowledge and aspirations. Improvement of government in the native States. Security of life and property. Freedom from oppression caused by the caprice or avarice of despotic rulers, and from devastation by war. Equal justice between man and man (sometimes vitiated by partiality to Europeans). Services of highly-educated administrators, who have achieved the above-mentioned good results,

Materially.—Loans for railways and irrigation. (I have been particularly charged with ignoring this, but I consider it one of the greatest benefits you have conferred upon India, inasmuch as it has enabled us to produce more than we could before, though there is not yet enough for all India's ordinary wants, and I have said this in my paper.) I cannot ascertain the exact amount of investments in irrigation works, but I take them to be about 10,000,000*l.*, making the total 110,000,000*l.* The development of a few valuable products, such as indigo, tea, coffee, silk, &c. Increase of exports. Telegraphs.

Generally.—A slowly-growing desire of late to treat India equitably, and as a country held in trust. Good intentions.

No nation on the face of the earth has ever had the opportunity of achieving such a glorious work as this. I hope in this credit side of the account I have done no injustice, and if I have omitted any item which anyone may think of importance, I shall have the greatest pleasure in inserting it. I appreciate, and so do my countrymen, what England has done for India, and I knew that it is only in British hands that her regeneration can be accomplished. Now for the debit side.

DR.—In the Cause of Humanity.—Nothing. Everything, therefore, is in your favour under this head.

In the Cause of Civilization.—As I have said already, there has been a failure to do as much as might have been done, but I put nothing to the debit. Much has been done, or I should not be standing here this evening.

Politically.—Repeated breach of pledges to give the natives a fair and reasonable share in the higher administration of their own country, which has much shaken confidence in the good faith of the British word. Political aspirations and the legitimate claim to have a reasonable voice in the legislation and the imposition and disbursement of taxes, met to a very slight degree, thus treating the natives of India not as British subjects, to whom representation is a birthright.

[I stop here a moment to say a word as to a mistake into which my friend, Mr. Hyde Clarke, fell, in supposing that I desired the government of India to be at once transferred to the natives. In my belief a greater calamity could not befall India than for England to go away and leave her to herself.]

Consequent on the above, an utter disregard of the feelings and views of the natives. The great moral evil of the drain of the wisdom of practical administration and statesmanship, leaving none to guide the rising

generation. (Here, again, have I been misunderstood. I complain not of Englishmen returning to their own country, but of the whole administration being kept entirely in English hands, so that none of the natives are brought up to and taught the responsibilities and duties of office, so that we have none amongst ourselves to guide us as our elders, and to teach us our duties as citizens and as moral beings. A foster mother or nurse will never supply the place of the real mother, unless she shows more kindness and attention to her charge than the real mother, and the natives will therefore naturally follow their own leaders, unless you prove more kind, humane, and considerate. Draw these leaders on your side.) The indifference to India, even of a large portion of those who have had an Indian career, and who are living on Indian pensions. The culpable indifference of a large portion of the people, the public press, and Parliament of this country to the interests of India; therefore, periodical committees of inquiry are absolutely necessary, for the knowledge that such will take place would be a check on careless administration. With regard to the native States, though their system is improving, it is most unjust that their cases should be decided in secret. The frequent change of officials is a constant source of disturbance in policy, and though it may be unavoidable, it is none the less hard upon India.

Financially.—All attention is engrossed in devising new modes of taxation, without any adequate effort to increase the means of the people to pay; and the consequent vexation and oppressiveness of the taxes imposed, imperial and local. Inequitable financial relations between England and India, *i. e.* the political debt of 100,000,000*l.* clapped on India's shoulders, and all home charges also, though the British exchequer contributes nearly 3,000,000*l.* to the expenses of the colonies. The crushing and economically rude and unintelligent policy of making the present generation pay the whole cost of public works for the benefit of the future, instead of making the political like all other machinery, and distributing the weight so as to make a small power lift a large weight by the aid of time. The results of trying to produce something out of nothing, of the want of intelligent adaptation of financial machinery, and of much reckless expenditure; in financial embarrassments, and deep discontent of the people.

Materially.—The political drain, up to this time, from India to England, of above 500,000,000*l.*, at the lowest computation, in principal alone, which with interest would be some thousands of millions. The further continuation of this drain at the rate, at present, of above

12,000,000*l.*, with a tendency to increase. (I do not mean this as a complaint; you must have a return for the services rendered to India, but let us have the means of paying. If I have a manager to whom I pay 1000*l.* a year, and he only makes the business produce 400*l.*, so that 600*l.* a year must be paid him out of capital, any man of business can see what will be the result. Peace and order will soon be completely established by the closing of the concern.)

The consequent continuous impoverishment and exhaustion of the country, except so far as it has been very partially relieved and replenished by the railway and irrigation loans, and the windfall of the consequences of the American war, since 1850. Even with this relief, the material condition of India is such that the great mass of the poor people have hardly 2*d.* a day and a few rags, or a scanty subsistence.

The famines that were in their power to prevent, if they had done their duty, as a good and intelligent government. The policy adopted during the last fifteen years of building railways, irrigation works, &c., is hopeful, has already resulted in much good to your credit, and if persevered in, gratitude and contentment will follow.

. *Contra.*—Increase of exports; loss of manufacturing industry and skill. Here I end the debit side.

About Sir A. Cotton's remarks I would just say this. Suppose rice could be got at the shipping ports in India at 6*s.* a cwt., and transit to this country cost 2*s.* more, the price at which people here get it is only about 9*s.*, and not that people here pay 24*s.* for which in India natives pay only 6*s.* If it were so, if English people would be kind enough to give us 24*s.* or 18*s.* for what in India fetches 6*s.*, we shall be very thankful, and rich in a very short time. Again, if an article costs 5*s.* here, and takes 1*s.* transit to India, the people in India have not to pay one-third (or 2*s.* only) of what you pay for them, but have to pay with ordinary profit 7*s.* for the article. What I suppose Sir A. Cotton means is, that for certain necessities of existence here you require somewhat more material, and therefore more money, than in India. That is true; but what I maintain is, that comparatively less as the absolute wants of natives may be, these have not even been sufficiently supplied. It must also be remembered that the wants of the natives of Northern India are greater than in Southern India. But to say that the natives of India would not like to enjoy as much the good things of this world as any other people, is neither fact nor nature. See the manner in which the rich Hindoos and Mahomedans of Bombay live.