



1763.

MADRAS.

try, and this they might easily do from the Nizam, as the treaty did not preclude it.

Mr. Palke succeeded, under the Court's appointment, as governor, on the 4th May.

Madura surrenders.

In October, the fort of Madura, situated amidst the refractory Polygars, and against which operations had been commenced in the early part of the year, surrendered to Major Campbell.

1765.

Northern Circars.

The acquisition of the Northern Circars had become an object of considerable importance. The Council, apprehensive that, if the Company obtained possession, it might embroil either the Bengal government or themselves with the Mahrattas, proposed to rent them of the Nizam, in order to secure them from falling into the hands of the French, as M. Law, formerly so conspicuous a party in Bengal, had reached India under the treaty of peace, and proceeded to Pondicherry. Various disputes arose as to the rights of the French under the treaty, and the Council dwelt strongly upon the desire M. Law had manifested to acquire all the privileges which he contended the treaty secured to them.

Aid proposed to Hussain Ally in Northern Circars.

The Nizam wished that assistance should be given to Hussain Ally, to whom he had granted sunnuds for the Northern Circars to enable him to reduce them to subjection. "As the Carnatic appeared to be secure, except from the junction of the Mahrattas, Nizam Ally, and Hyder, and that with some European power," which the Council



Council considered very unlikely, they agreed to assist Hussain Ally. Shortly after the troops for this purpose were in motion, intelligence was received that the Nizam had advanced in force to make demands on the Nabob. The troops were recalled to oppose him, should he advance beyond Cuddapah. In the month of March, he slowly approached the hills near Tripetty, with 4,000 horse and 10,000 sepoys ; but when he ascertained the force that would be opposed to him, he retired, and sent a friendly letter to the President, with a present of an elephant. The troops accordingly proceeded, in fulfilment of the original determination, to aid Hussain Ally.

SINCE THE DESTRUCTION OF THE PIRATES at Gheria, by the forces under Commodore James and Colonel Clive in 1756, the Council at Bombay had been principally engaged in prosecuting the Company's commercial affairs at Gombroon, and in the Persian Gulf ; also through Bussorah with Persia, and in Canara and Malabar. In February, 1760, they sent a deputation to Poonah, under an impression that the Mahrattas were treating with the French. NANNAH, the head of the Mahrattas, disavowed any such intention. He died in the month of June, 1761, when it was believed that the Brahmin interest, which had given great disgust to the people in general, would cease. Mr. Whitehill was deputed to Poonah

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Mahrattas.

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Poonah, to condole with Mhaderao on the death of his father, whose widow had retired to the hills, with all her family and effects. Mhaderao sought aid from the Company against the Nizam; but the Council declined to interfere, further than to preserve him from ruin, and to effect an accommodation with the Nizam.

The Bengal government were of opinion, that the state of affairs consequent upon the death of Nannah, presented a favourable moment for a general attack against the Mahratta power, as the presence of some of their bodies, on the borders of the Company's provinces in Bengal, had been productive of much expense and annoyance. The Council at Bombay pointed out that the Mahrattas on the frontiers of Bengal acted independently of those at Poonah; and although they felt the importance of reducing their power, yet, in their opinion, the period was not arrived when the attempt could be made with any prospect of success. Ragobah had taken upon himself the principal direction of the affairs at Poonah, since the death of Nannah, and there was reason to believe that he had proceeded to join the Nizam. The government determined, therefore, to avoid all interference with their affairs as much as possible.

1763.

Rise of Hyder
Ally.

In May, 1763, HYDER ALLY, or HYDER NAIGUE,* began to attract attention. He had already

* Vide page 104



already taken Bednore and advanced into Canara. Mangalore submitted to him, and afterwards Onore. His object was to bring the whole of the forts on the sea-coast into subjection ; at the same time professing an anxious desire to keep on good terms with the Company, permitting them, under treaty of the 27th May, to erect a factory at Onore and to enjoy various privileges of trade.* He made an application to the Council for a supply of 7,000 stand of arms ; they acceded only to the extent of 500 stand, apprehensive that a complete refusal might create a misunderstanding.

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In March of this year, they permitted him to purchase some cannon, and to build a fighting vessel at Bombay, under the impression that he might check the Mahrattas and other freebooters on the coast. The Mahrattas, fearing his power, abstained from any movement. The Council remarked, that Hyder promised to become a very formidable enemy, unless he should be cut off, which his enterprising spirit rendered very probable, as his projects for extending his authority had caused him many enemies. His successes having deprived the Mahrattas of the *chout* in part of the Bednore country, they attacked him, and gained advantages over him in various engagements. He applied to the Nizam, and also to the Council at Bombay, for succour. The latter declined taking any

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* Printed Treaties, page 518.



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any part, unless satisfied that their interference was essential to promote the Company's interests.

In November, Hyder was so pressed by the Mahrattas, then within five miles of his camp, that he applied for aid to the Company's agent at Tellicherry, expressing, at the same time, his intention of making the whole of the Malabar powers tributary. The chief at Tellicherry expostulated with him against such an attempt, representing that, the Company being on terms of friendship with most of the native powers on the coast, they could not remain neuter, unless he guaranteed full security for the Company's interests. In December, he made application, through the agent at Onore, for aid, both for himself and the Nizam, in troops, stores, and guns, agreeing to defray every charge, and to grant the Company all the pepper trade on the coast. The Council, feeling it equally important to avoid giving umbrage to the Mahrattas, and to prevent their subduing the Bednore and Soondah countries, resolved to supply Hyder with four hundred stand of arms and one hundred barrels of gunpowder. The Directors disapproved of the disposition manifested to support Hyder, and remarked, that a man of his aspiring genius, supposing him to continue for any time, is more likely to become a formidable enemy than a friend.

Letter to
Bombay
22 March 1765.

Notwithstanding all these striking circumstances, you have added to your mismanagement by supplying him with arms



arms, buying cannon for him, and allowing him to build ships at Bombay.

1765.

BOMBAY.

These transactions render it extremely necessary that we should be informed of the history of Hyder Naigue, or Hyder Ally Cawn, in which your advices hitherto have been very deficient; you are, therefore, hereby directed to send us, by the first conveyances, an account of his rise, what particular countries he possesses, by what means he is become so powerful, his genius and character, and every other material circumstance necessary for our information.

In the foregoing part of this letter, we forbid your supplying any of the country powers with muskets, which we again, and positively, direct be strictly adhered to, unless to the king of Travancore, for the reasons there mentioned.

Cannon we absolutely forbid you supplying any one of the country powers with; and should not have thought there ever would have been a necessity for this, it appearing so remarkably inconsistent with our interest and policy.

We also positively forbid your supplying the country powers with any other warlike stores whatsoever, or by whatever name they are distinguished (the king of Travancore excepted, as observed in other parts of this letter); and we do the same with respect to all kinds of marine stores, unless upon very extraordinary occasions, and for which we shall expect you to give us, in the fullest and most explicit manner, your reasons for the necessity of any compliance.

With regard to building ships at Bombay for any of these people, it can never be for our interest, whatever it may for individuals, and, consequently, we positively forbid its being done in future.

In January, an expedition was undertaken for the purpose of subduing the Malwan pirates, when
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Malwan
pirates.



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Hyder pressed
by Mahrattas.

the fort of Rarree, in the Southern Concan, was captured.

The Mahrattas having driven Hyder to great extremities, the Council at Bombay felt that the whole of the Company's privileges on the coast might fall a sacrifice, in the event of their further progress. The resident accordingly addressed a letter to Mhaderao and Ragobah, pointing out the privileges granted by Hyder to the Company, and stating that they could not sit down tame spectators, and see him deprived of the means of continuing them. It was proposed that the Council should use their best offices to mediate between them and Hyder. The proposition was accepted, and terms were agreed to,* which ended in a peace, leaving Hyder in possession of the provinces of Bednore and Soondah.

Hyder extends
his conquests.

This arrangement had scarcely been concluded, when Hyder effected the reduction of the greater part of the country on the coast. He then directed his course towards Calicut, which having captured, he entered the Colastria dominions with 30,000 men, under the pretence of collecting two lacs of pagodas, stated to be due to the Bednore government, and attempted to pass the king of Cotiote's country. The spirit of aggrandizement which he manifested, led the Council to direct their agent at Onore to withhold from him all further supply of

* The 25th April 1765.



of fire-arms. In May, the Council were apprised that the king of Travancore had applied for aid to the Dutch, in case Hyder should invade his territory; but that his chief reliance was on the Company, to whom he was prepared to transfer the 3,000 candies of pepper, at the same price at which it was taken at by the Dutch, provided the Company would supply him with warlike stores, and defend his kingdom, he defraying the expense of such aid.

The depredations of Hyder were extensive and indiscriminate. At Rhandeterra, the Moors struck and destroyed the English colours, which were flying there. Ally Rajah appearing to be active in these operations, a detachment was sent against him. Hyder disavowed all intention of acting hostilely towards the Company: his declaration appeared deserving of credit, from the fact that, at the moment of his operations against the several petty native states, he sent his only ship of war to Bombay, to refit, which it was not likely he would have done, had he been in a state of hostility with the English. The Council took measures for opposing him, in the event of his attacking the Company's property; and, in the month of April, advised the Madras Presidency of the whole of their proceedings and future intentions, requesting them to co-operate, should circumstances lead to a rupture.

The Council at Madras were anxious that every

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Council at
Madras de-



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BOMBAY.

sious to maintain peace with Hyder.

means should be adopted to avert a collision with Hyder. They were apprehensive, if hostilities took place, that the whole of the country would be involved; and as he had the command of all the passes leading into the Nabob's country, he might, with ease, send his cavalry forward, and do great mischief, before effectual measures could be taken against him. They likewise considered that he presented an important check to the power of the Mahrattas.* Another reason which induced them to urge the maintenance of a good understanding was, the grant to the Company of the circars by the Mogul. Nizam Ally was indisposed to admit the Company's authority; and, should he join with Hyder, the Council felt that it would present a serious obstacle to the Company's establishing their power in those countries.

In consequence of these representations, the President at Bombay addressed a letter to Hyder, on the 11th July, adverting to the friendship and regard which he professed for the Company, and pointing out how totally inconsistent his whole course of conduct was with such a feeling. In order to place his relations towards the Company on a clear footing, the President transmitted fourteen articles, as the basis for a treaty of peace and firm friendship to be agreed to by him. The first declared, that "there shall be peace and friendship

* Consultations, June 1766.



friendship for ever ;"—the second, that the said Nabob has lately conquered the sea-coast from Cape Ramo north, to Penany south, &c. ; the Nabob to repay the Company what was owing to them by the Rajahs of the countries of which he had taken possession ; facilities of trade to be secured ; pepper to be supplied ; and provision made that he should not form a treaty with any European power, contrary to the interests of the Company ; nor was he to attack any power in alliance with them, more particularly the Nabob of Arcot. He was to send a list of articles he wished to be supplied with.

The answer from Hyder was dated the 28th September, and received on the 9th November at Bombay. The articles were completely altered by him ; the first commencing, "*Thanks be to God, I have subdued the coast of Malabar from the Cape of Ramo to Penany.*" Since there is so firm a friendship between the Honourable Company and this state, how can my people join with the Honourable Company's enemies ? As there is a fair friendship between the Honourable Company and this Circar, they shall always receive more compliments than others." The thirteenth article provided that, whenever the Honourable Company might want troops, he would furnish them with ten or fifteen thousand ; and, on the contrary, they were to furnish him, when his enemies rendered it necessary. He was to have



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annually, from the Company, a supply of three or four thousand muskets.

The following is an extract from Hyder's letter to the President :—" I have received your honour's esteemed letter ; thanks be to God, there is no separation or difference between your honour, the Honourable Company, and the Circar, and it is my desire that our friendships may be firm, and increase daily more and more. Mahomed Ally Cawn, of Arcot, has also an intention, through the persuasion of low people, to have some disputes with me : but I also take no notice of it, out of regard to your honour. Ally Rajah, although a well-wisher of your Honourable Company, the Nairs preserve a great enmity with, and consequently inform the chief of Tellicherry many things against him, which unjustly occasion him to be disgusted with him. I have also, in consequence of your letter, sent the articles I am in want of, and desire your honour will order it to be drawn out accordingly, and sent to me under your seal. I am now in want of the muskets, and, therefore, desire your honour will order to permit me annually to purchase from the Honourable Company three or four thousand new English muskets, and what gunpowder I may want. I am very glad to observe the offer made me of the Honourable Company's assistance, which is consistent with our friendship."

Character of
Hyder.

The Council at Bombay, in accordance with the
desire



desire expressed by the Court of Directors, sent home an account of the rise, connexions, and situation of Hyder. This paper appears to have been mislaid. Colonel Wilks, in his 'Historical Sketches of the South of India,' gives an account of Hyder, of whom he speaks in the following terms :

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“ An unknown volunteer in this obscure service (the reduction of Bangalore to the house of Mysore) was destined in after-times to become the head of a mighty empire ; to establish a reputation in arms, which, fairly viewing the scene on which he moved, and the instruments he was able to employ, has seldom been exceeded, and to threaten, with no ideal terrors, the extinction of the British power in India.”

This statement accords with a paper in the possession of the late Colonel Mackenzie, the surveyor-general of Bengal, which represented Hyder to have been the son of Fatty Naik, a soldier in the service of the Nabob of Sirpy, in the year 1728, who fell at the same time with his master in an action with a Patan chief, named Rei Mohamed, sent by Nizam ul Mulk, then soubhadar of the Deccan, against the Nabob. Hyder Naik was then about ten years old. He became a party in the hostilities which arose out of the contentions in 1750 for the Nabobship of the Carnatic, where he commanded a considerable body of troops raised through his own means.

In



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In 1754 he appears to have been engaged against the Poligars near Trichinopoly, and for his services received a considerable present from the rajah. In 1760 he recovered Bangalore from a Mahratta force which blockaded it, in the expectation that it might be added to the possessions already acquired by them in the country of Mysore.



CHAPTER IV.

THE state of affairs in India, as announced to the Home Authorities at the commencement of 1764, led to the appointment of Lord Clive* as president and commander-in-chief, which measure was communicated to the Council of Bengal in the following terms:—"The General Court of Proprietors having, on account of the critical situation of the Company's affairs in Bengal, requested Lord Clive to take upon him the station of president, and the command of the Company's military forces there, his Lordship has been appointed president and governor accordingly, as mentioned in the preceding part of this letter. The intention of the General Court, in desiring Lord Clive to go to Bengal, was, that by his Lordship's character and influence, peace and tranquillity might be the easier restored and established in that subahship. In order, therefore, to answer these purposes in a manner that we apprehend may prove most effectual, we have thought proper to

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Lord Clive appointed president and commander-in-chief.

* Colonel Clive had been raised to the peerage in March 1762, by the title of Lord Clive, Baron of Plassey, in Ireland.



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to appoint a committee on this occasion, consisting of his Lordship, Mr. W. B. Sumner, Brigadier-general Carnac, also Messrs. Harry Verelst and Francis Sykes, to whom we do hereby give full powers to pursue whatever means they shall judge most proper to attain those desirable ends; but, however, in all cases where it can be done conveniently, the Council at large is to be consulted by the said Committee, though the power of determining is to be in that Committee alone. We further direct, that, as soon as peace and tranquillity are restored and established in the subahship of Bengal, then the said extraordinary powers are immediately to cease, and the said Committee be dissolved."*

The proceedings which led to the nomination of Lord Clive as president and commander-in-chief, in 1764, are calculated to throw light upon points that gave to his Lordship's character an appearance of pertinacity, which the facts will tend in a great measure to explain. Considerable misapprehension also appears to have existed as to the conduct and motives of the Courts of Directors and Proprietors at that time.

In the early part of January 1764, the Court of Directors had resolved to remove Mr. Amyatt and others from the Company's service, in consequence of the unjustifiable course they had pursued towards
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* Letter from the Court of Directors to Bengal, the 1st June 1764.



the Nabob, in the conduct of the internal trade.* They had also appointed Mr. Vansittart president and governor, and Mr. Spencer, who was the seventh in council at Bombay, second member of the council at Calcutta, and successor to Mr. Vansittart. On the 4th February, nearly three weeks subsequent to those appointments, advices were received by the *Lapwing* from Madras, dated 3d September, 1763, which conveyed the first intelligence of an actual rupture with Meer Cossim, the death of Mr. Amyatt at Moorshedabad, and the failure of Mr. Ellis in his attempt to gain possession of the city of Patna. The latter gentleman would have been removed from the service, by the Court's orders of May 1763, which orders had not been received in Bengal when the above-mentioned occurrence took place.

The attention of the Proprietors and the public was drawn to those advices, their substance being stated in an anonymous advertisement, issued on the 8th February, and published in the papers by order of the Chairman. A special General Court was called on the 27th February, at the requisition of nine proprietors, for the purpose of considering the state of affairs in India. They met again on the 29th February, and on the 1st and 12th March. At these several Courts, all the proceedings touching the various revolutions in India,
down

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* Vide p. 87.



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down to the last elevation of Meer Jaffier, including the despatch of the 3d September, were read. It was then moved, to refer back the appointment of Mr. Spencer for the reconsideration of the Court of Directors: but the General Court adjourned without coming to any decision on the question. On the 12th March, another Special Court was held, at the requisition of nine proprietors, at which it was resolved, "that it is the desire of the General Court, that Lord Clive be requested to take upon him the station of president of Bengal, and the command of the Company's military forces there."

His Lordship, who was present, intimated, "that if the Court of Directors were as well disposed towards him as he was towards them, he should have no objection to the service; but till he found such a disposition, he desired to be excused from coming to any resolution." A letter was addressed to Lord Clive from the Court of Directors, on the 16th March, transmitting a copy of the General Court's resolution, and acquainting him that they were *unanimous* in assuring him, that they would most cheerfully concur in taking the steps necessary to carry the resolution of the General Court into effect, and in preparing every convenience for his passage. His Lordship's reply to the official communication, through the Secretary, was dated the 17th. "I have received your letter enclosing a copy of the resolution of
the



the last General Court. I must desire you will return the Directors my thanks, for their offers of preparing every convenience for my passage."

The letters were communicated to a General Court on the 21st March, when the Proprietors desired to know from Lord Clive, who was present, whether he was disposed to declare his immediate acceptance of the stations. His Lordship replied, that "he would give his answer as soon as the next election of Directors should be determined." A motion was then made, "that, Lord Clive declining to accept immediately the service proposed to him by the General Court, the Court of Directors be desired to make the proper arrangements, in the present critical situation of the Company's affairs." After a debate thereon, it appeared to be the sense of the Court, that every objection Lord Clive might have to his acceptance of the Company's service should be removed. His Lordship having declared that "he could not accept the service if the Deputy Chairman remained in the lead of the Direction," that gentleman repeatedly expressed the greatest inclination to co-operate, in the most honourable and friendly manner. Lord Clive then signified that he would declare his final resolution in a few days, which he was desirous of being indulged with. On the 28th March, his Lordship addressed the following letter to the Court of Directors:—

"Gentlemen:—It was agreed at the last General

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ral Court of Proprietors, that I should have a few days to consider and determine concerning the terms upon which I would accept of the request of the preceding Court of Proprietors, to take upon me the direction of their affairs in Bengal.

“Although I thought I had sufficiently explained myself on that head at the time the proposal was made, yet, as there seemed to be a disposition in many of the gentlemen of the Court for whom I have the highest respect, that a reconciliation should take place between Mr. Sullivan and me, so that this gentleman might still conduct the affairs at home, and that I might nevertheless venture, without fear of my reputation, abroad, I thought the respect which was due to those Proprietors, the duty I owe to myself, and the regard I shall ever feel for the interest of the Company, all called upon me, in the strongest manner, once more to revolve in my mind the possibility of such an union, consistent with the services I would endeavour to render the Company, and consistent with that attention which is due to my own honour.

“This I have endeavoured to do in the coolest and most dispassionate manner, after laying aside every prejudice, and judging only from the constant experience of things.

“Upon the whole, I still continue to be of opinion, that, in case the Proprietors think it for their advantage that Mr. Sullivan should remain

at



at the head of the Direction (or, as he was pleased to term it himself, should continue him in the lead of their affairs), I cannot accept their service: but in case the Proprietors should not think it necessary to continue Mr. Sullivan in such authority, I am willing and ready to accept their service, even supposing the next advices should pronounce their affairs in Bengal to be in as desperate a condition as ever they were in the time of Suraja Dowla.

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“Should a Direction be settled with whom I can *possibly* co-operate, every thing will be easily adjusted, since I have no interested views in going abroad.

“At the same time, I never desired, or even wished, to name a Direction, as some industriously spread abroad; I only object to one man having the lead in the Company's affairs, in whom I have so often and publicly declared I never can place any confidence, and who, in my opinion, has acted, and does continue to act, upon principles diametrically opposite to the true interest of the East-India Company.

“I have the honour to be, with great respect,
gentlemen, your most obedient humble servant,

(Signed) “CLIVE.”

“Berkeley Square,
March 28th, 1764.”

No answer was returned to his Lordship's letter. The annual election took place on the 12th
April;



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April; new Chairs being chosen on the 13th, Mr. Sullivan returned into the body of the Court. On the 18th, a letter was addressed to Lord Clive from the Court, through their Secretary, desiring his Lordship to signify his determination as to proceeding to India, and that he would favour the Chairs with a conference on the following morning. In consequence of such communication, Lord Clive repaired to the India House on the 19th, and being desirous of explaining himself to the Court, he was introduced. After acknowledging that he felt bound in honour to accept the invitation of the General Court, he declared that he had no interested views therein, but that his sole object was that of serving the Company. He expressed his sentiments generally as to the political, commercial, and military affairs of the Company, he stated that he could not proceed if Mr. Spencer continued in Bengal, as such measure would be the occasion of several of the Council resigning the service; and that he also apprehended there would be great impropriety in his proceeding to India whilst the law-suit relating to his jaghire was depending.

On the 27th, his Lordship having stated that he should be ready to take upon himself the government, although his offer as to the jaghire should not be agreed to; addressed the Court at considerable length, submitting various suggestions, which he conceived would tend to promote the Company's



Company's interests. The Court of Directors on that day rescinded the nomination of Mr. Spencer as second in council, and re-appointed him to Bombay.

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On the 30th April, Lord Clive was sworn in as president of Fort William and commander-in-chief of the Company's forces there. On the 5th May, the General Court resolved to grant to his Lordship the proceeds of the jaghire for ten years; it was also resolved that covenants should be entered into by the Company's servants not to receive gifts, presents, or rewards in India. The orders prohibiting presents, and desiring covenants to be entered into, were opened and recorded by the Council at Calcutta, on the 24th January 1765. Jaffier Ally Khan died on the 5th February following, when Nazim-ood-Dowlah, the Nabob from whom the members of the Council were charged, on Lord Clive's arrival, with having received the present of twenty lacs, succeeded to the musnud.

The Committee of Correspondence having been appointed to confer with Lord Clive on the various suggestions he had made, and to report their opinions to the Court, the Committee, on the 25th May 1764, recommended, "that, in order to restore peace and tranquillity in Bengal, full powers be given to our president and governor Lord Clive, Mr. Sumner, General Carnac, Messrs. Verelst and Sykes, to pursue whatever means they



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they judge most proper to attain the same; but that, when it can be done conveniently, they are to consult the Council at large. However, when those desirable objects are obtained, the said extraordinary powers are immediately to cease."

The Court of Directors adopted the recommendation of the Committee on the same day, and, as already shewn, it formed part of the instructions to the President and Council at Calcutta.

Such were the facts connected with Lord Clive's appointment. It has however been stated that, "during the military and political transactions which so intensely engaged their servants in India, the Courts of Directors and Proprietors remained for several years rather quiet spectators and warm expectants, than keen and troublesome controllers.

"When they had been agitated for a while, however, by the reports of mismanagement which were mutually transmitted to them by Vansittart and his opponents, and, at last, when they were alarmed by the news of a war actually kindled with the Nabob, of the massacre of so many of their servants, and the extensive spirit of mutiny among the troops, their sense of danger roused them to some acts of authority. Though Clive had quitted India with an act of insult towards his employers, which they had highly resented; though the Directors had disputed and withheld payment



payment of the proceeds of his jaghire, for which he had commenced a suit against them in the Court of Chancery; he was now proposed for governor, as the only man capable of retrieving their disordered and desperate affairs. Only thirteen Directors, however, were found, after a violent contest, to vote for his appointment, while it was still opposed by eleven. Yet the high powers which he demanded, as indispensable for the arduous services necessary to be performed, though strongly opposed, were also finally conferred. He was invested with the powers of commander-in-chief, president, and governor, in Bengal, and together with four gentlemen, named by the Directors, was to form a Select Committee, empowered to act by their own authority, as often as they deemed it expedient, without consulting the Council or being subject to its control."

With regard to the first clause of the passage, the Company's records shew, that both the Courts of Directors and Proprietors watched with much solicitude the progress of affairs in India. There is nothing which authorizes the inference, that they were at that period "warm expectants," (it is presumed) either of new acquisitions or exorbitant gains. They desired the means of meeting the heavy expenditure which the operations in that country had entailed upon the Company. They advised and directed, where advice and direction could be safely given; and although

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they wisely abstained "from controlling any measures which the exigency of circumstances might have called for on the part of the Council, they communicated their sentiments and wishes thereon to their servants."

Indeed, the principles which governed the Court at that early period of the Company's political history, present an extraordinary coincidence with those expressed by the Court, only in the month of January 1835:—

"Long experience, as well as reflection, has convinced the Court of Directors, that, under the very imperfect knowledge which can here be attained of all the circumstances connected with, and bearing upon, public arrangements and operations of the government in India, there are few cases in which precise and peremptory rules ought to be prescribed. The course which they have followed, as the only safe and salutary one, has been, to be copious and minute in instructions and observations, both as regards the principles to be acted upon, and the application to be made of them in particular circumstances: but to be very sparing in orders and rules, which leave not a latitude to those on the spot, who alone are competent to frame their measures in such a manner as to adapt them to circumstances which here may have been only partially known."

So far from the Court having been aroused to acts of authority by the news of actual hostilities

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ties with the Nabob—by the massacre of so many of their servants—and by the extensive spirit of mutiny among the troops, it has been seen that they had exercised those acts of authority before any such news had reached England. That the death of Mr. Amyatt was not known to the Court until three weeks after he had been removed from the service; the account of the massacre did not arrive until three months, and that of the mutiny until six months, after the appointment of Lord Clive; and instead of its having been considered an extensive mutiny, the Court of Directors, on the 11th October, 1764, caused the following notice to be issued through the daily papers: “We can with good authority assure the public, that although, by the last advices from Bengal (7th February), the East-India Company were informed there had been a mutiny among the troops, instigated and encouraged by some French soldiers, about one hundred and fifty in number, who had enlisted in the Company’s service, yet the same, at the time of despatching those advices, was quelled, without the loss or desertion of a single European, except those Frenchmen above-mentioned.” The appointment of Lord Clive was that of the Court of Proprietors, and not of the Court of Directors. With regard to the high powers stated to have been “demanded,” it would be inferred from the statement that they formed one of the stipulations under which his



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Lordship accepted the office of president; whereas he was sworn in on the 30th April, and it was not until the 25th May that the recommendation of the Committee of Correspondence already noticed, which was agreed to in personal communication with, and not in consequence of any demand from his Lordship, was adopted by the majority of the Court. It was on that occasion that the eleven Directors dissented not from his appointment but from the resolution conferring such powers on the Select Committee, which was to consist of four members besides his Lordship; and so far from the act conferring such powers being unusual, the principle had obtained, of appointing a Select Committee to act irrespective of the Council, since February, 1756.

In the instance of the expedition to Madras under Colonel Forde, in 1758, the Select Committee acted under such powers, as appears by the Consultations of the 21st August in that year. In the instance of Mr. Vansittart, in February 1764, only three months preceding the proposition for conferring the powers in question on Lord Clive and the Committee, full powers had been given by the Court to Mr. Vansittart "with authority to pursue whatever means he judged most proper to attain the object. He was in all cases, where it could be done conveniently, to consult the Council at large, or at least the Select Committee, though the power of determining was *to be in him alone!*"

Lord

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Lord Clive arrived at Calcutta, and took his seat as President, on the 3d May. One of the first measures of the Select Committee was the suppression of the internal trade, which had been the cause of such serious and frequent disputes. In accordance with the opinion of the Select Committee, an order was issued in Council, on the 20th May, requiring all European agents employed in the different parts of the country to repair to the presidency by the 1st August. The attention of the Council was also drawn by the President to a representation from the Nabob, that, since his father's death, a distribution had been made of twenty lacs by Mahommed Reza Khan, for the purpose of maintaining him in his station, and that members of the Council had participated in the gifts. Mr. Leycester, one of the members of the Council, recorded a minute explanatory of the course he had followed. On the 7th June, the subject of receiving presents from the country government and its officers, contrary to the orders from home, and to the covenants required to be entered into by the servants of the Company, being brought under discussion by the proceedings of the Select Committee, Mr. Johnstone, a member of the Council, desired that the question, "whether the acceptance of all presents is improper?" might be put to each member of the Board. Of the eight members present, including the President, four gave a decided or qualified opinion in favour of receiving presents ;

Presents accepted by members of Council.



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BENGAL.

presents; and four, including the President, were opposed to their receipt.*

The

* Extract Bengal Consultations, 7th June, 1765 :—

Mr. BURDETT is of opinion, "That such presents may be received or not, according to particular circumstances; that the Nabob had a right to dispose of his own property, and that the presents, on the occasion in question, might with great propriety be received."

Mr. LEYCESTER: "That where they are not the price of services, they may very properly be received."

Mr. SYKES: "That presents at all times from the Nabob or his officers are very improper, as tending to the prejudice of the Company's interests."

Mr. JOHNSTONE: "That where they are not the price of unworthy services, and no trust is betrayed for them, the acceptance of them is no way improper; and, in the present case, as being previous to the execution [*but not the receipt of the orders**] of the deed of covenant, as warrantable as in time past by any who had received them."

Mr. VERRELS is of opinion, "That the receiving of presents, at a time the Board are doing their duty in supporting the government, and in the interest of the Company, is highly improper; and the more so in the present instance, since he is informed that the Company's orders and covenants were received in Calcutta before the tender of them."

Mr. PLEYDELL agrees in the opinion given by Mr. Leycester.

Mr. SUMNER is of opinion, "That the acceptance of presents after the receipt of the Company's orders to the contrary, and the covenants, is very improper."

The PRESIDENT: "That no presents whatever ought to have been accepted after the receipt of the covenants, except in the manner specified therein."

Mr. LEYCESTER recorded, on the 11th June, a minute, of which the following is an extract. It is a singular document, and presents a curious specimen of reasoning in support of his views :—

"When

* *Vide* page 127.



The following extract from a minute recorded by Mr. Johnstone in Council, on the 17th June, evinces a strong party spirit, as well as a jealous feeling towards Lord Clive and the Select Committee, and affords some clue to the reasons which doubtless operated on the mind of his Lordship, in pressing for the removal of Mr. Spencer from Council.*

“It seems the aim of the (Select) Committee to render the proceedings of the late President and Council, if possible, obnoxious, instead of striving to promote the cordiality so much to be wished.

To

“When the Company’s interests were altogether secured, and the orders of the Board fully executed, it is very true that I accepted a present from the Nabob. I never made a secret of it, as the custom of this country on such occasions, well known to every body, *sanctifies* the acceptance; and where presents have not been esteemed the price of improper services, I never heard a reflection cast on those who did receive them. It has always been my opinion, that, in a country not under the most absolute tyranny, every man’s property was at his own disposal, and every one was at liberty to accept what was offered without fear or compulsion, the same not being a consideration for improper services. The adopting opposite maxims is contrary to the known practice of those who have gone before us; and though absolute orders, with a penalty annexed, may make the receiving presents improper and inconvenient, yet they cannot alter the rectitude of the act itself; and I will venture to appeal to the common sentiments of mankind, which, I am persuaded, will condemn that man as a very absurd one, who, having an opportunity of obtaining a comfortable maintenance for no dishonourable sacrifice, should decline the occasion.”

* *Vide* page 126.

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BENGAL.



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BENGAL.

To what causes must we attribute this temper of the Committee? One would almost think they were piqued to find the interest of the Company so well secured before their arrival; only they must know that their coming at all was doubtful, and the gentlemen who had felt the defects of the former treaty, were full as well qualified to remedy them in the new one, and have no doubt their masters will approve their services. I have heard that the Governor has expressed much chagrin, that the affair of his jaghire has been settled according to his agreement with the Company without his interposition, though a better opportunity could not have occurred to get it done. Mr. Spencer, than whose merit none stands in a fairer light with the Company, was, if I may so call him, *the darling of that party which in England opposed Lord Clive and the gentlemen of the Committee*. Any attack of him or his measure, is an attack on the party who espoused him; and though I would not assert that any such sentiments influenced any member of the Board, yet I cannot help being surprised at the uncommon neglect and disregard shewn to Mr. Spencer by Lord Clive."

Lord Clive recorded a minute on the 24th June, as to the jaghire, which had been so broadly adverted to by Mr. Johnstone. His Lordship did not shrink from boldly maintaining what he conceived to be his just rights, from the earliest moment the point became matter of dispute until
the



the final settlement of the question :—"As to the recrimination of my having formerly received a present from Meer Jaffier, which Mr. Johnstone would establish as a precedent to be followed by every body, he is not ignorant that it was given to me in a military capacity only, as a reward for real services rendered to the Nabob at a very dangerous crisis ; nor was that reward ever stipulated, required, or expected by me, or with my knowledge. Be it also remembered, that what I received in consequence of the battle of Plassey, was the only present I ever did receive, although I remained, during the space of nearly three years afterwards, President of the Council, and at the head of a victorious army. Let the impartial world determine, whether those who have succeeded me with inferior pretensions, and even in inferior stations, have conducted themselves with equal propriety or moderation. It is unnecessary for me to dwell longer upon the subject of my own conduct, having long ago published every particular relating to it, and having long ago had the satisfaction of seeing it approved by my employers. If all Mr. Johnstone's transactions will bear the test as well as mine, he will no doubt receive as honourable testimonials of public approbation as I did. The gentleman has heard, it seems, that I expressed some chagrin in finding that the confirmation of the jaghire to the Company on the expiration of ten years, or at my death, had been obtained (at-

tempted,

1765.
BENGAL.



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BENGAL.

tempted, I suppose he would have said, for it is not yet obtained) without my interposition. As this part of Mr. Johnstone's minute happens to be a fact, I will do him the justice to acknowledge it. I have not scrupled to say, and I still continue of opinion, that the late President and Council were officious in applying for the confirmation. The Court of Directors, in their letter of the 1st June last, expressly say, that they need give no other directions relative to that business, than that the Council shall co-operate with me in effecting it; and that, in case of my death, then the President and Council for the time being shall solicit for, and use their best endeavours to obtain, the grant, in as effectual a manner as if I had been living to co-operate with them. These being the orders, the only orders, they received, and the opportunity they so much dwell on being of no importance, I cannot help repeating, that the application which the gentlemen thought fit to make to the Nabob was officious, and strongly intimated either a distrust of my intentions to complete the agreement I had entered into, or an inclination to deprive me of that small testimony of my attachment to the Company."

Necessity for
powers of Se-
lect Commit-
tee.

Nothing could more strongly prove the necessity for his Lordship being armed with the powers that had been conferred upon him and the other members of the Select Committee, than the proceedings which have been so fully noticed. A reference

to

1765.
BENGAL.

to the documents is essential, in order to place the facts before the reader, and to enable him to form a correct opinion as to the conduct of Lord Clive, in the various peculiar and difficult positions in which he was placed.*

On the receipt of Mr. Leycester's minute, and the other proceedings, the Court wrote as follows :
"In the thirtieth paragraph of our letter of the 19th February last, we expressed our surprise that the covenants were not executed, nor any notice taken of them; judge, then, what we feel on learning, from Mr. Leycester's minute on Consultation, 11th June, 1765, that they never were intended to be executed; and we presume he speaks not only his own sentiments, but the sentiments of his colleagues, when he says, the covenants were rather the effects of party than the cool sentiments of his masters, and that it was probable parties would unite in abolishing covenants that could only injure individuals, and do
the

* Before the Directors had received intelligence of the proceedings in Council, and the minute of Mr. Leycester, they wrote to Bengal, on the 19th February, 1766:—"We cannot avoid taking notice, that the late President and Council neither acknowledged the receipt of the covenants relative to the receiving presents from the country government, nor have they taken the least notice of them. We hope there is no further meaning in this neglect than the deferring it till Lord Clive's arrival; yet, when we consider the total disregard of our most solemn orders on the most important subjects, we know not where their disobedience will stop."



1765.

BENGAL.

the Company no service. If our servants presume thus to call in question our most direct and positive orders, enforced, too, by the general voice of the whole body of Proprietors, it is time for us to exert the authority vested in us, and to do justice to the injured natives, to our own honour, and to the national character.

“The proceedings of the Select Committee have laid open to us a most complicated scene of corruption.

“Neither can we admit, that the vast sums obtained on this occasion were by any means free gifts; the dependent situation of the Soubah is itself a refutation of the plea; and his letter to Lord Clive and the Select Committee, with the concurrent testimonies of the Seats, and Mahmud Reza Cawn, together with the depositions of the several people examined in this matter, amount to the clearest proofs that they were exacted from the several parties as the terms of the protection granted them; and, lastly, we shall say a word or two to what those gentlemen vainly imagine makes strong in their defence, that no interest was sacrificed to obtain them.

“The Company was engaged in a war which, as far as we can judge, cost them from ten to twelve lacs per month, for which the Nabob had stipulated to pay no more than five lacs per month, and even that fell in arrears; the Nabob was at this time pressed for payment of the remaining
thirty



thirty lacs for restitution, besides other unlawful demands on him. It cannot surely be pleaded that, under these circumstances of the Soubah and the Company, no interest of the Company was sacrificed to obtain them! We think these gentlemen sacrificed their own honour, the interest and honour of the Company, and of the nation.

“We are sorry to see some of the gentlemen have thought fit to justify their breach of trust by a breach of order, in pleading the covenants were not executed, therefore not obligatory. But so totally do we differ from them, that we think them not only guilty of a breach of those particular covenants, but also of the general covenants, which were entered into before these last were found so necessary.

“The cavils and opposition of several of the members of the Council to the powers and conduct of our Select Committee, appear most evidently to have been calculated to screen and obstruct the inquiries into and detection of their misbehaviour; but we are satisfied you have had the real interest of the Company constantly in your view, in all your researches into the general corruption and rapacity of our servants, with the spirit and disinterestedness which do you honour, and merit our approbation.”*

Ten

* Letter to Bengal, 17th May, 1766.



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BENGAL.

Ten servants, including Mr. Spencer, were dismissed the Company's service.

Shuja Dowla, having found means to engage Mulhar, a considerable Mahratta chief, in his alliance, made formidable preparations to penetrate a second time * into the Nabob's dominions. The measures pursued by Brigadier-general Carnac, who had assumed the command of the army, prevented a junction of the numerous forces destined for the invasion, and averted the consequences of a ruinous war, which must have been supported through another campaign. Having reason to believe that their intention was to fall upon Sir Robert Fletcher, who commanded a separate corps in the Corah district, the general by forced marches united his troops with those of Sir Robert, and, on the 3d May, coming up with the enemy, completely defeated them. The Mahrattas retired with precipitation towards the Jumna, where they took up a position, whence they intended, if possible, to re-enter the district of Corah. The general attacked them again on the 22d, and obliged them to retire to the hills.

Shuja Dowla
defeated.

Surrenders to
the British Go-
vernment.

The Vizier, Shuja Dowla, having intimated a desire to throw himself upon the generosity of the British Government, was received with the respect which was considered due to his rank.

It

* *Vide* page 93.



It appeared to the Council, that a peace with the Vizier was the immediate object to be attained. Lord Clive accordingly quitted Calcutta on the 24th June, to conclude a treaty; for which purpose, his Lordship was furnished by the Council with the following instructions:—"Experience having shewn, that an influence maintained by force of arms is destructive of that commercial spirit which we ought to promote, ruinous to the Company, and oppressive to the country, we earnestly recommend to your Lordship, that you will exert your utmost endeavours to conciliate the affections of the country powers, *to remove any jealousy they may entertain of our unbounded ambition, and to convince them we aim not at conquest and dominion*, but security in carrying on a free trade, equally beneficial to them and to us. With this view, policy requires that our demands be moderate and equitable, and that we avoid every appearance of an inclination to enlarge our territorial possessions. The sacrifice of conquests, which we must hold on a very precarious tenure, and at an expense more than equivalent to their revenues, is of little consequence to us; yet will such restitutions impress them with a high opinion of our generosity and justice. For these reasons, we think Shuja Dowla should be reinstated in the full possession of all his dominions, with such limitations only as he must see are evidently calculated for our mutual benefit. We would decline

1763.

BENGAL.

Lord Clive proceeds up the country and concludes a treaty with the Vizier and Nabob.

in



1765.
BENGAL.

insisting upon any terms that must prove irksome to his high spirit, and imply a suspicion of his sincerity. Retaining possession of any of his strongholds may possibly be deemed a necessary pledge of his fidelity. For our parts, we would rather consider it as the source of future contention and an unnecessary burthen to the Company, unless it be one day proposed to resume the thought of extending their dominions: a measure very opposite to the sentiments in which we left the Court of Directors."

In accordance with these instructions, his Lordship and General Carnac concluded a treaty of peace with Shuja Dowla and the Nabob, on the 16th August, at Allahabad.* Whatever reasonable expectations the Council entertained that this treaty would secure their friendship and fidelity, and render the public tranquillity permanent, it was the commencement of a connexion which has been a fruitful source of discussion to the present day.

The Nabob was extremely averse to the establishment of factories in his dominions, as he justly considered, from past experience, that they would lay the foundation of a future rupture, and prove the only thing that could possibly disturb our amity. The word *factories* was omitted in the treaty; but without relinquishing the right, should it be found expedient, after mature deliberation,

* *Vide* Printed Treaties.

1765.
BENGAL.

ration, to enforce it, the Council stated that they could foresee no benefit to arise to the Company from maintaining settlements at so vast a distance from the presidency, whatever advantages might accrue to their servants. The prospect was so remote, while the expenses were so certain, the risk so evident, and the disputes it might occasion so probable, that they were of opinion the factory lately established at Benares ought immediately to be withdrawn. They considered the limits of the Nabob's dominions sufficient to answer all purposes, and that they ought to constitute the boundaries, not only of all the Company's territories, possessions, and influence, but of their commerce also. "Grasping at more would endanger the safety of the revenues, and the well-founded power which they enjoyed, without the hope of obtaining an adequate advantage."

A sufficient provision was secured for the support of the king's honour and dignity, without danger of his becoming a future incumbrance. Twenty-six lacs yearly were granted to him on the revenues of Bengal, an income far more considerable than he ever before enjoyed. The Select Committee then announced, that, "in gratitude for this instance of our attention to his interest, his majesty has been pleased to bestow on the Company the most important grants ever yet obtained by any European state from the Mogul Court.



1765.

BENGAL.

DEWANNY
granted to the
Company.

Besides confirming to the Company all their former possessions, and securing to them the reversion in perpetuity of Lord Clive's jaghire, he has conferred on them the DEWANNY OF BENGAL, BAHAR, AND ORISSA, and, ratified in the strongest terms an agreement we proposed concluding with the Nabob, if the king's consent could be procured."* Another article stipulated that Shuja Dowla should pay the Company fifty lacs of rupees, by way of indemnification for the charges incurred by the war. The surrender of Cossim, Sumroo, and the deserters, was utterly out of his power. The former had sought shelter in the Rohillah country, and the latter under the protection of the Jauts. It was agreed that they should never meet encouragement or assistance from Shuja Dowla, or be again admitted into his country. A sanguine hope was entertained that the treaty of peace would be lasting, and our frontiers in that quarter perfectly secure against foreign invasions.

The Select Committee then observed: "The time now approaches, when we may be able to determine, with some degree of certainty, whether our remaining as merchants, subjected to the jurisdiction, encroachments, and insults of the country government, or the supporting your privileges and possessions by the sword, are likely to

* Letter from the Select Committee, 30th September, 1765.



to prove most beneficial to the Company. Whatever may be the consequence, certain it is that, after having once begun and proceeded to such lengths, we have been forced to go on from step to step, until your whole possessions were put to the risk by every revolution effected and every battle fought. To apply a remedy to those evils, by giving stability and permanency to your government, is now, and has been, the constant object of the serious attention of your Select Committee."

1765.
BENGAL.

These remarks justly point out a state of things flowing from the progress of events so self-evident, that they require no comment. It has been charged upon Lord Clive, that he had planned or contemplated the acquisition of the Dewanny when at Madras, on his passage out. It should not be forgotten that the Dewanny of Bengal had been offered to the Company in 1761.* His lordship denied the justice of the charge. But so far from attaching any thing like criminality to the idea, had it been entertained by Lord Clive, it must have been clear to any one who had watched the course of things, that it was the most likely measure to prevent a recurrence of those disputes and disagreements with the Nabob, which had so frequently occurred and had been so strongly condemned. The Select Committee them-

Beneficial results anticipated.

* *Vide* page 47.



1765.
BENGAL.

selves seem to have felt such to be the case, in writing to the Court :

“ The perpetual struggles for superiority between the nabobs and your agents, together with the recent proofs before us of notorious and avowed corruption, have rendered us unanimously of opinion, after the most mature deliberation, that no other method could be suggested of laying the axe to the root of all these evils, than that of obtaining the Dewanny of Bengal, Bahar, and Orissa for the Company. By establishing the power of the Great Mogul, we have likewise established his rights; and his majesty, from principles of gratitude, equity, and policy, has thought proper to bestow this important employment on the Company, the nature of which is, the collecting all the revenues, and after defraying the expenses of the army, and allowing a sufficient fund for the support of the Nizamut, to remit the remainder to Delhi, or wherever the king shall reside or direct.”

Court's views
on acquiring
the Dewanny.

The Directors expressed their sentiments on this event in the following terms :* “ We come now to consider the great and important affair of the Dewanny. When we consider that the barrier of the country government was entirely broke down, and every Englishman throughout the country armed with an authority that owned no superior, and exercising his power to the oppression

* Letter to Bengal, 17th May, 1766.



sion of the helpless native, who knew not whom to obey, at such a crisis, we cannot hesitate to approve your obtaining the Dewanny for the Company.

1763.
BENGAL.

“ We must now turn our attention to render our acquisitions as permanent as human wisdom can make them. This permanency, we apprehend, can be found only in the simplicity of the execution. We observe the account you give of the office and power of the king's Dewan in former times was—the collecting of all the revenues, and after defraying the expenses of the army, and allowing a sufficient fund for the support of the Nizamut, to remit the remainder to Delhi. This description of it is not the office we wish to execute ; the experience we have already had, in the province of Burdwan, convinces us how unfit an Englishman is to conduct the collection of the revenues, and follow the subtle native through all his arts to conceal the real value of his country, to perplex and to elude the payments. We therefore entirely approve of your preserving the ancient form of government, in the upholding the dignity of the Soubah.

“ We conceive the office of Dewan should be exercised only in superintending the collection and disposal of the revenues, which office, though vested in the Company, should officially be executed by our resident at the durbar, under the control of the Governor and Select Committee,
the



1765.
BENGAL.

the ordinary bounds of which control should extend to nothing beyond the superintending the collection of the revenues and the receiving the money from the Nabob's treasury to that of the Dewannah, or the Company.

“The resident at the durbar, being constantly on the spot, cannot be long a stranger to any abuses in the government, and is always armed with power to remedy them. It will be his duty to stand between the administration and the encroachments always to be apprehended from the agents of the Company's servants, which must first be known to him; and we rely on his fidelity to the Company to check all such encroachments, and to prevent the oppression of the natives. We would have his correspondence to be carried on with the Select Committee through the channel of the president. He should keep a diary of all his transactions. His correspondence with the natives must be publicly conducted; copies of all his letters sent and received be transmitted monthly to the presidency, with duplicates and triplicates, to be transmitted home, in our general packet, by every ship.” This was the introduction of the system of recorded check, which has since prevailed in conducting the home administration of the India government.

Opposition to
Lord Clive.

After Lord Clive had returned to the presidency, various questions arose, which involved a great difference of opinion, and a spirit of opposition



tion was evinced towards his Lordship, which rendered it absolutely necessary either that he should adopt strong and decided measures for maintaining the authority with which he was invested, or at once relinquish the government.

The latter course would have left the interests of the Company to parties who had evinced a contempt for all authority, and a determination to promote their own interests at any cost. His Lordship stated that the series of excesses which he had pointed out were not confined to the civil service, but the thirst after riches was daily promoting the ruin of the army. He dwelt upon the encroachment of the military upon the civil jurisdiction, and their attempt to be independent of the civil authority, and observed, "the whole army should be subordinate to the civil power, and it is the indispensable duty of the Governor and Council to keep them so. If at any time they should struggle for superiority, the Governor and Council must strenuously exert themselves, ever mindful that they are the trustees for the Company in this settlement, and the guardians of public property under a civil institution."

After touching upon various other points connected with the state of the public affairs in India, his Lordship adverted to his contemplated return to England in the ensuing year.

"Calcutta, 30th September, 1765 :—Permit me now to remind you, that I have a large family

who

1765.
BENGAL.

His Lordship's
views.

His intended
return to
England.



1765.
BENGAL.

who stand in need of a father's protection ; that I sacrifice my health, and hazard my fortune, with my life, by continuing in this climate. The first great purposes of my appointment are perfectly answered ; peace is restored, and my engagement to procure for the Company the reversion of my jaghire is completed in the fullest manner, since it is not only confirmed by the present Nabob, but by the Great Mogul. I now only wait to be informed whether my conduct thus far be approved of, and whether the whole or any part of the regulations I have had the honour to lay before you are conformable to your ideas of the reformation necessary to be established. If they meet with your approbation, I doubt not you will immediately empower me, in conjunction with the Select Committee, to finish the business so successfully begun, which may easily be effected before the end of the ensuing year, when I am determined to return to Europe, and hope to acquaint you, in person, with the accomplishment of every wish you can form for the prosperity of your affairs in Bengal." In May, 1766, the Court of Directors sent an overland despatch, on learning the intention of Lord Clive to quit India, and requested his continuance in the government: "The stability of your Lordship's plan," they observed, "with respect to our possessions and revenues, the peace of the country, and effecting a thorough reformation in the excessive abuses
and

Requested by
the Court to
remain.

BENGAL.
1765.

and negligence of our servants, require time, care, and ability to accomplish; we cannot, therefore, but be under great concern at the notice your Lordship has given us of your intention to leave Bengal the end of this year. But as the interest of the Company depends upon your Lordship's perfecting what you have laid so good a foundation for, it is our earnest and unanimous request, that you will continue another season in Bengal; the doing which will further add to the honour and reputation your Lordship has already most deservedly acquired, and will lay a lasting obligation upon the Company. This request is of so much consequence, that we have thought it necessary to send it overland, to be forwarded to Bengal by way of Bussorah, as it may probably come to your hand before the arrival of the *Mercury* packet, which we are using our endeavours to get away in about a fortnight; by which we shall send our sentiments, observations, and directions, upon the several advices received by the *Admiral Stevens*, as fully as so short a time will admit of."

The Select Committee being of opinion, that opening a communication between the Northern Circars and Bengal would prove mutually advantageous to the presidencies of Fort St. George and Bengal, they determined to embrace the favourable opportunity, which the feeble condition of the Mahrattas afforded, to carry the measure into execution; for which purpose they "set

Northern Circars.

on



1765.

BENGAL.

Political relations.

on foot a negociation with their chief," proposing that he should cede to the Company the northern parts of Orissa, now in his possession, upon our paying a certain stipulated annual revenue. But whatever his determination might be, it was resolved not to attempt gaining the advantage by violence or force of arms.

The political relations of the Government appeared to be in a satisfactory state. Shuja Dowla was disposed to cultivate our friendship, and adhere strictly to the conditions of the late treaty. Colonel Smith's brigade was stationed at Allahabad and Benares, to secure the king and vizier against the invasions of the Mahrattas, until they had fully re-established themselves, and completed the payment of the stipulated indemnification to the Company. The king's visionary projects, of seating himself, with the Company's assistance, on the throne of his ancestors, and proceeding to Delhi, his capital, appeared "to have vanished" before the Select Committee's remonstrances; and they hoped that he was at length convinced that, without our aid, the scheme was impracticable. On this point, it was remarked, in the letter to the Court, "we are certain it never can be your interest to extend the influence of your arms to so great a distance from your present possessions and the seat of your government."*

Peace

* Letter from Bengal, dated 31st January 1766.



Peace being happily restored to the provinces, the Select Committee stated, "it would be their study to preserve and prolong those advantages which had already begun to be experienced."

1766.
BENGAL.

To supply the places of two members of the Council who had resigned, of one who had been suspended, and of three who had evinced a total unfitness for the station, and in consideration of the extreme youth of most of the other servants, the Select Committee determined to call in the assistance of four meritorious servants from Madras, until the pleasure of the Court of Directors should be known.† The proceeding occasioned great dissatisfaction amongst the Bengal servants, and led to an association against the proceedings of the committee, and an agreement not to visit or accept invitations from the Governor. "However puerile, it is the fact," observed his Lordship. The same spirit prevailed against all but one member of the Select Committee. The secretary to the Council, being at the head of the association, was suspended.

Servants called
from Madras.

After entering into these details, and pointing out the remedies which his Lordship considered essential to be introduced in the general system of the service, he stated it to be his intention, so soon as the ships were despatched, and the gentlemen who were expected from Madras should have

* The Court of Directors approved and confirmed this step.



1766.
BENGAL.

Lord Clive proceeds up the country.

have arrived, to proceed up the country, for the purpose of supervising in person the Company's affairs.

Lord Clive, accompanied by General Carnac, accordingly, left the presidency at the close of March.

On the 8th April, his Lordship addressed a letter to the Council, dated at Moostejeyl, stating that, as the receipt of a legacy did not appear to be prohibited by the new covenants, he had received from the Begum, wife of the late Nabob Meer Jaffier, an obligation for the sum of five lacs of rupees, which was bequeathed to him by the Nabob, a few hours before his death, in the presence of many witnesses, whose attestations would be forwarded, to be laid before the Board. His Lordship added, that he should immediately pay the amount into the Company's treasury, to form a fund, the interest of which to be applied by way of pension to officers, non-commissioned officers, and private men, disqualified by wounds, or disease, or length of service, from further duty, and likewise to their widows who might be left in distressed circumstances.

Formation of
Lord Clive's
fund.

The Council were unanimously of opinion, that the receipt of the legacy was in no way prohibited by the new covenants, and expressed the lively sense they entertained of his Lordship's "generous and well-placed donation."

This act of generosity, for so it was termed by the



the Court of Directors as well as by the Council abroad, has not escaped severe animadversion. Although the legacy was left by Meer Jaffier to Lord Clive during his Lordship's passage to India, in February, 1765, it has been alleged, that it was the act of Jaffier's son, Nujeem-ool-Dowla, and that it not only partook of the character of a present, but was another instance of the acquisitions of Lord Clive, which came "subsequently" to view, and had, it may therefore be supposed, been previously and purposely concealed.

The despatch from Bengal, announcing the donation, was received by the Court on the 19th June, 1767. Doubts having arisen whether, under the covenants, his Lordship could legally accept the bequest, the subject was brought under the consideration of the law-officers of the Company and the Crown, by some of whom it was maintained, that his Lordship had a clear and legal right to it. To put all doubts at rest, the Court of Directors, on the 2d August, 1767, unanimously resolved, "that his Lordship be empowered to accept of the said legacy or donation, and they do highly approve of his Lordship's generosity in bestowing the said legacy of five lacs in so useful a charity; and they hereby consent and agree to accept of the trust of the said fund, and will give directions that the same be carried into execution in legal and proper form."

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On



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On the 6th April, 1770, the Committee of the Military Fund was appointed, to carry into effect a deed of agreement between his Lordship and the Company. The sum given by Lord Clive was £62,833, to which the successor of Meer Jaffier added £37,700, together with the further sum of £24,128, being the interest from the Company, at eight per cent., on the cash notes granted on the two first-mentioned sums.

It is stated, "to this *ambiguous* transaction the institution at Poplar owes its foundation." The institution at Poplar was founded by the old East-India Company, in 1627, under the designation of "POPLAR HOSPITAL," for the purpose of relieving persons who had been employed in their *Maritime Service*. The regulations by which it was governed were revised in 1681, 1768, and 1813.

Poplar Hospital and Lord Clive's Fund are separate institutions, the former having existed one hundred and twenty-seven years before Lord Clive's Fund was formed, and the sources from whence each derives its pecuniary means of support being quite distinct.

Double batta
reduced.

The order of the Court of Directors for the reduction of double batta had been carried into effect in January.* Representations against that measure,

* *General Letter to Bengal, the 9th March, 1763*:—The reduction of your military expenses, and particularly of your field-allowances, was, and is still, an object most worthy of your serious



measure, couched in moderate terms, were sent in from the subalterns, and a memorial was presented from the officers of the first brigade to the Council. There was no apparent irritation on the part of the officers, and there was every reason to conclude that the army would remain satisfied until the whole subject had been brought before the Court of Directors for their re-consideration. The Council remarked that, conscious of the necessity

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serious attention. The extraordinary allowance of double batta is what we cannot pass over without some animadversions thereon.

“The allowance of double batta is not only entirely new to us, but no reasons are given why of late it should be deemed more necessary than it was heretofore. We must observe, that your compliance therewith is founded on an estimate which appears to us of a very extraordinary nature, with regard to the great number of servants said to be necessary in the field; to the alleged dearness of provisions, which we have reason to believe is greater on the coast of Coromandel than in Bengal; and also to the unprecedented expense for wearing apparel.”
Again,

Military Letter to Bengal, the 1st June, 1764:—“We gave you our sentiments so fully upon the exorbitant military expenses at your presidency in our letter of the 9th March, 1763, that we have now only most positively to enforce the orders therein given, for your taking every opportunity to reduce them within the most frugal bounds the general good of the service will admit of. But with respect to the double batta, however, we as positively order, that immediately upon the receipt hereof, half of it be struck off, that is to say, all our military are to have single batta only, in the same manner as is allowed at our presidency of Fort St. George, and even this single batta we most earnestly recommend it to you to reduce whenever circumstances will admit of it.”



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Military combination.

Lord Clive's measures in subduing it.

cessity which existed for a reduction of the military expenses, they were determined to see the orders strictly obeyed ; at the same time, " until the charges incurred on account of servants, horses, and the necessary equipage of the field in the climate of India, were diminished by some regulation, the allowance of a subaltern would scarcely maintain him in the station of a gentleman."

During Lord Clive's stay at Moorshedabad, he received, on the 29th April, intelligence that a general combination had taken place among all ranks of the army under the degree of a field officer, with a determination to distress the Government by throwing up their commissions on a given day.

His Lordship resolved to proceed at once to Monghir, where the first battalion lay in cantonments. He wrote to the Council, recommending that all should be put to risk rather than suffer the authority of Government to be insulted ; and that he felt the saving of the half batta to be quite a secondary consideration, when compared with the danger to be apprehended from yielding to the menaces of so mutinous an association.

One hundred and thirty officers had already subscribed to the association, and engaged to raise a fund, not only for the maintenance and support of those who should suffer, but also to enable them to purchase commissions in the king's service in England.

An

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An army making its own terms was so alarming a circumstance, that the Council fully concurred in his Lordship's views, and resolved by every means to crush such a mutinous spirit in its birth at all hazards. Orders were given to accept all the resignations which might be sent in, and the parties who tendered them were to be sent down to Calcutta within twenty-four hours.

Intelligence was shortly after received that the officers of the 2d and 3d brigades intended to resign on the 1st June. The firmness of the Council was not to be shaken ; they resolved to persevere in enforcing the orders, and requisitions were immediately despatched to Madras and Bombay for troops. The field officers and men remained firm. Reinforcements having arrived, reflection succeeded to folly and madness, the officers began to see the absurdity of their conduct in its true light ; "jealousy and reproach took place in their councils—individuals separated themselves from the cause—and the offenders almost to a man submissively acknowledged their error, and prayed to be re-admitted to the service."

It appeared that the combination had, in point of fact, commenced in January, and at a time when the disaffection amongst the civilians was at its height, many of whom, there was every reason to believe, had joined in instigating the revolt.

From subsequent inquiry, it was found that Lieutenant-colonel Sir Robert Fletcher himself



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had promoted the association ; he was accordingly placed in arrest and ordered to be tried by a court-martial, by whose sentence he was cashiered, and was sent by the Government to England in November.

Congress at
Chupra.

During Lord Clive's residence in Bahar, a congress was held at Chupra, at which his Lordship, General Carnac, Shuja Dowla, and the king's minister, assisted. The foundation was there laid for a proposed treaty between the Company, the vizier, and the Jaut and Rohilla chiefs, for their mutual defence and security against all attempts of the Mahrattas to invade their several dominions. His Lordship and General Carnac, from a consideration of the little advantage the Company could derive from such distant allies, left the matter to be arranged by Shuja Dowla, with an understanding that he was not to conclude anything, nor enter into any absolute engagements, "without having previously acquainted the President with every proposal, and obtained his approbation."*

Shuja Dowla was represented to have fully discharged all the engagements he had entered into by treaty with the Company.

Deputies from the Mahratta chiefs had also attended at Chupra, with others. It appeared that the Mahratta forces were assembled at the requisition

* Letter, Select Committee, 8th September, 1766.



requisition of the king, and upon the positive assurance which he gave, that an English army would join them for the purpose of escorting him to Delhi. The king had attempted by every artifice and persuasion, to succeed in his favourite scheme of proceeding to Delhi, which the Council were satisfied would terminate "in his own ruin, and in destroying the peace of the whole empire."

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In order to watch the movements of the Mah-rattas, troops were stationed on the frontiers to cover the Bahar provinces.

Lord Clive and General Carnac returned to Calcutta the 30th July, on which occasion, the Council addressed a letter to his Lordship, expressive of their satisfaction at the success which had attended his measures, offering him their congratulations "on the happy issue of that prudence and firmness, which had been so vigorously exerted in reducing the military servants to discipline and to obedience."*

Lord Clive re-
turns to the
Presidency.

The Nabob Nujeem-ool-Dowla died in May, and, leaving no issue, was succeeded by his brother, Syoof-ool-Dowla: a circumstance, it was observed, which, "had it occurred formerly, might have produced important consequences in the provinces, but at that time exhibited merely the change of persons in the Nizamut."

The

* Consultations, 30th July.



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Contemplated
measures
against the
Mahrattas.

Lord Clive's
health obliges
him to return
to Europe.

The Council, being informed, by advices from Madras, that all the differences with Nizam Ally were likely to be removed, contemplated a plan of operations with the presidencies of Fort St. George and Bombay, which would effectually prevent their being molested in future by the Mahrattas, by obliging that power to confine their whole attention to the preservation of their own possessions. The Council observed: "At present, they are the only power who can excite disturbances in Bengal; nor have we any thing further to apprehend, than a mere temporary interruption to our collections from them: hence, with our well-disciplined and numerous army, we may bid defiance to the most powerful force of the country that can be assembled in the field."

The Council advised the Court, in a despatch of the 28th November, that Lord Clive's health had for some time past prevented his attending to public business, and that he had retired to Baraset, in the hope that a change of air would effect his speedy recovery.

On the 12th December, his Lordship acknowledged the receipt of the Court's despatches of May, expressing their desire that he should continue in the government:

"I have had the honour to receive your letters of the 2d and 17th May, earnestly requesting my continuance in the government another year. My family concerns and parliamentary interests, important



portant as they are, should not make me hesitate to comply with a request which does me so much honour, if the situation of your affairs demanded my longer service, or if the reasons which suggested to you the desire of my remaining here were actually now existing. The very weak condition, however, to which a severe bilious disorder has reduced me, requires my immediate return to Europe. It is now a month since I have been in so deplorable a state of health, as to be wholly unable to attend to business; and it is past a doubt, that I cannot survive the malignity of this climate another year. Thus, useless as I am become to the Company, and without the least prospect of recovery in Bengal, I cannot doubt you will concur with me in the opinion, of the absolute necessity of returning to my native country.

“The faithful view which I will now lay before you of the situation of your affairs will, moreover, convince you, that the consequences, of which you are apprehensive after my departure, cannot in all human probability happen, and that every material object of my expedition is fully accomplished.”

His Lordship then stated, that a Committee of Inspection had been appointed, for examining into every department, and for carrying into effect regulations for the general conduct of affairs.

General state
of affairs.

The spirit of opposition and extravagance had been subdued—a dangerous mutiny effectually quelled, and an example made of the ringleaders
—stability

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—stability had been given to the army by new articles of service—the conduct of the Council towards Shuja Dowla, in restoring him all his dominions, after he had been reduced by conquest to the very lowest ebb of fortune—the regular payment to the king of the tribute, which had never been paid to former Moguls, excepting in the plentitude of power and authority—the payment of the *chout* to the Mahrattas, and the influence which the invariable success of our arms had produced—all combined to place the interests and power of the Company on a firm and advantageous basis, and, at the same time, to convince the native states “that our ambition extends not beyond the maintenance of our present possessions, and that one of our first principles of government is justice.”

Such being the true state of the case, “to what purpose should I continue longer in a climate, which would certainly prove fatal to me at the end of another year? I could not leave your concerns in better hands, nor on a more prosperous footing; and you may be assured, I shall at all times be equally ready, in England as in India, to give every instance of my zeal for the Company’s interests, in gratitude to a service whence I derive my fortune and my honours.”

Inland trade.

The unwarrantable and licentious manner in which the inland trade had been carried on by the Company’s servants, led the Court of Directors to
issue



issue positive orders, in February, 1764, that from their receipt in India, a final and effectual end should be put to the inland trade in salt, betel-nut, and tobacco, and in all other articles whatsoever, produced and consumed in the country. The receipt of these orders were acknowledged by the Council in their letter of the 27th September, in which they stated that the Nabob had been prevailed upon to come down to Calcutta, for the purpose, among other points, of framing regulations for the inland trade.

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The Directors in their general letter to the Council,* stated, that they had such entire confidence in Lord Clive's great ability and good intentions, that they had no doubt he would be able to carry into effect measures for correcting the system of private trade. They addressed a letter to Lord Clive personally,† in which they trusted that the state of affairs would admit of his attention being immediately directed to the regulation of the trade in salt, betel-nut, and tobacco, so as to prevent the confusion and oppression that had sprung from the abuses practised in late years; intimating, at the same time, that his Lordship might depend upon the Court's support. The plan proposed by the Select Committee consisted of an exclusive company, composed of the three first classes of the covenanted servants, in whom

was

Abolition of
the exclusive
Company.

* February, 1765.

† April, 1765.



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was to be vested the right of trading in salt, betel-nut, and tobacco, upon paying a certain duty. The management was committed to Mr. Sumner, and it was observed: "If the plan, therefore, should prove so fortunate as to meet the Court's approbation, the merit was chiefly due to that gentleman, who spared no pains to acquire a thorough insight into the subject; at the same time that he discharged the duties of the presidency during Lord Clive's absence."

The Court disapproved of the plan, and observed: "Much has been urged by our servants at different times in favour of the right to this trade, which we have always treated as a most absurd claim. The words of the phirmaund are: 'Whatever goods the English Company shall bring, or carry, &c., are duty free.' To suppose that the court of Delhi could mean by these words a monopoly of the necessaries of life over their own subjects, is such an absurdity, that we shall not lose time or words in trying to refute it.

"With respect to the Company, it is neither consistent with their honour nor their dignity to promote such an exclusive trade, as it is now more immediately our interest and duty to protect and cherish the inhabitants, and to give them no occasion to look on every Englishman as their national enemy, a sentiment we think such a monopoly would necessarily suggest. We cannot, therefore, approve the plan you have sent us, for trading in salt,



salt, betel-nut, and tobacco, or admit of this trade in any shape whatever, and do hereby confirm our former orders for its entire abolition.

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“And here we must enjoin you to have particular regard and attention to the good of the natives, whose interest and welfare are now become our primary care; and we earnestly recommend it to you, that you take the most effectual methods to prevent these great necessities of life from being monopolized by the rich and great amongst themselves, and, by that means, the poor and indigent becoming liable to those grievances and exactions, which we mean to prevent our own people from being guilty of.”

Court's desire to guard the interests of the natives.

The Council, on the Court's orders, offered the following observations:—

“We now come to speak of your instructions relative to the *inland trade*, which you very justly consider as the foundation of all the bloodshed, massacres, and confusion, which have happened of late years in Bengal. Your orders are positive, and, therefore, our obedience shall be implicit. Accordingly, you will observe in our proceedings, that the *society* for conducting this branch of traffic *stands absolutely abolished on the 1st day of September next*. The contract for the present year being formed, and large advances made, it was impossible, without ruin to individuals and confusion to the public, to fix an earlier date for the execution of your orders.

Abolition of inland trade in salt, betel-nut, and tobacco.

“ But



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“ But, although our duty obliges us to pay the strictest obedience to your peremptory orders for abolishing a trade to which you express so strong an aversion, the same duty requires we should freely offer our sentiments upon a subject, in which we think your immediate interest, the good of the service, and the public welfare, are deeply concerned. The Honourable Court of Directors, and, indeed, the whole body of Proprietors, found it necessary to restrain, by covenants, their civil and military servants from receiving those advantages to which they had for many years been accustomed. It is likewise proposed, in order that you may enjoy the real fruits of your late acquisitions, to make such an increase of investment, particularly in silk, as will effectually deprive your servants of the usual benefits arising from private trade. Farther, that the revenues may not be injured in any degree, they are prohibited from lending money at a higher interest than twelve per cent. per annum; and a trade by sea, in the manufactures of the country, being the only remaining channel for the exertion of industry, that, likewise, is choked up by those shoals of free-merchants annually imported; who, being encumbered with no public business, nor confined to residence in Bengal, can carry on a free trade with every port in India, to much greater advantage than your servants.

“ Taking all these circumstances into consideration;



deration; reflecting also upon the great increase of luxury in late years, in consequence of the sudden influx of wealth, and that it will not be practicable, for a time, to reduce the charges of living to the present means of supporting those charges; we adopted, in consequence of your mission, the plan of a regulated and restricted inland trade, as the best method of rewarding faithful services, the surest means to excite zeal, and the fairest mode of carrying on a beneficial trade, without relinquishing all the advantages we have hitherto received, or subjecting the natives to those encroachments on their natural rights, of which they have with too much reason complained.

“ Our letter by the *Camden*, and proceedings by the *Cruttenden*, will explain to you the regulations in the original plan of the society, which took place in the month of September last. Under these regulations, the trade can scarce be considered in the odious light of a monopoly, since we are rather the agents for manufacturing the salt, than the proprietors of the trade. It is sold in Calcutta to the natives only, and to the utter exclusion of all Europeans, at an easier rate than it could ever be produced when under the management of the Government, before we were admitted to any participation. The natives transport it to all the different parts of the country, under such limitations, that it must reach the hands of the consumer

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consumer at a stated and moderate price. Hereby, the people sensibly feel the justice and lenity of our government; and your servants, who have attained the highest stations, after a course of many years spent in this unfavourable climate, reap the reward of their services, and enjoy the means of securing that independence to which they have so equitable a claim.

“We are now directed totally to renounce all share in, and benefit arising from, this trade. It must be made over to the natives. The government must, of course, come into possession; nor can it be carried on otherwise than upon the ancient footing of farming it out to ministers, officers, favourites, and dependents on the government, who will rear immense fortunes upon the oppression and ruin of the public, in despite of our utmost influence and endeavours. These are at present our suspicions: time alone can verify our conjectures. You, no doubt, will maturely consider how far it is probable men will continue honest against all the seductions of private interest; and whether it may not be necessary to strengthen the ties of that duty expected from your servants, by the lighter bonds of gratitude for the affluence which they enjoy during the time of their servitude, and the independency they ought to secure before the close of their labours.”

Court of Directors hope Lord Clive will remain.

The Court of Directors, anticipating the possibility of his Lordship's being enabled to continue

in



in the government, addressed him, on the 4th March, 1767, on the general receipts of the Presidency.

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“Without the great receipts from the Dewannee, the Company must have been very considerable sufferers this year, by being disappointed of a great part of the investment. Most of the money collected, as well as the sums borrowed, were, we observe, applied towards carrying on the war, and there remained no resources, but such as the wealth of our servants might afford in return for bills on us, which we could not conveniently have paid, had the sum been very large. The amount of the expenses for 1765 so far surpasses every idea we had conceived of it, that we are amazed, but hope your Lordship will be able to reduce them within the compass you have flattered yourself.

“Firmly persuaded, as we are, that every step beyond the Caramnassa, except in a defensive war, will lead to the irretrievable ruin of our affairs, it is with great pleasure we observe your strong opposition to every measure that tends to the marching our troops with the King to Delhi.

“We are much pleased to see that the obtaining the execution of the treaty from Shuja Dowla is one of the objects of your Lordship’s and General Carnac’s expedition to the northward. We are anxious to have this measure effected, that the brigade at Illiabad may be recalled, and the powers



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powers of Indostan convinced we have no further object than to maintain the tranquillity of the Bengal provinces.

“We read with extreme regret your Lordship’s intentions to leave Bengal the ensuing season; the more so, as an infirm state of health, and the disagreeable circumstances that have attended your administration, are the occasions of it. We do not wonder that the difficulties you had to encounter, from the interested opposition of almost the whole body of our servants, should have impaired your health; but we observe with pleasure, your public-spirited measures meet with no further opposition from the Council, since the Madras gentlemen have taken their seats at the Board.* We hope this will relieve your Lordship from your extreme application, and promote your recovery. We assure ourselves, too, it will be some pleasure to you to see that your conduct has had our approbation and firmest support. We can add nothing that will more strongly shew the sense we entertain of it and of your services, than to repeat our earnest request that you will continue another year in the government, to perfect the plan your Lordship has so judiciously formed, and prosecuted with so much zeal and spirit. Your Lordship will excuse our pressing this point so earnestly, when we assure you how essential we deem it to the permanency

* *Vide* page 155.



permanency of our affairs. We need not point out how much yet remains to attain that end. The military seem hardly yet reconciled to that system of economy, without which it is plain no revenue could suffice for the growing expenses of the army." His Lordship's health, however, did not permit of his extending his period of service in India.

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He quitted Bengal in the *Britannia*, on the 29th January, 1767. The Council announced his departure in the following terms: "Lord Clive has found his health so much impaired by his late severe indisposition, that he is under the necessity of returning to England by the first opportunity, and takes his passage on board the *Britannia*. We cannot but regard it as a very happy circumstance, that, at such a juncture, your affairs here have been restored to so favourable a situation, by the plan which his Lordship had adopted, and had pursued with so much steadiness and perseverance." General Carnac returned on board the same ship to England.

Lord Clive
quits India.

On the 17th July, 1767, Lord Clive was introduced to the Court of Directors, when the Chairman, in the name of the Court, expressed their most sincere and hearty congratulations to him on his arrival in his native country, after having exceeded the Court's most sanguine expectations, not only in the very eminent services he had rendered the Company, by his wise and judicious administration

Arrives in
England.
Receives the
expression of
the Court's
grateful sense
of his eminent
services.



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administration of their affairs, during his residence in Bengal, but also by that most prudent and well-formed plan he had digested for the regulation of the conduct of the Select Committee; and that it was impossible by force of words to represent to his Lordship the high sense of gratitude the Court entertained for the constant attention given by his Lordship to the Company's interests.

On the 23d September, the General Court, in consideration of the important services rendered to the Company by Lord Clive, recommended to, and authorized, the Court of Directors to make a grant, under the Company's seal, to his lordship, and his personal representatives, of a further term of ten years on his jaghire. The indenture granting the same was approved and engrossed in October following.

Mr. Verelst succeeded Lord Clive in the government.

The Council, in their despatch to the Court, of February, alluding to the state of the Company's interests in Bengal, observed :

Council's testimony to Lord Clive's merits.

“ We should be wanting in the just praises of superior merit, and in gratitude for the essential services performed by Lord Clive, if we failed to acknowledge that, to the prudence and vigour of his administration, you are chiefly to ascribe the present flourishing condition of your affairs. Firm and indefatigable in his pursuits, he joined, to the weight of personal character, a zeal for your service,



vice, and a knowledge of your interests, which could not but insure success."

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They then drew a comparison between the state of the country on his Lordship's arrival, in 1765, and that in which he left it on his departure for England, in January, 1767 :

Comparison of the state of the country when Lord Clive arrived and when he left.

"We beheld a Presidency divided, headstrong and licentious; a government without nerves; a treasury without money, and a service without subordination, discipline, or public spirit. We may add that, amidst a general stagnation of useful industry and of licensed commerce, individuals were accumulating immense riches, which they had ravished from the insulted prince and his helpless people, who groaned under the united pressure of discontent, poverty, and oppression.

"Such was the condition of this presidency and of these provinces. Your present situation need not be described. The liberal supplies to China, the state of your treasury, of your investment, of the service, and of the whole country, declare it to be the strongest contrast to what it was.

"We repeat," added the Committee, "what we have already declared to Lord Clive, that no motive, no consideration, shall ever induce us to depart from that system of politics which has been recommended to us by precept and example, unless some very extraordinary event and unforeseen change should occur in the posture of your affairs."

One of the Company's covenanted servants, and



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all the officers who had subscribed an address to Sir Robert Fletcher, after he had been cashiered by sentence of a court-martial, were dismissed by the Council from the Company's service.

Shah Abdallah.

In the month of March, the Council, having received undoubted intelligence of the advance of Shah Abdallah towards Delhi, (supposed to be instigated by Cossim Ally Khan,) took measures to support the King and Shuja Dowla, against whose territories the expedition was intended to have been ultimately directed. They felt that it was impossible to remain inactive spectators of an invasion which threatened to overwhelm the political system of all India. Nothing but the Company's influence prevented the King from making undue submission. Their demonstrations had the desired effect. Abdallah returned to Lahore, having compromised, for the sum of twenty-five lacs, his demands on the native powers. In his retreat, he experienced great obstructions from the Seiks, who were stated to be his irreconcilable enemies.

The plan of the Council had been one of defence. They purposely avoided making propositions to the Jauts, the Rohillas, or the Mahrattas, that they might stand clear from all troublesome engagements, considering the Company's security "to consist in the continuance of the balance of power, which it was their great object to maintain in India."

The