

more concise and perspicuous mode of arranging the matter necessary to be laid before you for this purpose, than the mode observed by the late Select Committee of Finance of the House of Commons of Great Britain in their first report, dated March the 31st, 1797. We propose to adopt the form of that report in this despatch as closely as circumstances will admit.

We conceive that, the period of the close of our official year in India is of all others that which is best calculated for enabling us to afford, in the proposed view, the most complete and accurate information.

We shall, therefore, proceed to lay before your Honourable Court a view of the public debts bearing interest at the close of the respective official years 1797-8 and 1798-9, as well as of the actual revenues and charges in those two official years respectively, of the demands outstanding on the 1st of May, 1799; of the estimates of the expected revenues and charges for the current year 1799-1800; and of the progress which has been made and may be expected to be made in the reduction of the public debts.

I.—Public debts bearing interest :—The total amount of public debts bearing interest at the several Provinces, as they stood on the 1st of May, 1798, was, sicca rupees, 7,18,73,261,\* viz., Bengal, 4,91,83,471; Fort St. George, 1,61,58,469; Bombay, 60,47,659; Bencoolen, 4,83,662.—Total 7,18,73,261.

The annual charge at the several Presidencies for interest on the principal above stated, at the same period, was, sicca rupees, 59,51,282, viz., Bengal, 42,39,555; Fort St. George, 12,36,134; Bombay, 4,39,343; Bencoolen, 36,250.—Total, 59,51,282.

The increase in the public debts at the several presidencies between the 1st of May, 1798, and the 30th of April, 1799, was, sicca rupees, 1,04,05,002, viz. Bengal, 72,74,510; Fort St. George, 17,89,941; Bombay, 13,40,551.—Total, 1,04,05,002.

The annual charge at the several Presidencies for interest on the above increase of debt was on the 1st of May, 1799, sicca rupees, 12,90,938, viz., Bengal, 7,23,906; Fort St. George, 3,87,486; Bombay, 1,79,546.—Total, 12,90,938.

The total amount of the public debts of the several Presidencies as they

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\* In the statement of the public accounts in this despatch, the Bombay rupee is reckoned of equal value with the Bengal sicca rupee; the star pagoda is converted into Bengal money at the rate of crs. 400 per 100 star pagodas, and the dollar at Bencoolen, at 2½ sicca rupees per dollar.



stood on the 1st of May, 1799, was, sicca rupees, 8,22,78,263,\* viz., Bengal, 5,64,57,981; Fort St. George, 1,79,48,410; Bombay, 73,88,210; Bencoolen, 4,83,662.—Total, 8,22,78,263.

The total annual charge for interest thereon at the period above stated, was, sicca rupees, 72,42,220, viz., Bengal, 49,63,461; Fort St. George, 16,23,620; Bombay, 6,18,889; Bencoolen, 36,250.—Total, 72,42,220.

The sum to be issued by the Commissioners in Bengal for reducing the public debts in India at the rate of 2 per cent. on the principal outstanding on the 1st of May, 1799, was, sicca rupees, 16,45,565.

And the total amount of the annual charges of the public debts, including sums applicable to the reduction thereof, as it stood on the 1st of May, 1799, was 88,87,785.

We beg leave to state in this place, that the observations of the Select Committee of Finance in their first report, regarding the public debt in England, apply exactly to the above statement of the public debt in India, viz.

1st. "That its amount is not to be considered as if it could only be extinguished by a redemption at par, in as much as the progressive reduction of the debt by the present sinking fund constantly operates, by buying up the debt according to the current price of the stocks," the effect of which will be stated more fully in a subsequent part of this address.

2nd. "That the funded capital of the public debt includes in it the amount of the capital purchased by the Commissioners for reducing the public debt."

And 3rdly. "That the annual charge upon the public by way of interest, includes in it the interest of the stock purchased by the Commissioners."

## II. Actual revenues and charges in the years 1797-8 and 1798-9.

The total amount of the revenues collected in the official year 1797-8 was sicca rupees, 6,66,27,065, viz., Bengal, 4,92,35,489; Fort St. George, 1,43,16,593; Bombay, 30,22,385; Bencoolen, 52,598.—Total 6,66,27,065.

The total amount of the revenues collected in the official year 1798-9 was, sicca rupees, 7,14,25,026, viz., Bengal, 5,06,98,124; Fort St. George, 1,74,09,931; Bombay, 32,64,373; Bencoolen, 52,598.—Total 7,14,25,026. And consequently the amount of the revenues collected in 1798-9 exceeded the amount collected in 1797-8 in the sum of sicca rupees, 47,97,961, viz., Bengal, 14,62,635; Fort St. George, 30,93,338; Bombay, 2,41,988. Total, 47,97,961.

The total amount of the charges in the official year 1797-8 was, sicca ru-

\* The accounts for 1798-9 not having been received from Bencoolen, the revenues, charges, and debts of that settlement are here stated at their amount in the preceding year.



pees. 6,14,20,632, viz., Bengal, 3,34,07,555; Fort St. George, 1,86,00,634; Bombay, 85,77,180; Bencoolen, 8,35,263.—Total, 6,14,20,632.

The total amount of the charges in the official year 1798-9, was, sicca rupees, 7,34,83,473, viz., Bengal, 3,28,59,710; Fort St. George, 2,88,53,865; Bombay, 1,09,34,635; Bencoolen, 8,35,263.—7,34,83,473. And consequently the amount of the charges in 1798-9 exceeded the amount of the charges in 1797-8 in the sum of sicca rupees, 1,20,62,841, viz., Fort St. George, 1,02,53,231; Bombay, 23,57,455. Deduct, 1,26,10,686. Decrease in the charges at Bengal in 1798-9, 5,47,845. Net excess, 1,20,62,841. The amount of the revenue collected in 1797-8 was 6,66,27,065; the amount of the charges in that year was, 6,14,20,632. The amount of the charge for interest of the public debts in that year was 49,02,398.—Total, 6,63,23,030. And consequently the surplus revenue in 1797-8 was 3,04,035; the amount of the revenues collected in 1798-9 was 7,14,25,026; the amount of the charges in that year was 7,34,83,473; the amount of the charges for interest of the public debt in that year was 63,31,381.—Total 7,98,14,854. And consequently the amount of the charges in 1798-9 exceeded the amount of the revenues collected in that year in the sum of 83,89,828.

III. Demands outstanding on the 1st of May, 1799. The amount of the outstanding demands, including arrears of allowances, &c. not bearing interest on the 1st of May was, sicca rupees 1,85,24,814, viz., Bengal, 1,53,06,298; Fort St. George, 16,21,738; Bombay, 15,96,778.—Total, 1,85,24,814.

IV. Estimate of the expected revenues and charges in the year 1799-1800. The total amount of the revenues expected to be collected in the official year 1799-1800 is, sicca rupees, 7,72,57,591, viz., Bengal 5,25,29,429, Fort St. George, 2,15,05,676; \* Bombay, 32,22,486.—Total, 7,72,57,591.

The total amount of the estimated charges of the official year 1799-1800 is, sicca rupees, 6,90,99,350, viz., Bengal, 3,59,33,064; Fort St. George, 2,01,71,686; Bombay, 1,29,94,600.—Total, 6,90,99,350. The amount of the revenues expected to be collected in 1799-1800 is 7,72,57,591. The amount of the charges estimated for that year is 6,90,99,350. The amount of the estimated charge for interest of the public debts in that year is 72,42,220.—Total 7,63,41,570. And consequently the estimated surplus revenue in 1799-1800 is 9,16,021.

V. Reduction of the public debt.—The annual sum applicable to that purpose on the 1st of May, 1799, was, sicca rupees, 16,24,000, viz, the original appropriation of 2 per cent. on the estimated amount of the public debt on the 1st of January, 1798, being 6,50,00,000, was 13,00,000.

The further appropriation at the same rate on the amount of the increase of the debts between the 1st of January and the 31st of December, 1798, being, in round numbers, 1,03,60,000 was 2,07,000. The estimated

\* There is reason to expect from advices received from Fort St. George since the date of the estimate of that presidency, that the estimated receipts from the new territorial acquisitions in Mysore, as well as on account of the subsidy of the Rajah of Mysore will be considerably exceeded.





amount of interest receivable on securities redeemed and to be redeemed was 1,16,800. The total appropriation in 1799-1800 was 16,24,000.

The amount of government securities redeemed in 1798-9 was, sicca rupees, 15,90,186 viz., principal in 8 per cents, 12,43,379, ditto in 6 per cents, 2,89,729.—Add, interest which had accrued on the principal, but which was not due at the time of purchase, 57,060.—Total, 15,90,186.

The amount actually applied to the purchase of securities on account of the appropriation for the year 1797 being, sicca rupees, 13,00,000 was 12,97,466.

The interest which was received in 1798-9 on account of securities previously redeemed was 51,249.

The total amount appropriated in 1798-9 to the purchase of government securities was 13,48,715. And consequently the gain being the difference to the Company between the actual rate of purchase and a redemption at par was 2,41,471.

With regard to the further progress which may be expected to be made in the redemption of the debt now existing, we cannot venture at present to question the calculation stated in the Accountant General's letter dated the 10th of January, 1798, of the sum to be appropriated annually, being likely to produce on an average eight per cent. per annum, although the late purchases have considerably exceeded that rate.

In the event of that calculation being correct, the whole of the debts existing on the 1st of January, 1798, viz., sicca rupees 6,50,00,000 will be redeemed in nineteen years; to be reckoned from the 1st of May, 1799, and the further increase of debt incurred between the 1st of January, 1798, and the 31st of December of the same year inclusive, viz., sicca rupees, 1,03,60,000, will be redeemed in twenty years, to be reckoned also from the 1st of May, 1799.

In one point of view, however, there seems to be some reason for considering the calculation above stated of the average produce of the fund as rather too high, although, if it should prove so, the error in the calculation cannot by any means be regarded as a subject of regret.

It is probable that such an addition may be made in a few years to the active capital of these provinces from the increasing confidence of the natives in the solid establishment, good faith, and just laws of the British Government, combined with the natural augmentation of capital to be expected from the growing prosperity of the country, as to raise public credit, and consequently the value of the public securities, in such a degree as shall reduce the produce of the funds to be



invested by the Commissioners considerably below the estimated average of eight per cent. per annum.

If, however, this should prove to be the case, Government would be enabled to raise money at a reduced rate of interest for the discharge of the eight per cent. debt, and consequently to obtain for the Company by such reduction of interest an advantage probably more than equivalent to the deficiency in the estimated produce of the sinking fund; while the reduction, which would naturally follow in the general rate of interest to be paid for mercantile purposes, would afford the most substantial aid towards promoting the general industry and trade of the people, subject to the authority of the British Government in India.

The preceding observations apply only to the general sinking fund established at this Presidency on the 3d of April, 1798, for the redemption of the whole of the Company's debts in India.

We cannot at present enter into any detailed view of the effect of the separate sinking fund established at Fort St. George on the 1st of October, 1799, for the purpose of confirming the restoration of public credit of that Presidency, and of aiding the general sinking fund in Bengal, so short a period has elapsed since its institution.

We beg leave, however, to observe that, the separate sinking fund at Fort St. George, as well as the general sinking fund in Bengal, has been of essential advantage to public credit.

It is scarcely possible to form any estimate of the produce of the sinking fund at Fort St. George, of any distant period, since its operation is to cease as soon as the public securities of Bengal shall be at par, which may be the case, at a short or a more remote period, according to circumstances, but which cannot be considered as coming within the scope of calculation at present.

It must, however, be evident to your Honourable Court, that the Government will then have to consider the propriety of extending the operation of the sinking fund at Fort St. George to a more distant period.

We shall, therefore, content ourselves on the present occasion with stating, that the sum applicable to the reduction of the debts of that Presidency, amounting on the 1st of May,





1799, to sicca rupees 1,79,48,410, at the rate of two per cent. was 3,58,968.

Having now completed our proposed view of the finance of India, and of the ordinary revenues and charges, according to the order observed by the Select Committee of Finance, we shall proceed to lay before your Honourable Court, a view of the extraordinary receipts and disbursements in the past year 1798-9, including the deficit before stated, on a comparison of the revenues and charges of that year; and also in like manner, a view of the estimated receipts and disbursements in the current year 1799-1800; in order to shew, in the clearest point of view, the whole amount of the extraordinary services to be provided for, and our means of providing for them in each of those years respectively.

The amount of the deficit on a comparison of the ordinary revenues and charges in 1798-9 was as is before stated, sicca rupees, 83,89,828.

The amount of the extraordinary services to be provided for, exclusive of the deficit above stated was 3,93,34,275, viz., temporary loans and bills falling in course of payment in the same year, Bengal, 61,00,623; Fort St. George, 25,17,852.—Total, 86,18,475.

Arrears of bills at Bengal, 17,83,505. Investments for Europe, Bengal, 58,26,426; Fort St. George, 26,20,886; Bombay, 13,39,384.—Total, 97,86,696.

Supplies to China.—Bengal, 12,93,099; Fort St. George, 9,14,268; Bombay, 17,474.—Total, 22,25,201.

Supplies from Bengal to Bencoolen, Ceylon, Amboyna and Malacca, Prince of Wales' Island, St. Helena, and the Cape of Good Hope, 31,13,123.

Arrears and other miscellaneous disbursements, Bengal, 60,71,986; Fort St. George, 63,62,768; Bombay, 13,72,521.—Total, 1,38,07,275.—Total, 3,93,34,275.—Total, 4,77,24,103.

The amount of the extraordinary means of providing for the above services was 1,99,83,302, viz., sale of imports, Bengal, 18,75,009; Fort St. George, 10,80,269; Bombay, 20,00,834.—Total, 49,56,112.

Specie received at Madras from England, and Bills drawn by that government on the Court of Directors, 24,95,203.

Miscellaneous receipts.—Bengal, 68,51,996; Fort St. George, 47,06,593; Bombay, 9,73,308.—1,25,31,897.—Total, 1,99,83,302. And consequently the total amount of the deficit of the year 1798-9 was sicca rupees, 2,77,40,801, the amount of the loans actually made to provide for the above deficit was 2,18,30,396 viz., Bengal 12 per cents. 65,28,631; 10 per cents, 65,89,142; 6 per cents. 3,06,589. Fort St. George, 12 per cents. 33,60,579; 10 per cents. 25,06,359; 8 per cents. 7,72,224. Bombay, 12 per cents, 12,73,945; 10 per cents 4,78,300; 9 per cents. 14,829.—Total, 2,18,30,596.





The amount of the difference between the deficit before stated, and the sum actually raised as above stated, and which was supplied by a reduction of the estimated balance, and an increase of the arrears of bills of exchange from other Presidencies was 59,10,205.—Total sicca rupees 2,77,40,801.

The amount of the estimated extraordinary services to be provided for in the current year 1799-1800 is 5,98,39,631, viz., temporary loans, Bengal, 61,20,000; Fort St. George, 1,14,23,448; Bombay, 5,67,833.—Total, 1,81,11,281.

Arrears of bills at Bengal, 50,00,000.

Investment for Europe.—Bengal, 90,51,724; Fort St. George, 45,83,231; Bombay, 30,50,000.—Total, 1,66,84,955.

Supplies to China.—Bengal, 15,00,000; Fort St. George, 2,40,328; Bombay, 2,00,000.—Total, 19,40,328.

Supplies to Bencoolen, Ceylon, and other subordinate settlements.—Bengal, 20,60,000; Fort St. George, 12,79,310; Bombay, 55,000.—Total, 33,94,310.

Arrears and other miscellaneous disbursements.—Bengal, 69,98,080; Fort St. George, 67,50,490; Bombay, 9,60,207. 1,47,08,777.—Total, 5,98,39,651.

The amount of the estimated extraordinary means of providing for the above services is 2,02,65,576, viz., Bengal, 25,00,000; Fort St. George, 12,57,214; Bombay, 20,30,000.—Total, 57,87,214.

Specie from, and bills on England, Bengal, 34,80,000; Fort St. George, 26,88,720; Bombay, 12,00,000.—Total 73,68,720.

Miscellaneous Receipts. Bengal, 29,16,052; Fort St. George, 34,08,710; Bombay, 7,84,880. 71,09,642.—Total, 2,02,65,576.

Add the estimated amount of the surplus revenue for 1799-1800, being as is before stated, 9,16,021.—Total, 2,11,81,597. And consequently the total amount of the estimated deficit of the current year 1799-1800 was, 3,86,58,054.

The amount of the loans estimated to be made in 1799-1800, 3,88,46,641, viz., Bengal, 2,84,00,000; Fort St. George, 78,56,641; Bombay, 25,90,000.—Total, 3,88,46,641.

On a view of the information afforded by the preceding statements, the following results will appear—

1st. That the amount of the loans contracted at Bengal and Fort St. George on the condition of theirs being re-payable in one or two years, at the option of Government, for the payment of which provision was to be made in the last and current years (a large portion of which, it was indispensably necessary to discharge at Fort St. George at the critical period of the army taking the field), was sicca rupees 2,67,29,756.

2nd. That the amount of the advances for investments for Europe at the several Presidencies within the same period, was 2,64,71,651.

3rd. That the amount of the provisions made for the supply of the treasury at Canton, within the same period, (which has since been largely increased) was sicca rupees 41,65,529.





The extraordinary magnitude of these services, and the heavy drains upon our finance for the support of the several possessions obtained by conquest from the French and Dutch, combined with the extreme urgency of effectual provision being made for the vigorous prosecution of the late war with Tippoo Sultaun, will, we trust, fully satisfy your Honourable Court that, under all the circumstances of our situation, it was not possible for us to have raised so large pecuniary supplies within the limited period, in which they were required, on terms more advantageous for the Company than those on which the respective loans were elected.

We have now the satisfaction to acquaint your Honourable Court that, although the late eight per cent. loan was opened under most disadvantageous circumstances, in consequence of the heavy pressure of the draughts upon us from Fort St. George, which kept our general treasury in a state of insolvency during the whole period in which the loan was open, the sum subscribed to it amounted to about thirty-three lacs of sicca rupees.

We have the farther satisfaction to acquaint you that the state of public credit is now more favourable than it has ever been during the last three years; the discount being this day (January 23rd,) on eight per cents. about five per cent., and on six per cents. about thirteen and a half per cent.; and that, under the present promising appearances of the continuance of peace in India, of the progressive improvement of the public revenue, and of the beneficial effects of the sinking funds established at this Presidency and Fort St. George, combined with the advantages resulting from the mode which we have lately adopted of borrowing money on obligations, payable only according to priority of date and number, and with the aid of the annual supply of bullion to be expected in consequence of the large amount of the provisions which we have made for the supply of the treasury at Canton, we entertain considerable expectation that the state of public credit will be so far improved in the course of another year as to raise our ordinary eight per cent. notes to par.

We have the honour to be, &c.

MORNINGTON and Council.





SIR J. ANSTRUTHER, TO

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No. LVII.

*Sir J. Anstruther, to the Earl of Mornington.*

MY DEAR LORD,

Chowringhee, January 24th, 1800.

I had the honour of yours yesterday, enclosing copies of two letters from General Harris, upon the subject of the present made to you by the army, which achieved the conquest of Mysore, and a copy of your letter to General Harris, dated 7th January, 1800.

It is almost unnecessary after what your Lordship knows of my sentiments upon the subject, to say how perfectly I coincide in every sentiment contained in your letter. You know too, that my opinion upon the subject was early formed long before I had the possibility of any personal communication with you, and while the matter was only known here through the medium of Madras newspapers.

At the same time that I am under the necessity of saying, that the letter of the law stands in the way of the receipt of such a present, I must regret that it prevents the acceptance of a gift equally honourable to the giver and the receiver; I am fully sensible that the spirit of the law never intended, or could intend to put such cases like the present, yet I am far from being sure that the letter of the law is either provident or unwise. That which is to day the honourable testimonies of the esteem of a gallant army, for that wisdom which guided, and that vigour which animated, its exertions, may to-morrow become the reward of some less glorious service.

If the army is to express its opinion of the abilities and talents of the Governor-General, by a large and a valuable present, why is not the civil service to do the same.

If upon the occasion of a great, a splendid and important conquest, why not upon any other occasion in which it may appear to the givers that the conduct of the Governor-General merits their approbation, till in the end the letter of the law becomes indeed a dead letter.

In enacting the laws which prohibit the receipt of gifts or presents in India, the legislature had in view the extreme difficulty in most cases, and the impossibility in many, of penetrating into the motives which actuate the giver and the





receiver. It therefore thought it wise to prohibit the receipt altogether, without in any case entering into the honourable or the dishonourable motives which might influence the conduct either of the giver or the receiver. I must therefore in the present instance, add my mite of approbation to your Lordship's determination, although I own I do it with a full persuasion that the letter of the law alone stands in the way of your acceptance of this mark of the esteem of an army, which under your auspices has achieved the most splendid conquest, which ever graced the British arms in India, but of which, even the splendour was almost effaced by its important and permanent consequences.

I am, my dear Lord yours, very sincerely,

J. ANSTRUTHER.

No. LVIII.

*The Earl of Mornington to the Secret Committee of the Honourable Court of Directors.*

HONOURABLE SIRS,

Fort William, January 25th, 1800.

I have the honour to acknowledge the receipt of the duplicate of your letter overland, dated the 18th of June, 1799.\* The original has not yet reached me.

I have great satisfaction in being able to acquaint you, that your adoption of the measures which I recommended of sending large supplies of bullion to India, has been attended with advantages to the public interests fully adequate to my most sanguine expectations.

It is to this measure, combined with the prosperous issue of the late war in Mysore, that I attribute the improved state of public credit, visible in the present prices† of government securities, and in the terms on which we have borrowed money at the several Presidencies.

It is also owing to this measure that we have been enabled to make provision at the several Presidencies in India, for the supply of the treasury at Canton in the ensuing year, 1800-1, to an amount which will fall little short of a million sterling.

\* See Vol I. p. 614.

† January 23, 1800. 8 per cent 5 } discount. 12 per cent 1½ } premium.  
6 ditto 13½ } 10 ditto 10 }





The proportion of the bullion received in Bengal, amounting to sicca rupees 34,80,000, has also contributed to produce another very important effect; the late coinage of silver having completely relieved the government, as well as the community from the inconvenience and loss of batta on the exchange of gold for silver money; this has been for many years a serious subject of complaint at this Presidency; and I have no doubt, when further progress shall have been made in the coinage and circulation of the last supply of specie by the Asia and Charlton, that we shall experience its beneficial effects in the further improvement of public credit.

On a consideration of the large amount of the provisions which I have made in India for the supply of the Treasury at Canton for the ensuing year 1800-1. I confidently expect, that your anxiety, with regard to the provision of your China investment will be completely relieved.

I have the satisfaction to acquaint you that, although our pecuniary embarrassments have been great, we have contributed very largely towards the supply of the treasury at Canton; while no part of the treasure consigned by the Honourable Court, to the Supra-cargoes has as yet been applied to any other than the intended purpose.

Your approbation of the arrangements which I formed at Fort St. George, in April, 1798, preparatory to the execution of the orders of your Honourable Committee, relative to the succession to the kingdom of Tanjore, is very satisfactory to me. I trust that the final settlement made under my directions, with the Rajah of Tanjore; and reduced previously to my departure from Fort St. George, to the form of a treaty ratified by the Governor-General in Council on the 26th of November last,\* will equally meet the approbation of your Honourable Committee.

I entertained a confident persuasion that the principles of justice and good faith, which governed my decision in the case of Wynaad, would obtain the sanction of your honourable Committee; and although the spirit in which that resolution was formed, was not capable of mitigating the vindictive disposition of the late Tippoo Sultaun towards the British nation;

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\* See Appendix.





I have every reason to believe, that it conduced in a considerable degree, to impress the surrounding powers with a conviction that the war which ensued between that Prince and the Company, had not been provoked by the British Government.

Wynaad having been finally assigned to the Company by the partition treaty of Mysore, I directed as soon as circumstances would permit, that it should be taken possession of on their behalf. The Pyché Rajah had in the interval established himself in Wynaad under pretences, which had they been as substantial as they are frivolous, it was his duty to submit to my examination and decision, before he presumed to introduce his authority into the district. These considerations, joined to the refractory character of the Pyché Rajah, have determined me in the event of his offering any resistance to the establishment of the Company's authority in Wynaad, to punish his contumacy in the most signal and exemplary manner.

The decided approbation with which you have honoured the subsidiary treaty, which I concluded with the Nizam on the 1st of September, 1798,\* is highly satisfactory to me, independently of the eminent advantages which have been already derived from that treaty, I entertain a sanguine expectation, that it will lead to further beneficial consequences of the utmost importance.

The sanction which your Honourable Committee has been pleased to give to the opinions recorded in my minute of the 12th of August, 1798,† respecting the succession to the Nizam affords me the utmost satisfaction. Our political position in India is so materially changed since that period, in consequence of the happy termination of the late war with Tippoo Suldaun, that the necessity no longer exists for an unconditional support of the pretensions of Secunder Jah. I continue to think it desirable, that this prince should succeed his father in preference to any of his brothers; but this arrangement is not now so indispensable to the interests of the Company, as to be enforced by their government gratuitously, at the hazard of a war with a rival candidate, probably supported by the Mahratta State. These reflections induced me some-

\* See Vol. I. Appendix E.

† See Vol. I. page 159.



time after my return to this Presidency from Fort St. George, to consider the subject of the succession to the Nizam, and your Honourable Committee will find the result of my attention to this important question, in the accompanying copy of my instructions to the Resident at Hyderabad, under date the 6th of November last.\* It is possible that circumstances may hereafter suggest the expediency of some alterations in the details of the plan described in my letter to Captain Kirkpatrick; but I foresee no probability of my being compelled to depart from any of its fundamental principles; or to renounce in a material degree any of the advantages which it is calculated to secure to the Company.

The events which have occurred in India since the date of your letter, preclude the necessity of my troubling your honourable Committee with any remarks on those paragraphs of it which relate to the hostile disposition and designs of Tippoo Sultaun, I shall only observe, that it affords me the highest satisfaction to find, that your honourable Committee had so entirely concurred, (while the consequences were yet in suspense) in the view which I had taken of that Prince's conduct and projects, and in the justice and policy of the measures which I had proposed to adopt.

The short duration of the war rendered it inexpedient for me to assume the management of the respective countries of the Nabob of the Carnatic, and of the Rajah of Tanjore on behalf of the Company. The immediate effect of such an assumption would have been a considerable failure of actual resource at a period of the utmost exigency; I shall hereafter communicate my sentiments at large, with respect to the state of Tanjore and the Carnatic. The latter now occupies my particular attention, and I fear that the perverse councils of the Nabob of Arcot, will prove a serious obstacle to any effectual improvement of your affairs in that quarter.

I am happy that in abstaining from the full exercise of my legal powers, during my residence at Fort St. George, I have met the approbation of your honourable Committee; from the hour of my arrival at that Presidency, until my departure from it, Lord Clive and his council, as well as the whole civil and military service of that establishment, and all the prin-

\* See page 135.





cipal inhabitants of the settlement, afforded me the most zealous and cordial assistance in the discharge of my duty, and the most satisfactory testimonies of their attachment to your interests and government.

I am concerned to inform your honourable Committee, that I have now every reason to believe, that the proposition of the Nabob Vizier to abdicate the sovereignty of his dominions was illusory from the commencement, and designed to defeat by artificial delays, the proposed reform of His Excellency's military establishments. I have the satisfaction however, to be enabled to acquaint your honourable Committee, that I entertain no doubt of ultimately accomplishing my original object of reforming his Excellency's army, and of substituting a British force in its place. A very considerable increase of our permanent force in Oude will be immediately made; and a further augmentation of it will take place as soon as possible. The disbanding the greater part of his Excellency's undisciplined and useless force must necessarily follow. Of the measures now in progress in Oude, I shall at present say no more, than that they are calculated to secure the external defence and internal tranquillity of his Excellency's territories; to reduce your military expences by transferring the charge of a very large body of your troops to the funds of the Nabob Vizier, and to diminish his Excellency's military expences, while the effective strength of his kingdom will be considerably augmented. It will no doubt, become necessary to raise some additional corps, in the place of those which are to be furnished for the service of Oude; but this augmentation will be kept within as narrow bounds as possible, and will at all events, bear no proportion to the relief resulting to your finances, from the intended increase of the troops to be paid by the Vizier.

I have the honour to be, &c.

MORNINGTON.





THE EARL OF MORNINGTON, TO

CSL  
JAN.

No. LIX.

*The Earl of Mornington, to the Honourable Court of Directors.*

HONOURABLE SIRS,

Fort William, January 27th, 1800.

On the 13th instant, I had the honour to receive under the signature of the Secretary to your honourable Court, an official copy transmitted by your directions of your resolutions of the 24th of September, 1799,\* adopted in consequence of the glorious and decisive success of the British arms against the deceased Tippoo Sultaun.

I request your honourable Court to receive the cordial assurance of my most grateful acknowledgements, for the distinguished honour of your favourable acceptance of my endeavours to discharge the duty of my station in your service.

I entertain a confident hope that the settlement which I have been enabled to effect by the treaty of Mysore, and by the subsidiary treaty of Seringapatam, will correspond with your Honourable Court's expectations of lasting peace in India, and of increasing prosperity to the Honourable Company's affairs. The glory of your triumph does not surpass the value of your acquisitions, nor the solid and permanent advantages resulting from the terms of the pacification; I have the satisfaction to assure you, that the beneficial effects of the late war, and of the treaties in which it terminated, are now sensibly felt in every branch of your extensive and complicated interests; and that, in every part of India, while the moderation, equity and humanity of the Honourable Company are the theme of general praise, the British power is the object of universal confidence and respectful awe.

No part of the resolutions of your Honourable Court was more satisfactory to me, than that which expresses your just sense of the services of the Governments of Fort St. George and of Bombay, and of the commanders, officers and troops employed in Mysore, during the late successful contest.

On this occasion, it is a pleasing duty to repeat to your Honourable Court the sentiments of gratitude, which I have expressed in several of my despatches, and in various recorded proceedings, towards His Excellency the Commander-in-Chief

\* See Vol. I. page 635.





of his Majesty's and the Honourable Company's forces in India.

To his Excellency's cordial and active co-operation, I attribute the speedy equipment of the native volunteers from this establishment, the spirit and alacrity with which they embarked for the coast of Coromandel, and their early arrival at Madras, by which a most effective and seasonable addition was made to the army opposed to Tippoo Sultaun.

To the same zealous and able support must be ascribed the considerable augmentation made to the artillery of the army in the Carnatic, by detachments from Ceylon and Bengal.

During my absence from Bengal, I committed the arduous charge of this government to his Excellency's hands, under a strong apprehension that the difficulties of the impending contest with Tippoo Sultaun, would be aggravated by the approach of Zemaun Shah to the frontier of Oude.

The concert and correspondence subsisting between Tippoo Sultaun and Zemaun Shah, are now matter of public notoriety; and, if a fortunate coincidence of events had not recalled Zemaun Shah from Lahore, to the defence of his own dominions, it is my decided opinion, that the personal services of Sir Alured Clarke must have been required in the field for the protection of Bengal, while your army in Mysore was engaged with the forces of Tippoo Sultaun.

During this period, under the direction of his Excellency the Commander-in-Chief in India, the British Forces on the frontier of Oude were maintained in a state so respectable, as to afford every prospect of effectual security in any contingency which could have arisen; and the judicious distribution of our army in Oude and Benares, at that crisis, unquestionably preserved the Vizier's dominions from internal commotion, under the combined dangers of the revolt of Vizier Ali, and of the approach of Zemaun Shah.

In his capacity of vice-president in council at Fort William, his Excellency, by a most zealous effort, and under circumstances of extraordinary difficulty and embarrassment, furnished me with such timely aid as enabled me to order Lieutenant-General Harris into Mysore, with treasure sufficient for the army during the campaign.

The detail of these circumstances in their full extent,





could not have been brought under the particular notice of your Honourable Court, previously to the 24th of September, 1799. In the station in which you have placed me, it is a duty of public justice and gratitude, to bear this sincere and respectful testimony to the meritorious conduct of Sir Alured Clarke; whose approved military talents, experience and honourable spirit, would have acquired additional lustre in Mysore, if the exigency of the public service, and my earnest entreaty had not demanded his presence in Bengal.

I have the honour to be, with the greatest respect,

Honourable Sirs,

Your most obedient and faithful Servant,

MORNINGTON.

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No. LX.

*The Earl of Mornington to the Right Hon. Henry Dundas.*

MY DEAR SIR,

Fort William, January 29th, 1800.

Your kind letter of the 27th of September, 1799, reached me on the 13th instant, together with those of the 6th and of September, and the duplicate of the 23rd of July. I need not say how happy I feel in the honourable reception given to my packet, by the *Sarah Christiana*; it was peculiarly satisfactory to me to perceive that the motion of thanks to me was postponed, until the whole circumstances, causes and conduct of the war with the Sultaun could be fully before Parliament. I am very anxious however, that you should cause distinguished notice to be taken of the services of Sir Alured Clarke. They are particularly enumerated in my separate letter by this despatch to the Court of Directors. I sent a copy of my letter to Sir Alured after I had made it up for despatch, and I enclose a copy of his answer to me, which reflects the greatest honour on his character. You will really oblige me by obtaining a peerage for him, and I wish you to state the application to the king, as a personal request from me.

My despatches in various departments for these last eight months, have nearly anticipated the answers to all your letters; and I trust in God that before this time, my brother



Henry's arrival in England has satisfied your expectations respecting the settlement of Mysore. To have retained the whole territory for ourselves, would have raised such a flame both at Hyderabad and Poonah, as could hardly have been extinguished without another war. Henry will have informed you of the difficulties which delayed even the settlement as ultimately effected at Hyderabad. The Nizam's pride would not have been satisfied without a considerable cession of territory; and territory is more acceptable to his Highness's ministers, as affording a larger field both for patronage and speculation; money or jewels accompanying territory would also have been acceptable no doubt; but, distinct from territory, would not have contented the Nizam, and as they would have passed directly into his private coffers, would have been inaccessible to his ministers. The present settlement is more gracious, and as effectual in point of real power, as that which seems to have formed the extreme point of your wishes.

The affairs of Oude continue in the same uncertain state; but advantage will certainly flow from what has passed.

The private tonnage this season has given me much trouble, it is difficult to decide such a question permanently on principles supposed contradictory to the orders of the Court of Directors. I shall endeavour to proceed, at least so far as to prevent the trade from taking a bent towards foreign European markets in this year; and you ought, in justice to my situation to decide the question at home.

I remain, my dear Sir,

Yours most faithfully and affectionately,

MORNINGTON.

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No. LXI.

*The Earl of Mornington to the Right Hon. Henry Dundas.*

MY DEAR SIR,

January 30th, 1800.

I think it necessary to request your immediate and particular attention to the novel circumstance which has recently occurred of a Danish frigate entering the river Hooghley. She is said to be designed to protect the homeward-bound





trade of the Danish nation from Bengal. Under the same pretext, a squadron of Danish ships of war might be introduced into this river. The same pretext might equally be applied to serve the purposes of other neutral and friendly nations; all of whom might suddenly become our enemies. Hitherto the frigate in question (owing, possibly, to a strong suggestion which I conveyed to the Chief of Serampoor) has not attempted to proceed higher than Kedgerree; but I wish to know from you how this Government is to act in the case of a foreign ship of war attempting, without permission, to pass Fort William. Considering the value of our commercial fleets which remain for a great part of the year in Saugor roads, or at Kedgerree and Diamond harbour, it becomes a question whether the privilege of the river to any extent, however limited, ought not to be placed under very strict regulations in the case of foreign ships of war; and particularly during a period of war in Europe.

Among other regulations on this head one might be, that no foreign ship of war, the destination of which had not been formally announced to the Government in India by the Government at home, should be at liberty to enter this river. In the present instance, the only intimation which I have received respecting the Danish frigate has been from the Danish Government at Serampoor.

You already know how injurious Tranquebar has proved to our interests during the whole of the present war, I assure you that the Danish settlement of Serampoor is in some respects a still greater evil. Its vicinity to the seat of Government in Bengal renders it peculiarly obnoxious; adventurers of every nation, jacobins of every description, swarm at Serampoor, and it is the asylum of all our public defaulters and debtors.

These circumstances cannot fail to have the effect of occasionally unsettling the notions of many of our native subjects with regard to the extent and source of the authority of this Government; and this impression is assisted by the affectations of importance and state, sometimes assumed by the Chief of this paltry factory which, as it happens, is placed exactly opposite to the cantonment\* occupied by the garrison of Fort William.

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\* Barrackpore, 16 miles from Calcutta.





You are not, perhaps, apprized that Colonel Bie is *Governor and Commander-in-Chief of all the Danish dependencies in the provinces of Bengal, Behar, and Orissa*; and that he announces himself in this high character through the channel of the public newspapers.

I will conclude with assuring you that you would render a most important service to our national interests in this part of the world, if you could devise any means of annihilating the whole of these petty European States throughout the continent of India: but above all, those of Tranquebar and Serampoor.

I remain, &c. &c.

MORNINGTON.

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No. LXII.

*The Earl of Elgin to the Earl of Mornington.*

Constantinople, February 5th, 1800.

MY LORD,

[Received 10th June.]

Little had happened since I last had the honour of writing to your Lordship from hence, till I received the letters and enclosures, which I now have the honour of forwarding. The first collection was captured by one of Lord Nelson's cruizers; and although thrown overboard, they were recovered by the activity of our sailors. Your Lordship will read them, I am sure, with much interest. The second set have come here from Vienna, and require no comment from me, further than the assurances I have received from the Porte, that M. Descorches will not be permitted to come to Constantinople, nor the Grand Vizier be allowed to treat with him in Egypt.

Sir Sidney Smith, in the mean while, is carrying on a negotiation with deputies from the French army in Egypt. He has concluded an armistice for a month, from the 28th of December, in the hopes of arranging the evacuation of that province. Not having accounts of a late date from himself, I only know the fact indirectly.

The Grand Vizier has taken El-Arish by assault. Still, as we know that an expedition is fitting out from Brest of six sail of the line, and some frigates, with some thousand troops,





SIR SIDNEY SMITH, TO

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and a good deal of money on board, as a reinforcement for Egypt; and as a fleet of ships has, within these few days, been seen off Candia, steering towards Egypt, I hope the intention (if it has existed) of making a diversion through the Red Sea by troops from India, may not be abandoned.

Naples, I am sorry to say confidentially to your Lordship, is by no means in so tranquil a state as could be wished. The rigour with which the King has persecuted the defaulters during the late invasion of the French, has rooted so very deeply the hatred towards the ancient Government, that the Russians who have gone there of late to form a garrison, have actually represented to the Court, now at Palermo, the impossibility of restoring order, unless more moderation is adopted.

The misunderstanding between Russia and Austria, which I have already had the honour of mentioning to your Lordship, is not removed. The Russian troops pass the winter in Bohemia: but lately the Austrian General, Frölich, who took Ancona, not only excluded the Russians from the capitulation, but consented in the capitulation to a declaration made by the French, that the Russians disregarded all laws of war. Upon this acknowledgement, the Emperor of Russia, not obtaining any satisfaction, has prohibited the Austrian Ambassador from appearing at the Court of Petersburg till the Emperor of Germany removes this insult and injury.

Lord Minto, in the mean time, speaks in the most favourable terms of the present views and intentions of Austria.

From France I know absolutely nothing but what your Lordship will find in the papers. . . . Thank God! we have little communication from thence at this place.

I have nothing from England subsequent to the date of my last letters to your Lordship.

I have the honour to be,  
with great truth and regard,

My Lord,

your Lordship's most obedient, humble Servant,

ELGIN.





## No. LXIII.

*Sir Sidney Smith to the Earl of Mornington.*

MY LORD, Tigre, off the Coast of Syria, 6th February, 1800.

[Received at Fort William, 22nd April, 1800.]

I lost not a moment after the ratification of the articles of convention for the evacuation of Egypt to send Admiral Blanket a copy with a request for him to forward the same to your Lordship, through the most proper channel in order to curtail any expense on your western frontier that might be deemed to have become necessary from the removal of the French army, their presence in Egypt being to be considered as the object of armaments and fortifications in that quarter. I now send a duplicate direct to your Lordship through the Honourable Company's very zealous and active agent resident at Aleppo; and although the ordinary conveyance will do for a public document, and convey it quicker than any European officer could possibly carry it, I feel incumbent on me to say a few words which cannot be trusted to the chance of their falling into wrong hands, and which may induce your Lordship to suspend your orders for the absolute discontinuance of your preparations to the westward.

Although everything is apparently settled finally, and the French army decidedly bent on profiting by the opening now fairly made for their return home; yet, when they come to learn that Buonaparte on his return home has usurped the reins of government, and become almost Dictator from the ascendancy of his active, enterprising, and vindictive character over his consular colleagues, Sieyes and Ducos, Generals Kleber, Desaix, and other principal officers of the Egyptian army may not dare to carry through the measure, and appear before their arbitrary Generalissimo after having thwarted one of his favourite projects, the dismemberment of the Turkish empire, in conjunction with any northern power he may be able to influence, of which project he was full when he quitted Cairo, though the army anxiously hoped he never would have it in his power to realize it. General Kleber could not have known of the success of this modern Cromwell, when he confined his pretensions in our late negotiation





THE EARL OF MORNINGTON, TO

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to the security and honour of the army under his command, his rancour against Buonaparte may stimulate him to carry his army home in order to oppose him with the best of all possible weapons, a body of veterans that has his name in execration for having, on all occasions, sacrificed them, and ultimately deserted them without leaving them a hope of return. As to succour, they deprecate its arrival as the seal of their perpetual exile; and I know of no man so fit or so likely to become the Monk of this entire imitation of the History of England as Kleber. Desaix is too volatile and too much absorbed in Indian projects; he dreams of nothing but attacking England in all its extremities, and pores over the conquest of Mexico till he fancies himself Hernando Cortes disciplining Thalascalans to assist his European followers in the execution of the most gigantic schemes of conquest and colonization.

If I can but succeed in transporting this guest of mine, to whom I gave a passport five days ago, fairly on his native land, he loves his country too much, and has too precise ideas of real liberty to be a quiet spectator, much less an active instrument of Buonaparte's usurpation; and although I feel it my duty to warn your Lordship of a possible change in the Egyptian arrangement, I do not despair of again garrisoning Toulon with anti-jacobins, unmixed with the element of which Babel was formed, as in 1793.

Your Lordship's most faithful,

humble servant,

SIDNEY SMITH.

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No. LXIV.

*The Earl of Mornington to the Nabob of Oude.*

Fort William, 9th February, 1800.

The duty imposed on me by my public station, and the concern which I take in your Excellency's personal honour and welfare, as well as in the prosperity and happiness of the inhabitants of Oude, compel me to communicate to you, in the most unqualified terms, the astonishment, regret, and





indignation which your recent conduct has excited in my mind.

In order to apprise your Excellency in the most unequivocal manner of the causes and objects of this letter, I propose to state my observations with reference to the following distinct propositions in your Excellency's correspondence with me, and in your declarations made to the British Resident at Lucknow.

1st. Your Excellency, since my arrival in India, has repeatedly complained of the ruinous condition of your internal government, and earnestly solicited my direct interference, as being indispensably necessary for the purpose of effecting a complete reform in your affairs, and especially in your military establishments.

2nd. After having received from me a plan for the reform of your military establishments,\* you expressed, in the most deliberate and unqualified terms, your approbation of the same, and your hope that it would be carried into effect.

3rd. You have recently declared to Lieut.-Colonel Scott, that this same plan for the reform of your military establishment never, in any measure, met with your approbation or acceptance, or was deemed expedient by you.

4th. You have attempted, by various means, to delay, and ultimately to frustrate the execution of the plan above mentioned, of which you had, after full deliberation, expressed your entire approbation.

5th. The means which your Excellency has employed for this purpose are calculated to degrade your character, to destroy all confidence between your Excellency and the British Government, to produce confusion and disorder in your dominions, and to injure the most important interests of the Company to such a degree as may be deemed nearly equivalent to positive hostility on your part.

In the beginning of August, 1798, your Excellency informed me, by letter, that the organization of your government, which had for a long period of time been very loose and confused, was become in the last degree ineffective and irregular, adding a request that I would instruct Mr. Lunsdon (the Company's Resident at Lucknow) to afford your Excel-

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\* See page 212, and subsequent letters.





lency his effectual aid in establishing your authority on a *new basis*. A variety of circumstances having rendered it impossible for me to give immediate consideration to your Excellency's representation, your Excellency in a subsequent letter, written in June, 1799, revived the subject, observing, "it will be impossible to remove the embarrassment under which I labour until I shall have carried into effect the retrenchment of superfluous expenses, and shall have established a systematic settlement of the country, and of the *military (which is indispensable)* for promoting the security and ease of the ryots,\* the prosperity of the country, and the tranquillity of the people." Your Excellency added "although I have been informed by Mr. Lumsden that your Lordship has written to him upon this subject; yet nothing regarding it has been written by your Lordship to me; and I therefore hope you will repeat your orders to the Resident to be aiding and assisting me in all matters, so that I may *concert with him* the means of removing my embarrassments, and, *with his assistance, carry on the affairs* of my government in a manner to produce ease and satisfaction to my mind." Your Excellency concluded by declaring, "I rely on your Lordship for support and assistance in everything."

Such forcible representations of the disordered state of your Excellency's government in its military as well as civil branches, combined with my own intimate knowledge of the actual existence of the evils so repeatedly and emphatically described by your Excellency, authorized a full confidence in the sincerity of your Excellency's reiterated wishes for my active interference in your affairs, and for my assistance in remedying the defects of which you so justly complained. I therefore determined to adopt, without delay, those measures now apparently not less requisite for the ease and satisfaction of your Excellency's mind, than they had long been manifestly essential to the safety of your person and to the security and prosperity of your dominions. Under this impression, while yet occupied by most important affairs at Fort St. George, I appointed Colonel Scott to reside with your Excellency, furnishing him at the same time with such instructions as appeared to me to be best calculated to enable him to accomplish the apparently earnest wishes of

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\* Small farmers and cultivators of the soil.





your Excellency for establishing an improved system of civil and military government within your dominions.

In considering the course of measures best adapted to this salutary purpose, I became satisfied that it was absolutely necessary to commence with that reform of your Excellency's military forces, which your Excellency had declared to be indispensable. I was originally led to this conclusion by a review of the correspondence and negotiations which had passed between your Excellency and Mr. Lumsden in consequence of the advance of Zemaun Shah to Lahore, towards the end of the year 1798; and I was further confirmed in my opinion by a retrospect of the events which had followed the rebellion and flight of Vizier Alli.

The conduct of different corps of your Excellency's army had in several instances previously to the approach of Zemaun Shah, abundantly manifested that no reliance could be placed either in their fidelity or discipline. Many of them had mutinied, and were prevented from proceeding to acts of open violence against your Excellency's person by the presence of the Company's troops. Your Excellency, when consulted by Sir James Craig and by Mr. Lumsden on the measures of defence to be adopted against the threatened invasion of Zemaun Shah, declared that "no confidence was to be placed in your troops," and you not only avowed your military force to be inadequate to contribute any assistance towards the defence of your dominions, but required the presence of part of the British army within your capital for the express purpose of protecting your person and authority against the excesses of your own disaffected and disorderly troops, in the same moment when the services of the whole of the British army were most urgently demanded upon your Excellency's frontier to resist the approach of Zemaun Shah. Hitherto, however, the fidelity and utility of your Excellency's troops had been distrusted principally on grounds suggested by their repeated contumacy and disobedience. That they were actually capable of betraying the interests of your Excellency in a crisis of positive danger, was subsequently proved beyond a possibility of doubt by their treacherous conduct during the commotions excited by Vizier Alli.

The necessity of commencing the general improvement of your Excellency's government by a radical reform of your military establishment being then manifest, Lieut.-Colonel





Scott, together with a letter which Sir Alured Clarke addressed to your Excellency, by my desire, delivered to you such further explanations of the proposed measure as the occasion required. It is remarkable that the delivery of Sir Alured Clarke's letter to your Excellency had been preceded within the short space of five days by repeated complaints on the part of your Excellency of the turbulent and disorderly state of your troops.

In the plan of reform for your military establishment presented to your Excellency at that period of time, I proposed that the greatest part of your useless and dangerous forces should be disbanded, and should be replaced by a suitable number of the Company's troops. The reception which your Excellency gave to the proposition corresponded with the expectations which your Excellency's repeated declarations and applications to me had led me to form. Your Excellency perused the letter of Sir Alured Clarke *with satisfaction, and declared your thorough concurrence in the sentiments which it contained.* Your Excellency also, at a subsequent conference with the Resident on the 5th of September, observed, of your own accord, that the proposed measure *was not impracticable, but such as you hoped might be accomplished.*

It is of importance to remind your Excellency in this place that, soon after the opening of these discussions by Lieut.-Colonel Scott, a fresh mutiny broke out among your Excellency's troops, which your Excellency was enabled to quell solely by the assistance of the British Resident at Lucknow.

Having in a letter to your Excellency dated the 26th of September, 1799, expressed my satisfaction in your ready concurrence in the expediency of the measure which had been generally proposed in the letter of Sir Alured Clarke, and particularly explained by Lieut.-Colonel Scott, and having at the same time earnestly exhorted your Excellency not to suffer any consideration to delay for a moment the necessary alterations in your military establishment (referring to the plan which had been minutely detailed to you by Lieut.-Colonel Scott), your Excellency in reply declares "the benefits, both immediate and future, of such a reform are even more strongly impressed upon my mind than they have been described by your Lordship; *a year before this time, under a sense of the benefits in question, and of the evils ari-*





sing from the failure of my resources, and the increase of my expences, I planned, *of my own accord*, in my mind, a *reform of the system*, and was *the first to propose it*."

To the observation which I had submitted to your Excellency relative to the possible return, in a more formidable shape, of the dangers which had already threatened the safety of your Excellency's person and dominions, your Excellency answers, in the same letter, "please God, by introducing a reform in the *military system*, all dangers and all apprehension of disturbance will be removed."

These extracts from your Excellency's own letters, and from Colonel Scott's reports of your verbal communications noted and recorded at the time, warrant me in declaring that your Excellency, in the most direct terms, originally solicited me to prepare a plan for the reformation of your military establishment, and that you afterwards positively approved the plan prepared and submitted to you at your own request. I leave it to your Excellency to judge with what emotions I now learn from Lieut.-Colonel Scott, that you have not hesitated to assert that this identical plan framed at your own suggestion, and approved by your deliberate sanction, *had never, in any measure, met with your approbation or acceptance, or been deemed expedient by you*.

In this place it may not be inexpedient to observe, that even if your Excellency had not professed your approbation of the plan in question, it would have been equally my duty and right to have required your Excellency's adoption of a measure, the execution of which is indispensably necessary to enable the Company to fulfil their engagement "of defending your dominions against all enemies."

In my letter to you of the 5th of November last\* I have sufficiently established the right of the Company to augment their forces within your Excellency's dominions to whatever extent the British Government in India may judge requisite to the permanent security of the common interests. I have also explained in what manner your Excellency is bound by the 7th Article of the Treaty concluded between your Excellency and Sir John Shore, to defray the expense of any force which the British Government shall deem necessary for

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\* See p. 153.





the effectual protection of your dominions. The right of the British Government to make such an augmentation, even against your Excellency's consent, in the event of an invasion of your dominions, or of any sudden or temporary alarm either of domestic or foreign danger, has never been disputed by your Excellency; but I understand that you have expressed to Lieut.-Colonel Scott an intimation, that the same right does not extend to a permanent increase of the standing army of the Company in Oude. Can your Excellency then suppose that the treaty was intended to provide against dangers merely of a temporary and transient nature, and that it did not embrace the permanent and perpetual security of your dominions, and the lasting interests of that party which has bound itself to protect them against every danger, whether existing or contingent? If a danger shall exist, permanent in its nature, but of which the immediate approach to your Excellency's dominions may be so sudden and rapid as to preclude the possibility of providing against it by any other means, than a consistent and permanent system of preparation and precaution; shall it be contended that the legitimate protector and guardian of your dominions is not bound by every principle of duty to provide such a system without delay? and is not the season of peace and tranquillity the most favourable for the establishment of external security and internal order?

It is certain that the resources of your Excellency are inadequate to the double burthen of the proposed additional force of the Company, and of your own existing military establishment. But if your resources could bear this accumulated pressure, I should still feel myself bound to require that your Excellency should reduce your own disorderly troops. The expediency of disbanding as large a proportion of your own troops as can possibly be dispensed with in the business of the revenue collections, and in the purposes of ceremony and state, does not rest solely on the inefficiency of your troops in a military view, but also on their disaffection, and insubordination, and on the danger with which such a body of armed men must ever menace your person, and the public tranquillity in time of peace; a danger infinitely aggravated in the season either of domestic convulsion, or of foreign attack. The dismissal therefore of the troops in question, is not only recom-





mended by considerations of economy, but indispensably requisite by the soundest maxims of prudential policy. So long as these troops shall be entertained, a large proportion of the Company's force must be constantly employed to maintain the peace of the Country; and in the event of an invasion of your Excellency's dominions by a foreign enemy, the necessity of diverting a still more considerable part of the British army from the defence of your frontier, for the purpose of controlling your own licentious and disaffected soldiery, would increase exactly in proportion to the magnitude and imminence of external danger. It must therefore be obvious to your Excellency, that the continuance of these dangerous troops in your service, instead of leading to a diminution of the requisite amount of the British force in Oude, would require a far more considerable augmentation of that force than any hitherto proposed.

Your Excellency always professing the utmost anxiety for the reform of your own troops, having however delayed to concert the necessary arrangements for that purpose with Colonel Scott, it became my duty to accelerate the adoption of those measures for the defence of your Excellency's dominions, which daily became more urgent. It would have been highly gratifying to me, if your Excellency's activity on this occasion had been proportioned to the exigency of the case, or to the earnestness and apparent candour of your own declarations; but the responsibility in this case attaching, according to the stipulations of treaty, solely on the Company I could not have been justified by any consideration, in suspending the measures incumbent on the Company's Government.

On these grounds I determined early in the month of November last, to introduce immediately into your Excellency's dominions as great a proportion as possible, of the force which I deemed necessary to their effectual and permanent defence, in addition to the Company's troops already stationed in Oude.

I communicated this determination to your Excellency, in a letter written on the 5th of November, and forwarded by me to Lieutenant-Colonel Scott.\*

Before Lieut.-Colonel Scott could deliver this letter, your Excellency had made a proposition to him, which, as he con-

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\* See p. 153.





ceived, precluded the necessity of presenting any letter to you; and accordingly it was not delivered until your Excellency thought proper to recall the proposition in question.

In the meanwhile the additional troops which I had determined to send into your Excellency's dominions, continued to assemble for that purpose; because in every event the necessity of the intended reinforcements must have remained unalterable.

The proposition of your Excellency, to which I have adverted was, that you should abdicate the government of your dominions, and, appropriating to your private use all the treasures of the state, retire from Lucknow. You signified at the same time, a desire that one of your sons should be substituted on the Musnud.

Lieutenant-Colonel Scott remonstrated against your Excellency's declared resolution to abdicate the government; but your Excellency persisted, and finally enjoined him to communicate it to me, as the result of your deliberate consideration.

This unexpected determination of your Excellency, although it induced Lieutenant-Colonel Scott to withhold my letter of the 5th of November, until further orders from me, did not prevent him from occasionally pressing upon your consideration the subject of the reform of your military establishment. Your Excellency however, invariably evaded the discussion by declaring, that under the resolution which you had announced of abdicating the government, it was totally unnecessary to proceed at present in the proposed reform.

Your Excellency has been in possession for some time past, of a formal and detailed answer from me (authenticated by my signature) to your declaration of your resolution to abdicate the sovereignty of your dominions.\* To the arguments by which I endeavoured to modify your Excellency's original plan of abdication, and to the terms on which I declared myself willing to facilitate your retirement from the cares of your government, (the administration of which you have acknowledged yourself to be utterly unequal to conduct.) Your Excellency has not yet returned any reply; you have deemed it sufficient to signify to Lieutenant-Colonel Scott, that under

\* See minute by the Gov.-General, p. 159.





my determination not to admit your Excellency's proposition in the terms stated by yourself, you were ready to abandon your design of retirement, and to retain the charge of the government; supporting this apparently new resolution on general grounds of justice to your family. I will not at present enquire whether means might not still be devised for securing ample justice to your family, without reducing your Excellency to the painful and dangerous necessity of continuing in a station, the duties of which you have declared yourself to be incompetent to fulfil, and of governing a people whom you have declared "neither pleased with you, nor you with them; with whose evil dispositions, enmity, disobedience and negligence, you are disgusted; and from whose government your mind is utterly withdrawn."

Having requested your Excellency to return a formal and precise answer to my detailed observations and proposals, in consequence of your Excellency's declared wish to abdicate the government, I shall abstain from entering into any minute examination of the nature of the subsequent change in your Excellency's mind, until I shall be furnished in a regular manner, with an explicit statement of the motives which induced that change. I must however remark, that every circumstance accompanying your Excellency's conduct, which has hitherto fallen under my observation, on this extraordinary occasion, appears to me to indicate that your Excellency never previously entertained the design of abdicating your government, however convinced of the truth of those incontestible facts which you alleged as the motives of your abdication, but that you professed such a design with the sole view of defeating by delay, the long meditated measure of a reform of your military establishment.

It is most painful to be compelled to state a charge of so serious a nature, against a person of your Excellency's high rank and exalted dignity; but what other conclusion can I draw from your Excellency's conduct, when Lieutenant-Colonel Scott informs me, that after you had engaged his attention and mine for nearly two months, by your ostensible intention to abdicate the government, you suddenly relinquished that intention, and at the same moment declared for the first time, that if "the reform of your military establishments were to be adopted on the principles proposed, it would annihilate your Excellency's authority in your own dominions," al-





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though not only the general principles, but all the material details of that reform, to which you now object, had been repeatedly approved by your Excellency, as being essential to the maintenance of your authority, and indispensable to the peace and safety of your dominions.

But your Excellency has proceeded to other measures of a tendency infinitely more dangerous, utterly incompatible with all your professions, and repugnant to the fundamental principles of your connection with the Company, and to every duty of friendship and honourable alliance.

Lieutenant-Colonel Scott informs me, "that your Excellency, instead of affording any cordial assistance for devising and carrying into execution a plan for the dismissal of your battalions, has thrown every possible impediment in the way of that measure, by endeavouring to restrict the additional British force to one position and by delaying to furnish Lieutenant-Colonel Scott with the statements of your military establishments repeatedly required, and absolutely necessary to the commencement of the undertaking."

Lieutenant-Colonel Scott informs me, that your Excellency is equally desirous of *impeding the progress of the additional British troops, by exposing them to difficulties in obtaining supplies of provisions*; to prove this intention on the part of your Excellency, Lieutenant-Colonel Scott states, that although he had repeatedly applied to your Excellency for the necessary purwannahs to your several aumils, your Excellency had not yet issued a single purwannah; the consequence of which was likely to prove not only seriously distressing to the British troops destined to the protection of your dominions, but dangerous to the peace of the country through which those troops proposed to march.

It is impossible for me to express in terms of sufficient force, the sentiments which this intelligence has occasioned in my mind.

The conduct of your Excellency in both instances stated, but more flagrantly in the last, is of a nature so unequivocally hostile, and may prove so injurious to every interest, both of your Excellency and of the Company, that your perseverance in so dangerous a course, will leave me no other alternative than that of considering all amicable engagements between the Company and your Excellency to be dissolved, and of regulating my subsequent proceedings accordingly. I am





however, always inclined to hope that your Excellency may have been inadvertently betrayed into these imprudent and unjustifiable measures by the insidious suggestions of evil councillors, and being ever averse to construe your Excellency's actions in such a manner as must compel me to regard and to treat you as a Prince no longer connected with the Company, by the ties of amity and of a common interest; I trust that my next accounts from Lieutenant-Colonel Scott, may enable me to view your Excellency's conduct in a more favourable light, but lest my wishes in this respect should be disappointed, it is my duty to warn your Excellency in the most unreserved terms, that your Excellency alone will be responsible for all the evils which cannot fail to result from any further perseverance in the fatal and imprudent course of measures which you have recently pursued. I also think it necessary to entreat your Excellency not to delay for a moment, whatever further steps may be pointed out to you by Lieutenant-Colonel Scott, as necessary to effect the two urgent and indispensable objects; namely, the reform of your military establishment, and the provision of funds for the regular monthly payment of all the Company's troops in Oude.

The least omission or procrastination in either of those important points, must lead to the most serious mischief.

MORNINGTON.

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No. LXV.

*Lieut.-General Stuart to the Earl of Mornington.*

The Hon. Company's ship *Woodford*,  
16th February, 1800, off Anjango.

MY LORD,

Your Lordship will do me the justice to believe, that your letter, under the 12th of January,\* which I have just had the honour to receive, has been no less gratifying than flattering to me. Nor can I here sufficiently express my high sense of your Lordship's goodness on every occasion, and more especially for this recent and handsome manner in which you have been pleased so particularly to notice me.

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\* See p. 173.





LIEUT.-GENERAL STUART, TO

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If my health had permitted, I should most readily have sacrificed every private consideration, and continued to exert my best endeavours in the service of my country, under your Lordship's auspices in India. It is impossible that so many motives can ever again conspire to lead me to resume an active life, for while the highest objects were held forth to my ambition, I had the further stimulus of your Lordship's wishes; but there is a period, my Lord, when the mind and the body demand repose, and when the spirits no longer animated by sanguine expectations, are unfit for excessive labour. It is now time that I should withdraw from a scene in which I have acted a part for forty years, and if I shall find an honourable retirement in my native country under that middling state of affluence which is sufficient for a man who has but moderate wants, I shall rest contented. But I have not by this resolution, my Lord, absolutely devoted the remainder of my life to ease; for as I have always been of opinion, that it requires the full enjoyment of health to support with firmness the vicissitudes of military affairs, should I have the good fortune to recover that blessing, I shall again, I am sure, think of resuming the exercise of a profession which has constituted my employment and happiness for so many years.

I beg to assure your Lordship that my friend, Captain Walker, as well as myself, feels with due gratitude the very handsome terms in which you have been so good as to express yourself respecting him. He requests of me to make his grateful acknowledgements to your Lordship for the confidence you are pleased to place in him, and for the great honour proposed by admitting him a member of your family. The offer of so distinguished a situation has made that proper impression on his mind that it ought, and which your Lordship had a right to expect. At the same time his appointment under the Presidency of Bombay has been lately improved by being nominated to succeed to the present Auditor-General, who has announced an intention of returning to England soon, and his future prospects are thus, in a great measure, confined to that station. His diffidence, and an apprehension that he would not be able to fulfil your Lordship's expectations, is an additional, and perhaps, a greater motive to induce him to decline the honour which your Lordship's goodness would confer on him. But if your





Lordship should have occasion to employ him at Bombay, either in obtaining any heads of local information there, or in whatever other manner, I am certain that he will, to the best of his judgment, execute your commands with fidelity and alacrity.

I return to England fully impressed with your Lordship's kindness and generosity. Nor can your unsolicited efforts to promote my future comfort and happiness ever cease to be warmly remembered by me while I live. I have indeed but one subject of regret in quitting this country, that in any instance my ideas should not have entirely accorded with your Lordship's superior and more profound judgment.\*

A name so great as yours, my Lord, does not stand in need of praise from a person in my sphere, but I know that you value the esteem of every honest man, and in this character, while I congratulate my country on possessing so eminent a statesman, I most seriously wish that success to attend your Lordship's administration, which has already added such conspicuous lustre to the British arms, and established on the most solid basis the English empire in India.

I have the honour to remain,  
with the greatest respect and regard, my Lord,  
your Lordship's most faithful, obliged,  
and devoted Servant,  
J. STUART.

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No. LXVI.

*The Earl of Mornington to the Honourable Jonathan Duncan.*

SIR,

Fort William, February 16th, 1800.

Having fully considered the arguments adduced by Lieut.-General Stuart, in the minute recorded by him previously to his departure for Europe (and approved by you in your letter to me transmitting that minute) in proof of the necessity of an augmentation of the native infantry of your establishment, I am satisfied that some increase of that corps is indispensably requisite. I am in particular convinced that it

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\* Referring to a proposition of Lieut.-Gen. Stuart's for augmenting the force of the army at Bombay, and the Gov.-General's objections to any increased military expenditure.—[Ed.]





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is expedient to enable you, as soon as possible, to reinforce the native troops at Surat; and to dispense with the services of the auxiliary troops of the Rajah of Travancore.

For these reasons, I authorize you to make an immediate addition of one regiment of native infantry to the army under your Presidency, and to adopt the necessary measures for that purpose without delay.

I have the honour to be, &c.

MORNINGTON.

P. S. I take this opportunity of requesting that you will have the goodness to direct all your separate letters to me, to be numbered under two heads.

*Official*—comprehending such letters as are intended for record, and which should always be countersigned by one of your Secretaries.

*Private*—containing your communications of that description.

I wish this regulation to commence from the 1st of January, 1800, and I shall observe the same. Accordingly I shall number your letters.

*Official*, No. 1, dated the 4th of January, 1800.

*Private*, No. . . . .

The numbers are to recommence with every year.

No. LXVII.

*The Earl of Mornington to the Honourable Jonathan Duncan.*

SIR,

Fort William, Feb. 18th, 1800.

Having fully considered your several communications relative to the affairs of Surat, I have directed a despatch to be prepared on that subject for my signature in Council, together with the draft of a Treaty to be concluded with Nussur ud Deen previous to confirming him in the station of Nabob.

As it may require a few days to complete these papers, I think it advisable to give you an early intimation of the general principle on which my instructions will be founded.

Being convinced that it is not only the complete right, but the positive duty of the British Government to secure the external defence, as well as the internal order and good government of the City of Surat; and being satisfied that the





original Treaty between the Company and the Nabob Moyeen ud Deen presents no obstacle to any conditions requisite to the permanent establishment of these important and salutary objects, I am resolved not to confirm Nusser ud Deen in the station of Nabob, until he shall have agreed to transfer the whole civil and military administration and revenues of the city into the hands of the Company; reserving to himself an annual stipend sufficient for the maintenance of himself and his family, to be paid by the Company from the revenues of Surat.

An arrangement, founded upon this principle will, of course, include the institution of regular courts of justice under the authority of the Company.

I think it will be advisable that you should proceed in person to Surat for the purpose of concluding this important arrangement. I shall not, however, suggest this measure in my letter in Council; but you will understand my decided opinion to be, that, without your presence at Surat, the proposed reform cannot be carried into effect.

In my official letter (No. 2) of the 16th instant, I authorized you to add one regiment of native infantry to your establishment. A more attentive consideration of your communications relating to Surat, and of Lieutenant-General Stuart's minute of the 21st of January, has convinced me of the necessity of extending that authority to the addition of another regiment, according to the suggestion of General Stuart in that minute.

You will, therefore, proceed without delay to add two regiments of native infantry to your establishment.

It is also my desire, that you should immediately increase the force at Surat to one company of European artillery, two companies of European infantry, and one complete regiment of native infantry.

You will observe, that it is desirable that this force should precede your arrival at Surat.

You may expect my despatch in Council in a few days, but I request that you will not delay these preliminary measures under that expectation.

I have the honour to be, &c.

MORNINGTON.





THE EARL OF ELGIN, TO

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No. LXVIII.

*The Earl of Elgin to the Earl of Mornington.*

Constantinople, Feb. 20th, 1800.

MY LORD;

[Received at Fort William, May 10th, 1800.]

Although Sir Sidney Smith will, no doubt, have sent to your Lordship the earliest accounts of the capitulation which the French have signed for the evacuation of Egypt, yet I lose no time in forwarding the intelligence from hence, and enclosing an abstract of the terms agreed upon.

I most sincerely congratulate your Lordship upon this additional security to our East India possessions. The period of your administration has surely been the most brilliant, and has procured more essential benefits to those interests, than any Government ever was so fortunate as to obtain. No one takes a warmer share than I do in whatever must contribute so greatly to your satisfaction and reputation.

There are at this moment eight mails from England missing. It would appear that the Elbe is frozen; and the roads on this side of Vienna are almost impassable. I can, therefore, offer you no news from hence.

We have merely common report from France: nor do we know of any act worthy to be cited of the new Government at Paris.

I wish I could give your Lordship any hopes that the Court of Russia shewed more disposition than of late for continuing a continental war against France. I have not heard from Lord Minto since he went to Prague last month, for the purpose of an interview with Marshal Suwarrow. At first it was said that their conferences had ended as we might wish; but my accounts from Russia state the determination of the Emperor to be, to recal his troops.

By advice from London, it is expected there that Russia continues hearty with *us*; and the same language is held to the Porte. But if it does not act on the Continent, I am not sanguine as to the benefit we are to derive from its efforts.

Meanwhile the Court of Vienna continues its preparations



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for another campaign. At present we do not hear any surmise of Buonaparte's having proposed fresh terms of peace to Austria.

I have the honour to be,  
with great truth and regard, my Lord,  
your Lordship's most obedient, humble Servant,  
ELGIN.

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No. LXIX.

*The Earl of Mornington to the Right Honourable Henry Dundas.*

MY DEAR SIR,

Fort William, March 5th, 1800.

Although most of the points touched in your several despatches have already been anticipated, either by my letters to you, by the communications which I trust you have received through Mr. Wellesley, or by my despatches to the Secret Committee and the Court of Directors, I propose in this letter to reply regularly to such of your communications as have not already been directly answered by me.

HYDERABAD.—I received with the greatest satisfaction your approbation of the treaty of Hyderabad.\* Subsequent events have abundantly confirmed the justice of the expectations, which you formed upon the first view of that treaty. It was indeed the source of all our recent successes in India; and even if it has in any degree aggravated the characteristic jealousy of the Mahrattas, it has furnished ample compensation in establishing an impregnable barrier against their power. The system on which the treaty of Hyderabad was founded, would certainly be most effectually completed by the conclusion of a similar engagement at Poonah, and I am resolved never to lose sight of that most desirable object.

The various instances in which the jealousy of the Mahratta State has lately been disclosed, are rather to be attributed to the peculiar character of that nation, and to the singular disposition of the present Peishwa, than to any formed aversion to a nearer connection with the British power.

The influence of Scindia has also contributed to frustrate my proposed measures, because their necessary effect must have been to restore the Peishwa to a certain degree of credit

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\* See Vol. I. Appendix.





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and power; and to reduce Scindia in the same proportion. I have no reason to believe that Scindia would be averse to a separate connection with us, but not perceiving any possible advantage which could arise from such a connection under all the circumstances of the present moment, I have taken no steps to cultivate it, while I have avoided any manifestation of an unfriendly disposition.

The distractions of the Mahratta empire must continue to increase, until they shall be checked by foreign interference. No power in India excepting the British now possesses sufficient strength to interpose with effect in these dissensions; and I shall not be surprised if ultimately the subsidiary force, which I am so anxious to establish at Poonah, should be required with equal anxiety by the Mahratta State, as the only means of restoring order, and of saving the whole of that country from plunder and desolation.

Mr. Colebrooke has now resided several months at Nagpoor, and I have every reason to believe, that the Rajah of Berar will prove well inclined to support whatever plan the British Government may ultimately adopt with regard to the affairs of the Mahratta empire.

With respect to the views of Zemaun Shah, the papers found in the palace at Seringapatam have completely justified your opinion of Tippoo's disposition to obtain the assistance of that Prince; and of Zemaun Shah's inclination to afford it.

For some time to come, I trust that Zemaun Shah will be too much occupied at home, to admit of turning his arms against Hindostan; and I am inclined to think that the encouragement of divisions in his own government, and of hostility between the contiguous State of Persia and his dominions, is the system of defence against Zemaun Shah on which it is most safe to rely under the present circumstances of affairs in India.

The profligacy of Scindia's character, the distracted state of his councils and armies, and the distress or rather ruin of his finances preclude the hope of effecting a secure or useful alliance with him.

The establishment of a subsidiary force at Poonah, would compel Scindia to return to his own dominions; and in that event, it might not be difficult to convince him that his best security would consist in imitating the example of the Nizam





and of the Peishwa; and in placing himself under the immediate protection of the British power.

With respect to the general system of policy to be adopted by us in India in consequence of the conquest of Mysore, I shall view all the important considerations connected with that extensive question in a separate despatch, addressed by some future opportunity, either to you or to the Secret Committee.

I conclude, that the power of the French in Egypt is either already extirpated, or that you will continue the war until that indispensable object shall be completely effected. Notwithstanding the present proud and commanding predominance of the British power in India, we cannot expect an uninterrupted continuance of tranquillity while France shall be permitted to maintain a powerful establishment in Egypt.

Since I wrote the preceding paragraph, I have received despatches from Lord Elgin, dated the 22nd December, 1799, by which it appears that Kleber remains in Egypt with 15,000 men, and that Buonaparte is at the head of a new Government in France. Lord Elgin proposes a powerful diversion from India, through the Red Sea, for the purpose of accelerating the evacuation of Egypt by the French, but after a full discussion of this subject with General Stuart, I am satisfied that it would be an useless waste of treasure and blood to attempt such an expedition on a large scale, unless the whole plan of co-operation from the Mediterranean had been previously concerted.\* Desultory operations against any places retained by the French on the shores of the Red Sea may be advantageous, they would neither be perilous, nor expensive.

You are already apprized of my entire coincidence in your opinion, respecting the importance of Goa; and I trust that you will be enabled to give full effect to the measures which I have adopted for the purpose of rendering that possession an additional source of strength to the British Empire in India. I also consider the possession of Diu to be a most desirable object, particularly with a view to the coercion of the Piratical States on the north western coast of the peninsula of India.

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\* This was the suggestion of the Governor-General to Mr. Dundas on the 16th of May, 1799. See Vol. I. p. 587.—[Ed.]





FINANCES.—Notwithstanding the large import of bullion during the present season, the expences of the war, and the considerable amount of the 12 per cent securities, coming in course of payment within the current and succeeding year of account, have compelled me to continue the system of adding to the debt in India, in order to secure a considerable commercial investment for the ensuing season. I have however, the satisfaction to assure you, that every symptom has concurred to confirm my opinion, that the debt in India is likely to become more manageable in every succeeding year. The loans which I have opened at this Presidency during the current year, have been made at a rate of interest much more favourable than any which has been raised since the year 1796, as will appear by the terms of the loans of this year. Although the second loan on the same terms is actually open, the state of the public securities is now—

5th March, 1800.

	Buying.	Selling.	
6 per cent. . . . .	13 0 0	14 0 0	} Discount.
8 per cent. . . . .	5 0 0	6 8 0	
10 per cent. . . . .	10 8 0	9 8 0	} Premium.
12 per cent. . . . .	1 8 0	2 0 0	

Having been at the corresponding period in the preceding year—

5th March, 1799.

	Buying.	Selling.	
6 per cent. . . . .	24 8 0	25 8 0	} Discount.
8 per cent. . . . .	14 8 0	15 8 0	
10 per cent. . . . .	—	—	
12 per cent. . . . .	0 2 0	0 6 0	

The distress for specie has gradually vanished, and private credit has proportionably been improved; and I have been enabled to send home with valuable cargoes every regular ship belonging to the Company in India, while on the other hand, I have employed the whole tonnage which the Port of Calcutta could furnish since the month of December, to carry to the Port of London, nearly the whole of the goods of individuals, which had been tendered for exportation previous to that month, over and above the 3,000 tons which the Company is bound by law to furnish.

The finances of the Government of Madras have improved in a still greater proportion than those of Bengal. At that





Presidency they have opened a loan, under which they have been enabled to raise a large supply. The great augmentation of the resources of Fort St. George, under the subsidiary treaties of Hyderabad and Seringapatam, and the partition treaty of Mysore, together with the improvements in the revenues of Tanjore and of the country of the Polygars will render the finances of that Presidency an object of the highest consideration. It may also be expected that industry, population and manufacture, and all the sources of public and private credit will take a new spring in our possessions on the Peninsula of India, in consequence of our increased security in that quarter.

To these causes of progressive prosperity, it is reasonable to add the benefits which cannot fail to accrue from the extension, to that part of our empire of the system of judicature and revenue, under which these provinces have attained so eminent a degree of opulence and internal tranquillity.

I trust that the 8 per cent loan now opened in Bengal, will be rapidly filled, and will enable me to provide for all the services stated in my several estimates; I expect hereafter to be able to borrow money at 8 per cent under the former system of repayment of the public securities according to priority of date.

Notwithstanding these favourable expectations, I am of opinion, that the surplus revenue of India is not likely to afford any considerable or certain resource. The increasing magnitude of our empire in India, and the continual expansion of every branch of our numerous and complicated interests must preclude any considerable reduction of our permanent charges civil, military, or commercial. More cannot be hoped from the utmost exertion of vigilance, integrity and ability in any persons to whom the government of this empire may hereafter be entrusted than to check, by a seasonable and diligent system of revision, that tendency to excess and abuse which is the inherent vice of all great establishments. On the other hand, it is my decided opinion, that the growing resources of India will keep pace with the demands upon them.

With respect to the resource which you expect to derive in India from bills upon the East India Company under the plan of remittance, the prosperous state of public credit in





England and in India will co-operate to render that resource of little avail. The state of the public funds in England will diminish the desire of remitting private fortunes to England from India in proportion to the increase of the public prosperity at home, and the high degree of security which our Indian Empire has acquired by the success of the late war against Tippoo Sultaun, has inspired so general a confidence in the stability of the British power in India, that individuals will think their capital equally safe in India, where it will certainly be more productive than in England,

These circumstances, added to the vast increase of the export of goods from India to England will probably detain much capital in this country, and retard the operation of any plan of remittance which could be devised.

Private merchants, for commercial purposes, will always offer more advantageous terms than the Company; and in time of public prosperity the bills of individuals of undoubted capital will be received by many in preference to bills drawn on the Company on terms less favourable.

The same causes will naturally tend to maintain, if not to increase the present high rate of exchange upon bills on England; and while the natural and current rate of exchange shall be so much higher (as it is at present) than that allowed by the plan of remittance through the Company, it is not to be expected, that individuals will resort to that plan to such an extent as shall furnish any important financial resource.

COMMERCE.—That the export of British manufactures to India, under proper regulations, might be extended to the amount of a considerable resource, I entertain no doubt, but I must observe, that before such an effect can be expected an entire reform must take place in the conduct of the East India Company's exports to India.

The leading points which require minute and diligent care in the management of this branch of the Company's affairs appear to me to be, first, that the goods should be of the first quality; secondly, that they should be invoiced at a reasonable and just price; and thirdly, that they should be assorted in a manner suitable to this market, and conformably to the indents sent from hence.

Under the present system the quality of the goods is fre-





quently defective; for the two last years the invoice price has been considerably increased without any correspondent improvement in the quality of the goods, and the assortments have been injudicious and contrary to the indents sent from hence by those officers who are best acquainted with the nature of the market.

As connected with this subject, in one point of view, I desire to call your particular attention to the defective and unserviceable state of the arms annually exported to India for the use of our troops. This is a disgraceful evil, and of a most pernicious tendency. I am apprehensive that the whole system of the Company's exports to India is rendered subservient to private interests at the expense of the public.

Mr. Pitt's Bill for the reduction of the duties upon imports from India has grievously disappointed the expectation of the commercial part of the community. The duty imposed by that bill upon the *Sugars, particularly on the coarser sort, is much too HIGH*; and the object of inviting the trade of India to the Port of London, will not, I fear, be effected by the general scale of duties adopted in that bill.

INTERNAL ADMINISTRATION OF BENGAL.—The increasing arrears of the land revenue of Bengal occupied my attention immediately after my arrival in India.

After full consideration I passed a law for the purpose of remedying the increasing evil\* of accumulating balances. The beneficial effects of it have already been felt to so great an extent as to warrant a confident expectation that the stipulated income will hereafter be paid with great regularity.

My judgment and experience coincide entirely with your opinion, that the system adopted by Lord Cornwallis has proved and must continue to prove a fruitful source of happiness, wealth, industry, and population to this flourishing country. That system, however, has still to encounter some avowed and many secret enemies; nor have its benefits been yet fully realized, it has not been carried into execution with cordiality, zeal, and energy proportioned to its merits; it has received no aid of collateral institutions calculated to furnish a supply of men properly qualified to fill the several stations of judicature and revenue; nor has a due and impartial se-

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\* Regulation No. VII., 1799.





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lection been uniformly made of the persons best qualified in the actual state of the service to fill such stations as have progressively become vacant; nor has the administration of justice throughout the provinces been superintended with a sufficient degree of vigilance and care.

I have nearly matured a plan with a view to these salutary objects. The principal measures on which it will be founded will be, first, the institution of a Court of Sudder Dewannee and Nizamut Adawlut distinct from the council; but of which the Chief Justice shall be capable of sitting in council, if appointed from home to a seat in council. The province of this new Court shall be, not only to receive and judge appeals, but also to superintend the administration of justice and the general state of police in all the inferior courts, branches and departments of the judicial institutions.

It is my intention to constitute this court of those persons who bore a principal share in framing the system so happily adopted by Lord Cornwallis. Their talents, integrity, and experience, as well as the peculiar propriety and dignity of their manners render them the fittest to hold this distinguished station, to which it is my intention to annex the highest rank which the law enables me to grant.

The Chief Justice of this new court may hereafter become a member of the Council, in which event he will still continue to preside in the court. In the meanwhile I wish to be empowered by law to give a rank to the Chief Justice of the Sudder Dewannee and Nizamut Adawlut, which shall place him as nearly as possible on a level with the Chief Justice of the Supreme Court of Judicature.

2nd. The institution of a College or University at Calcutta in which the Writers shall be subject to the rules of collegiate discipline for the first two or three years subsequent to their arrival; and shall study the languages, history, laws, manners, and customs of India, the laws enacted by the Governor-General in Council, and such rudiments of the laws of England as are necessary to enable the judges throughout these possessions to administer the laws of India in the spirit of the British constitution.

3rd. I propose to pass regulations subjecting all persons appointed to offices of the judicature or revenue to public examination in the several branches of knowledge requisite





in their respective stations, before they shall be entitled to receive the emoluments of the office to which they may have been appointed.

4th. In the several stations of revenue and judicature throughout the provinces many public officers are to be found avowedly incompetent to the due discharge of their duties. Some from ignorance, natural incapacity or fixed habits of indolence and dissipation, others from age and infirmity. Such persons have been suffered to retain their stations under the orders of the Court of Directors, prohibiting the grant of pensions of retreat to the civil service. This prohibition is contrary to true principles of economy. The inevitable operation of it has been to fix incapable persons in stations requiring efficiency; and the loss sustained by their negligencies or errors infinitely overbalances the expense of providing for them at the public charge. The application of this prohibition to persons who have grown old or infirm in the public service is illiberal and cruel, as well as impolitic. On the other hand it may, perhaps, be questioned whether those whose ignorance, natural inability, or other defects disqualify them for the public service, can be entitled to any compensation from the state which has already supported them at a considerable expense, under the presumption of their sufficiency to discharge the duties for which they receive emolument.

But viewing the actual state of the civil service at this Presidency, I know that many persons do not, and never will, render justice to the public in the stations which they now hold, although it would appear an act of great harshness and rigour to remove these persons, without making some provision for them. Their number is not very considerable, it bears no proportion to the mischief occasioned by their evil administration, and by the dangerous example which their conduct affords to the younger branches of the service. My intention, therefore, is (without waiting for orders from home) to remove all persons of any of the descriptions to which I have adverted *from efficient office*; and to provide for them by adequate pensions for life, payable to their agents in India on the condition of their returning to England. The present allowance to the Company's servants out of employment being payable only to such as reside in India would not answer the purpose proposed.





Among the servants now out of employment, but residing in Bengal, few, if any, are qualified for efficient office; the amount of the pensions to be paid under the new plan must bear a just proportion to the period of service as well as to the offices actually enjoyed at the period of removal, it will be for the Government at home to consider whether any permanent plan of pension for civil servants retiring from the service in India shall hereafter be adopted. The measure which I propose to carry into effect, is more immediately applicable to the actual state of the civil service in India; but the principles on which it is grounded may furnish the foundation of a permanent system, which shall for ever secure this Government against the evils of inefficiency, ignorance, and negligence in the subordinate branches of the executive administration.

**TAXATION.**—The accounts which you will have received this year of the revenue on salt will be highly satisfactory to you, and you will have observed with peculiar pleasure that the revenue arising from the sale of Opium has been completely restored by the improved system of agency, by the extreme care applied to the manufacture of the drug, by the due proportion now preserved between the quantity manufactured and the current demand, and by the measure which I have uniformly carried into effect of publicly destroying all such opium as had been declared to be adulterated. The produce of the two last sales of opium (which included the whole annual quantity for the last season) has exceeded that of the most favourable sales of that drug ever experienced in Bengal, the nett profit to the Company on the two sales in December, 1799, and February, 1800, having amounted to more than 23 lacs of rupees (£287,500 sterling).\* I have little doubt that this branch of revenue will continue to flourish under the same judicious system, vigilantly administered. The public service is greatly indebted to Mr. Fleming, second Member of the Medical Board, for his careful inspection of the opium, as well as for his various suggestions by which the manufacture has been placed under improved regulations.

You will observe with great satisfaction the considerable increase which has taken place in the Government customs

\* Estimating the rupee at 2s. 6d., its then current value.—[ED.]





at Calcutta since my arrival in India. This is to be attributed entirely to increased care and vigilance in the business of the custom house. The customs were placed for some time under the management of Mr. Haldane, a Member of the Board of Trade, who was principally aided by a young gentleman of the name of Twining, in restoring order to the business of the Custom-house. Mr. Twining has distinguished himself very much in this transaction; he is at present too young in the service to be placed in the enjoyment of a salary adequate to his merits, but I shall take the first practicable opportunity of promoting him; in the meanwhile I have appointed Mr. Dashwood to the collection of the customs. I can rely on his diligence and integrity, and Mr. Twining will act under him.

It is necessary to observe that the right of the Governor-General in Council to raise the duties on goods in the Port of Calcutta is questioned by the lawyers here, in the present indefinite state of our powers of legislation.

An improvement of the tax upon Spirituous Liquors and intoxicating Drugs is now under my consideration, and I have little doubt that this branch of the revenue may be much increased. But here again I feel myself embarrassed by the anomalous constitution of this government. Under the construction given to the laws for the government of the British possessions, it is a received doctrine, that the Governor-General in Council cannot legislate for the town of Calcutta. Therefore the capital City of this empire must be exempt from the operation of any law imposing additional duties on the articles above mentioned, unless I can contrive to pass such a law under the pretext of an improvement of the duties appropriated to the support of the police. I am disposed to hope that sources of just and moderate taxation may be discovered on other articles of general consumption; but this measure must be adopted gradually and with great caution. I must here also observe, that although Calcutta must necessarily be the place of the greatest consumption, as well as that where any new tax would be less sensibly felt than in the country, the supposed restrictions of the law, and the strange conflict of authorities between the Supreme Court of Judicature and the Government, preclude the possibility of my applying any system of taxation on articles of





general consumption to the town of Calcutta. I trust you will, without delay, relieve this government from a predicament so embarrassing.

**POLICE.**—The Police of Calcutta is now in a deplorable condition, and if speedy measures be not adopted the town will soon relapse into its ancient state of filth and unhealthiness, and will again become fatal to European constitutions. It is my intention immediately to proceed to improve the drains and roads, to widen the streets and avenues, and clear away the jungles, and remove the tanks and other nuisances situated in the neighbourhood of the town. These improvements will necessarily occasion expense; but it is an expense which the Company must incur, or forfeit every title to the character of a wise and munificent sovereign. In aid of this expense it would be just to levy an assessment on the inhabitants of Calcutta; but I have already stated that measure to be impracticable in the limited state of my powers. Various other regulations of police are requisite for the preservation of the peace and order of the town; even these I shall find it difficult to enforce until my right to legislate for Calcutta shall be rendered indisputable by act of parliament.

**Oude.**—Of the two general heads, under which you have stated the objects of your anxiety, with regard to the situation of Oude, I trust that the second is now nearly accomplished; namely, the substitution of an efficient military force under the Company's authority, in place of the Nabob Vizier's dangerous and undisciplined army. This reform has not been effected without great reluctance on the part of the Vizier, whose character has been displayed on this occasion in the genuine colours of Asiatic treachery and falsehood. I have nothing to hope from any other quality in his Excellency's mind, excepting his acknowledged pusillanimity, which I flatter myself will induce him to submit to the introduction of such a portion of the British authority into the management of his country, as is indispensably necessary to the just and pure administration of the Government; to the accurate collection and economical expenditure of his revenues; and to the relief of his people from the extortion, cruelty and oppression, under which they now suffer. I shall hereafter submit to you a detailed view of my proceedings in Oude; at present





it may be sufficient to say, that I consider the reform of the Vizier's military establishment to be far advanced, and that in consequence of the success of that preliminary step, I entertain a sanguine hope of being able to carry the same spirit of reform with vigour and effect into every other branch of his affairs.

GOVERNMENT OF FORT ST. GEORGE.—I am happy to be able to express my entire concurrence, in your opinion, with regard to the progressive improvement of the administration of affairs at Fort St. George; and I have no doubt that the same system will continue to be pursued by Lord Clive and by the persons who now constitute his advisers at that Presidency. My long residence at Fort St. George, and the cordiality, temper, and honour of Lord Clive have completely identified the two Governments, and I find no more difficulty in governing our extensive possessions on the coast, with all our recent acquisitions of territory and influence, than in regulating any of the collectorships in Bengal. You will observe, by the public proceedings, that I have lately transmitted to Fort St. George detailed orders for introducing into the possessions under the immediate Government of that Presidency, the same system of internal administration, under which these provinces have so happily flourished. I entertain no doubt, that, under the present Government at Fort St. George, my orders will be carried into effect with the utmost degree of honesty, alacrity, and zeal. The execution, however, of those orders must necessarily be imperfect unless accompanied by the application to the civil service at Fort St. George, not only of all those subsidiary improvements still requisite in Bengal, but of other remedies more peculiarly demanded by the state of the service at Fort St. George. My present inclination is to render the Court of Sudder Dewannee and Nizamut Adawlut in Bengal the Supreme Court of Appeal from all the Company's possessions, and to vest in it the general superintendence of the administration of justice and the regulation of police throughout the British empire in India. This arrangement appears to be well calculated to secure uniformity, consistency, and purity in the conduct of all the subordinate courts of justice, and in every institution of police. I do not apprehend that it will be necessary or expedient to establish any intermediate





Court of Appeal at Fort St. George between the Sudder Dewannee Adawlut in Bengal, and the ordinary Courts of Circuit and Appeal, to be instituted on the coast of Coromandel. I am also inclined to think that the writers destined for Fort St. George may advantageously pass the two first years of their residence in India at the University of Calcutta; where proper professors may be established for their instruction in the languages peculiar to the territories subject to the immediate Government of Fort St. George.

The adoption of a plan for pensioning public officers incapable of service is required at least as much at Fort St. George as in Bengal. But the peculiar evil now inherent in the constitution of the service at Fort St. George is not only unknown in Bengal, but directly contrary to the fundamental principle on which Lord Cornwallis rested all his plans for amending and purifying the administration of affairs in these provinces. He prohibited all indirect and secret emoluments, and all mixture in pursuits of commerce, or of other affairs incompatible with a due attention to the public service; and he established the allowances of the public officers on so liberal a scale as might enable them not merely to subsist during the period of their public labours, but to realize, with due economy, a competent provision after a moderate period of service.

This system is not founded on any principle exclusively applicable to the characters, habits, or interests of the public servants in Bengal. It is founded in a just and correct knowledge of mankind, for no proposition can be more self-evident, or of more universal application, than that the best security against the temptation of illicit profit, is to annex liberal emolument to honest labour. It is, therefore, difficult to conceive on what ground an expectation can be formed, that the public service at Fort St. George should be as pure and correct as that in Bengal; while the civil servants of Fort St. George shall be permitted to mix in pursuits foreign to their public duties; and while the general scale of the allowances at Fort St. George shall remain so low as to preclude those prospects of honest profit deemed necessary in Bengal for securing the integrity of the public servants. I am aware that this remark does not apply with so much force to the commercial as to other branches of the Company's





service at Fort St. George. Some of the commercial allowances have been increased at that Presidency, on the very principle of rendering them so ample as to preclude the temptation of irregular profit; and yet the irresistible application of the same principle to other branches of the service at the same Presidency has never been admitted in practice, however it may have been acknowledged in argument. For it can never be supposed that the Company can deliberately deem it to be a more incumbent duty of Government to secure the honest discharge of its commercial concerns, than to preserve its revenues from speculation, and the administration of its laws from corruption and oppression. It is possible that the limited and precarious condition of the revenues of the Presidency of Fort St. George, and its state of insecurity during the existence of the contiguous hostile power in Mysore, may have retarded the due consideration of this subject. But in the present increased, and, I trust, progressive state of the prosperity and security of that valuable possession, no such obstacle exists to a reform urgently demanded by every principle of humanity, policy, and justice.

I am convinced that the continuance of the present inadequate allowances of the public servants at Fort St. George would prove an insuperable bar to the improvement of the revenues, and to the due administration of justice in that part of our Empire. At present the public servants at Fort St. George, in most of the offices, can find no alternative but poverty or corruption. Is it the part of wisdom or honour in any Government to reduce its servants to such an alternative? During my residence at Fort St. George a most respectable member of the Board of Revenue, Mr. Harrington, resigned his seat at the Board because his salary did not afford him the hope of providing a competent maintenance for his family at the expiration of his service; and he entered into a Commercial House of Agency, withdrawing from the Company's service talents, integrity, and zeal, which had proved highly useful, and might have been exerted with increased benefit to their affairs. I know that Mr. Cockburne, (whose abilities, knowledge, and integrity, are not surpassed by any person in India,) entertains similar intentions of retiring from the Company's service. And





it must be evident to your comprehensive view and long experience of public affairs that this evil will be aggravated in proportion to the increased magnitude and importance of the interests entrusted to the management of the public servants at Fort St. George; and that ultimately a service so defective must be deserted by all who are not disposed to take advantage of its abuses.

The consideration of all these circumstances has induced me to call Lord Clive's particular attention to the scale of allowances at Fort St. George; and it is my intention to accompany the institution of the new Courts of Judicature at that Presidency by a general revision of the salaries of their civil service; the result of which will, I trust, enable me to place all the allowances on a proper level.

The delay attendant upon the expectation of orders from home and the urgent pressure of the evil will, I trust, sufficiently justify my determination to apply, with all practicable despatch, such a remedy as shall appear to my judgment to promise the most speedy, beneficial, and permanent effect.

I entertain little doubt that the revenues, under the management of the Government of Fort St. George, will be considerably improved in all their branches; and that the additional expense of providing for the important objects stated in the preceding paragraphs will be far overbalanced by the consequent amelioration of all our resources in that quarter.

CARNATIC.—The double Government of the Carnatic is a difficulty which continues to present the most serious and alarming obstacles to every attempt at reform. The expectation of favourable opportunities of negotiation with the Nabob of Arcot, and of the effects of conciliation and attention towards him will, I am convinced, be ever disappointed by the event. You recollect with what sanguine hopes I looked forward to the result of measures adopted in a spirit of mildness and persuasion, but I have found them entirely vain and fruitless; nor can I cherish the slightest ray of hope that such a course can ever prove successful, during the life of the present Nabob. His Highness is surrounded by European advisers of the most dangerous and profligate character, whose interests are deeply involved in the perpetuation of the abuses of his Government, and who (amongst other





means of perverting his Councils) labour to inspire him with the notion of a distinction of interests and powers between the Royal Government and that constituted by Act of Parliament for the administration of the British Empire in India. In all his conversations and correspondence, he studiously distinguishes his Majesty's Government from that of the Court of Directors; uniformly treating the latter with disrespect, and even with ridicule and contempt. In my last conversation with his Highness he plainly declared to me that he considered his Majesty to be his father, friend, ally, and protector, but that the Court of Directors desired to "obtain his country any how."

The principles of this distinction are encouraged in his Highness's mind by the letters and embassies which have occasionally reached him from his Majesty through channels not only unconnected but avowedly at variance with the British Government in India. All such letters and embassies have the most pernicious tendency to withdraw the confidence and respect of the natives from the governments in India, and to fix their attention on his Majesty's naval or military officers, or such persons (of whatever character) as may accidentally be the bearers of his letters. The frequent letters which his Highness the Nabob receives from his Royal Highness the Prince of Wales greatly aggravate the same evil; and it is with the utmost concern that I feel myself bound by my public duty to request that you will take an opportunity of representing to his Royal Highness that his correspondence with the Nabob of the Carnatic has produced an effect entirely contrary to his Royal Highness's wishes, and has been highly injurious to the public service in India.

Few, if any, of the Company's servants at Madras are now directly engaged in the intrigues of his Highness's Durbar. The principal and most mischievous agents and counsellors of his Highness are to be found among persons who have been the bearers of letters to his Highness from England, and among the attorneys and low practitioners of the law, who notoriously conduct his Highness's correspondence with the Government. Nor can I entertain any expectation that the newly established Judicature at Madras, under its present constitution, will in any degree assist the Government in repressing the intrigues and corruption of the Durbar. My





THE EARL OF MORNINGTON, TO

March,

CSL

experience during my residence at Fort St. George leads me to believe that the powers of the Court of the Recorder will prove entirely inadequate to the detection and punishment of the usurious and corrupt practices which that Court was intended to repress, while the establishment of such a Court will tend to confirm the audacity of the tribe of pettyfoggers which now infests the Carnatic, and governs the Nabob's Durbar. I confess that I cannot concur with you in ascribing the purity of the service in Bengal to the influence of the Supreme Court of Judicature at Calcutta. The most corrupt period in the history of Bengal, or perhaps in that of any of our foreign establishments, is to be dated from the institution of the Supreme Court to the arrival of Lord Cornwallis, a period of time, during a considerable portion of which that Court exercised its powers to their utmost possible extent. The purity of Lord Cornwallis's personal example, and the integrity and wisdom of his institutions, the increase of the regular and avowed public allowances, the separation of the legislative, judicial, and executive powers of the Government, and the consequent subjection of the Government itself to the controul of its own laws, were the real foundations of the reform at this Presidency. This constitution was the source, and its operation has been the security, of that reform; neither the design nor the execution of the amended system of administration in Bengal was in any degree aided by the co-operation, influence, or example of the Supreme Court. During the administrations of Lord Cornwallis, and of Lord Teignmouth, the Supreme Court teemed with abuses of every description, and would have afforded a much fitter subject than an instrument of reform. Respectable and honourable as the person is who now presides in that Court, and eminent as his public services have been in the detection and remedy of the abuses abetted by his predecessors, I cannot discover in what manner the influence or authority of the Supreme Court now operate to preserve the purity of the service of Government.

The public servants look exclusively to the person in whose hands the Government resides, and to the practical result of that constitution which he is bound to administer. Under that constitution he possesses ample powers of reward and punishment; and the due exercise of those powers consti-





tutes the vital principle of the public service, and the sole spring from which the purity or corruption of the subordinate officers must ever flow. The responsibility of the Governor-General in Council to the Government at home, and the conspicuous station in which he is placed, sufficiently secure the due exercise of his arduous functions.

The Supreme Court possesses no power of rewarding the public servants, and with respect to their punishment, it can never proceed vigorously or efficaciously without the co-operation of Government; even with that co-operation, the powers of the Supreme Court must be limited by the difficulties of obtaining legal proof of malversation; and even where such proofs can be obtained, the species of punishment which the Supreme Court can inflict can neither be so speedy nor so formidable to the public servants as the powers of suspension and subsequent prosecution at home vested in the Government. Whenever punishment in the form of public prosecution may become requisite, I am convinced that it would be much more effectually inflicted, if the prosecution were always to be instituted in England. With regard to petty cases of abuse every useful purpose would be answered by a tribunal, independent of the Government, but placed towards it in the relation of a mere interpreter of the laws of England, modified by such as may be enacted by the Governor-General in Council.

The supposed controul of the Supreme Court over the person of the Governor-General never can be exercised without occasioning a convulsion in the Government; it is, therefore, either useless, or dangerous, and every trace of it ought to be abolished. The extreme cases in which the crimes of the Governor-General may require the controul of a superior authority, cannot be provided against in India without the application of a remedy infinitely more perilous than the supposed evil; the existence of which is scarcely within the verge of possibility. The remedy of such cases should be left on the same ground as it stands on in Ireland with relation to the possible personal crimes of the chief Governor exercising the sovereign executive power. No power in India should appear to be co-ordinate with the Government, and still less to rival or to control it.





THE EARL OF MORNINGTON, TO

CSL  
March

I shall hereafter address you more in detail on the present constitution of the Supreme Court of Judicature, (particularly on such parts of it as have proved practical impediments to the exercise of the control of this government over its own native officers, civil and military and native subjects; (but it would have been uncandid in me to pass without notice a passage in your correspondence, relating to so important a subject, in which I have the misfortune not to concur in your opinion.

I cannot conclude this subject without adding my cordial testimony in favour of the moderation, discretion and propriety with which the present Court (under the direction of Sir John Anstruther) has uniformly exercised its powers, not only without a symptom of jealousy, but with every possible attention to the dignity, vigour and efficacy of the government; but a power radically dangerous ought not to find protection in the temporary forbearance of those hands in which it is vested.

The duty of communicating to you without reserve, my sentiments on the subject of the utility of the Supreme Court of Judicature, has led me to digress from the actual state of the Carnatic.

I am thoroughly convinced, that no effectual remedy can ever be applied to the evils which afflict that country, without obtaining from the Nabob powers at least as extensive as those vested in the Company by the late treaty of Tanjore. At the death of the present Nabob, such a treaty might easily be obtained from his successor, (if after that event it should be thought advisable to admit any nominal sovereign of the Carnatic, excepting the Company.) A young man resides at Chepauk, who is treated by the Nabob as his Highness's son. This young man is certainly the son of a dancing woman, who was received for some time in his Highness's house; and the Nabob declares himself to be the father. Numerous legitimate descendants of Wallajah are in existence. The whole question of the succession will therefore be completely open to the decision of the Company, upon the decease of the present Nabob. The inclination of my opinion is, that the most advisable settlement would be, to place Omdut ul Omra's supposed son on the Musnud, under a





treaty similar to that which was lately concluded with the Rajah of Tanjore, it will however, be expedient that you should immediately consider whether it might not be a more effectual arrangement to provide liberally for every branch of the descendants of Wallajah and Omdut ul Omra, and to vest even the nominal sovereignty of the Carnatic in the Company.

On this subject I request your immediate instructions; which you will frame with reference to the following most important and interesting considerations.

During the whole course of the late war with Tippoo Sultan, the conduct of all the Nabob's officers without exception, amounted nearly to positive hostility in every part of his territories through which the British army, or that of the Nizam marched, or even in which supplies were ordered to be procured or collected for their use. When complaints were stated to his Highness he promised redress, but never afforded it in any instance.

I was compelled to seize the persons of some of his principal officers, and to bring them down to Fort St. George, from districts in which our force was not sufficiently considerable to furnish an effectual check to their treasonable practices. In all districts so circumstanced his Highness's officers did not scruple to proceed to open violence for the purpose of obstructing our supplies.

During this arduous crisis, his Highness frequently endeavoured to anticipate my complaints by alleging pretended grievances to justify the conduct of his officers, but upon examination his Highness's complaints uniformly appeared to be utterly devoid of foundation.

At the most critical period of our military preparations, when every European and native at Madras, emulated each other in aiding the public service by loan and contribution, his Highness could not be induced to advance, even on account of his acknowledged debts, any assistance to the public treasury. He indeed, with much reluctance, under the apprehension of a cessation of all friendly intercourse between him and me, engaged to advance a sum on account of his new cavalry debt; but after the most solemn protestations of punctuality, he broke his faith with every circumstance of infamy and dishonour, at a moment when this viola-





tion of his engagements might have proved fatal to the progress of the army; if I had suffered myself to be so far the dupe of his repeated assurances, as to have relied in any degree on their performance for any pecuniary supply of the troops in the field.

During the whole of this period, I have every reason to be confident that his Highness possessed the ready means of satisfying a much more considerable demand, than I had deemed it expedient to make upon him.

It was perfectly evident during the progress of our success, that his Highness derived no satisfaction from the triumph of our arms; and it is remarkable that he never appeared in public at the celebration of any of the rejoicings occasioned by the glorious termination of the war.

Whatever suspicions of his Highness's personal disaffection to the British Government might have been warranted by all these combined circumstances, I was rather disposed to attribute them to the weakness of his government, or to the corruption and intrigues of his advisers than to any spirit of positive treachery in his own disposition; but the records of the late Tippoo Sultaun, which fell into our hands after the capture of Seringapatam, have furnished me with the most authentic and indisputable evidence that a secret correspondence of a nature the most hostile to the British power, was opened with Tippoo Sultaun by the late Nabob Wallajah towards the close of his life, through the agency of Omdut ul Omra the present Nabob.

Omdut ul Omra appears to have been extremely zealous and forward in the conduct of this secret intercourse during the life of his father, and no question can be entertained that the late Nabob, as a principal, and Omdut ul Omra as an agent, were guilty of a flagrant violation of the treaty of 1792; as well as of the fundamental principle of their connection with the Company. Omdut ul Omra was a party to the treaty of 1792, and on that circumstance founds all his present rights. Sufficient proof appears that Omdut ul Omra, after his accession, manifested a disposition to maintain the correspondence commenced by his father through him; and I entertain no doubt that his objects in that correspondence were of the same hostile and treacherous character, as they had been previous to the death of his father. The proof arising from





written documents of his overt acts of hostility since his accession, is not so full and distinct as that which relates to his former agency. But this defect may be supplied by oral testimony, as all the necessary witnesses are alive and in our hands.

No doubt exists in my mind, that the British Government would now be completely justified, in depriving the Nabob of all power over his country, and reducing him to the state of a mere pensioner.

The only questions which remain for decision are the time of carrying this measure into execution, and the amount of the provision to be made for the Nabob, for his descendants, and for those of Wallajah. As soon as you shall have received this letter, I request you to despatch an express to me with your opinion, although mine is so decided, that I shall not wait for the communication of yours, if the season should appear to me to be favourable for the great measure which is now become indispensable on every principle of justice and policy.

TANJORE.—With respect to Tanjore, the treaty which I framed previous to my departure from Fort St. George, and which has since been carried into effect by Lord Clive, will, I trust, place the administration of the affairs of that country on an improved foundation. The difficulties which I encountered in obtaining a correct and consistent account of Tanjore, are scarcely to be described or imagined.

After a most tedious enquiry, I brought the several contending parties to a fair discussion (or rather to a bitter contest) in my presence; and after an argument which lasted three or four days, I proceeded to review the whole case in a regular manner, adverting to every fact and argument on both sides of the question. At length the contending parties unanimously concurred in the expediency and justice of the treaty, in the form in which it has been concluded.

A question will arise with respect to the unregistered debt of the late Rajah of Tanjore. I am inclined to believe that some branches of that debt, as well as that of the unconsolidated debt of the Nabob of the Carnatic, are at least as well entitled to consideration as any part of the debt sanctioned by parliament. The subject merits your attention. I shall not feel myself at liberty to act upon it without orders from





home; but I am satisfied that you will find some cases of great hardship among many rather deserving prosecution than payment.

CIRCARS.—The Northern Circars, according to the report of the Board of Revenue at Fort St. George, are now in a state to receive the same principles of government, with some local modifications, which have been applied to Bengal. The new settlement now about to be introduced upon the coast, will therefore include that vast tract of country. It may be convenient to observe to you in this place that my determination to render the new settlement of the land revenue on the coast perpetual, without previous reference to the Court of Directors was founded on intelligence from Mr. Cockburne that the terror of such a reference would render all settlement impracticable, and above all would entirely frustrate the sale of the Havelly Lands.

MALABAR.—The condition of the coast of Malabar, has been so entirely changed by the conquest of Mysore, that the principles stated in your despatches to the Government of Bombay, and in General Stuart's letters to you, are no longer applicable to the actual circumstances of that district. The conquest of Mysore will, I trust, enable us to settle Malabar and Canara on a systematic and durable plan of government. The subject is now under my consideration. One principle however, I am persuaded will appear as evident and incontrovertible to your mind as it does to mine; that whatever may be our ultimate determination with respect to the power of the several Rajahs, it must appear to flow from the generosity, justice and power of the British Government; and not to be derived from a timid submission to the refractory spirit of any rebellious tributary.

COMMUNICATION WITH ENGLAND.—If the war with France should be protracted, and Buonaparte continue at the head of affairs, I am persuaded that some attempt will be made by France against our Indian empire. A regular monthly despatch overland from London to India will, in that event, be of the utmost importance. Indeed, under any circumstances, a speedy and certain communication between England and India, appears to me to be an object in which the interests of both countries are deeply involved. My opinion is, that, in addition to the despatch overland, monthly





packets should be established to sail regularly both from Europe and India. They might carry small cargoes and passengers, which, with the profits of postage on letters, would more than defray their expence.

In reviewing your correspondence, I have not thought it necessary to return any particular replies to your several letters of recommendation. The receipt of them is noted in the annexed memorandum. Being in possession of your principles with respect to recommendations, I do not think any further explanation necessary.

I remain, my dear Sir, &c.

MORNINGTON.

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No. LXX.

*The Earl of Mornington to the Right Honourable Lord Clive.*

MY LORD,

Fort St. George, March 26th, 1800.

Having at present under my consideration the state of our relations with the Nabob Omdut ul Omra, and the whole tenour of his conduct towards the British Government, I shall soon be prepared to communicate to your Lordship the final result of my determination on these important subjects. In the mean while, the possibility of the sudden contingency of his Highness's death, renders it expedient that I should state to your Lordship, in an official form, the opinions and directions which I communicated to you verbally during my residence at Fort St. George, for your Lordship's guidance in the event of the Nabob Omdut ul Omra's death.

Although the treaty of 1792 was concluded in the name and on behalf of the Nabob Wallajah, and of *his successors*, no obligation of that treaty binds the Company to place, or to support, on the Musnud, any individual of the family (even if any should be nominated by the reigning Nabob) whose pretensions to the succession may be actually disputed, or may appear questionable.

Various rumours exist relative to the birth of the person of whom the Nabob Omdut ul Omra declares himself to be the father. It is, however, certain that the mother of this young man is of low origin; and that she was never married



to the Nabob. It is reasonable to believe, that the succession of this young man would be felt as an injury to the rights of the late Ameer's son, by all who might think favourably of the latter's title: and all such persons would undoubtedly use every practicable effort to defeat such a succession.

Under these circumstances, neither party could claim our support under the existing treaties: and in determining to whom that support shall be granted, we are at liberty to consider the security of the British interests in the Carnatic, the general prosperity of the country, and the happiness of its inhabitants, as the primary objects of our right and duty.

On this principle, it is manifest, that, from the candidate whom we may resolve to raise to the Musnud, we may justly require the most ample pledges for the effectual remedy of the various evils which now afflict the Carnatic.

For this purpose, the successor of Omdut ul Omra must be required to surrender to the Company, in the most absolute manner, the civil and military administration of the Carnatic; not retaining possession of a single fortress, nor maintaining any armed force, under any pretext whatever. No other arrangement would be adequate to the attainment of the indispensable objects which have been stated.

The general principles of the late treaty with the Rajah of Tanjore may be made the model of the agreement to be concluded with the successor of Omdut ul Omra. Such modifications of that treaty, as may be rendered necessary by a variation of circumstances, will readily suggest themselves to your Lordship's mind. The article relative to forts and military establishments, noticed in the preceding paragraph, will admit of no modification. The amount of the provision to be made for the support of the succeeding Nabob, and of the other branches of the family of the late Wallajah, should be regulated with reference to the numbers and rank of the persons to be maintained, and on a scale of reasonable liberality.

Although the elevation of the supposed son of Omdut ul Omra to the Musnud would probably be disagreeable to the principal Mussulmans in the Carnatic, I am of opinion that he might be rendered a better instrument for the accomplishment of the salutary ends proposed, than the son of the late Ameer could be expected to prove. Whenever, therefore,