



upon our own subjects, and the objections which may be raised against it have little bearing upon the question of the happiness of the people of India. Humanity cannot allege against it that we sell opium, as we sell salt, at a high price, but that we sell it at all. The two "monopolies," to use the current word, are in almost every respect the very reverse of each other.

It only remains that particular notice should be bestowed upon one other source of Revenue—the Abkarry, or spirit-tax. It is, in fact, a tax levied upon spirit-licenses. Government farms out a particular district to the highest bidder, who under certain restrictions sells the privilege of spirit-vending, at a profitable rate, to a number of small dealers.

It is now expedient to give some account of the productiveness of these several taxes. The gross receipts from the Land-assessment of the several presidencies now amounts to about fourteen millions and a quarter of our money. It is thus derived, according to the latest detailed statements yet published :*

	Rupees.
Bengal	3,56,25,000
North-Western Provinces	4,97,50,000
Madras	3,52,89,200
Bombay	2,21,65,480
Total	14,28,29,680

The estimated receipts under the head of CUSTOMS for the same financial year amount to nearly two millions sterling, in the following divisions :

	Rupees.
Bengal	1,02,73,500
North-Western Provinces	52,22,000
Madras	11,36,460
Bombay	31,13,600
Total	1,97,45,560

Both in Bengal and the North-Western Provinces the principal item in the Customs receipts is the duty

* Finance Letter of the Court of Directors to the Governor-General of India in Council, June 3, 1852. Appendix to Com-
mon's Report on Indian Territories.



on salt. In the former alone, it amounts to more than 61 lakhs of rupees.

This it will be understood is the duty on imported salt. The gross receipts from the sale of the SALT manufactured by Government, amounts to nearly a million and three-quarters of English money. It is thus derived:

	Rupees.
Bengal	1,02,89,300
Madras	46,76,120
Bombay	22,79,560
Total	1,72,44,980

But from this is to be deducted for "advances and charges" 48,31,139 rupees, leaving a balance of 1,24,13,841 rupees, or a million and a quarter.

The last estimate of the amount realisable for the OPIUM sales—that for the year 1851-52—is between three and four millions sterling; thus divided between Bengal and Bombay:

	Rupees.
Bengal	2,99,71,184
Bombay	72,70,600
Total	3,72,41,784

From this, however, a deduction of something more than a million sterling is to be made for "advances and charges," and the net-receipts are thus reduced to a sum little exceeding two millions and a half of our money, or 2,68,78,184 rupees.*

Thus it will be seen that these four principal items of Revenue yield, in round numbers, twenty millions of money:

	Millions.
Land	14½
Customs	2
Salt	1½
Opium	2½
Total	20

* In calculating the Indian Revenue, I carry to account only the net-receipts of salt and opium, because under the gross receipts are calculated actual money advances, which when recovered cannot properly be called Revenue.



There then remain six millions to be accounted for. Of these the SAYER and ABKARBEE yield one million ; thus :

	Rupees.
Bengal	31,52,100
North-Western Provinces	29,50,000
Madras	33,44,430
Bombay	10,23,310
Total	1,04,69,840

Then come the following various items of receipt :

	Rupees.
Stamps	46,37,490
Post Office	20,44,170
Marine	18,00,000
Subsidies from Native Princes	65,10,181
Tobacco monopoly	6,04,980
Calcutta—Mint (net receipts)	1,14,162
Total	1,57,10,983

To these net receipts, now swollen by these last additions to more than twenty-two millions and a half, are to be added the revenues of Lahore, Sindh, the Eastern Settlements, and the territories acquired from the Burmese, Arracan, and the Tenasserim Provinces :

	Rupees.
Lahore	1,30,00,000
Sindh	28,00,000
Eastern Settlements	13,00,000
Burmese Territory	20,00,000
Total	1,91,00,000

This amount added to the preceding, raises the net receipts to about twenty-four millions and a half,* which according to the last published accounts may be set down, in round numbers, as the correct amount.

Having thus briefly given an account, in a rough general manner, of the Revenues of India, I proceed to make some statements relative to the expenditure of the country. The principal heads under which this expenditure may be ranged, are Revenue Charges, Judicial Charges, Customs Charges, Marine Charges,

* Or twenty-six millions with the addition of the million and a half, which I have subtracted for advances, &c., when calculating the receipts for the salt and opium.

THE REVENUES OF INDIA.

Military Charges, Home Charges, and interest on the Company's Debt.

The REVENUE CHARGES, according to the estimate for the financial year 1850-51, amount to two millions sterling. The distribution, in the several presidencies is this :

	Rupees.
Bengal	40,37,376
North-Western Provinces	75,85,000
Madras	55,16,230
Bombay	28,74,460
Total	2,00,13,066

In these charges are included the expenditure on account of the revenue surveys; of canal irrigation in the North-Western Provinces, and on the repair of tanks in the Madras Presidency. The first item is estimated at an amount somewhat exceeding 8 lakhs of rupees (80,000*l.*); the second at 30 lakhs of rupees (300,000*l.*); and the last, at 9 lakhs (90,000*l.*)—thus reducing the cost of actual revenue collection to a million and a half of English money.

The JUDICIAL CHARGES are estimated at a sum equal to about two millions sterling :

	Rupees.
Bengal	74,98,732
North-Western Provinces	59,88,000
Madras	34,74,155
Bombay	26,21,717
Total	1,95,82,604

The CUSTOMS CHARGES do not much exceed 200,000*l.*

	Rupees.
Bengal	5,17,759
North-Western Provinces	8,80,000
Madras	2,14,010
Bombay	4,15,970
Total	20,27,739

It will be gathered from these statements that the purely civil charges of the Indian Government do not exceed four millions and a quarter annually—less than one-sixth of the Indian revenue.



The MARINE CHARGES—belonging both to the War and the Peace department—including, as they do, the expenses of the Indian navy, the pilot establishment, harbor duties, lighthouses, &c., are estimated at less than half a million :

	Rupees.
Bengal	19,41,200
Madras	1,36,613
Bombay	26,35,660
Total	47,13,473

To this amount is to be added, however, the cost of Europe stores and coals, supplied to the Marine department and the Indian navy, amounting to upwards of nine lakhs of rupees, and raising the entire amount of Marine expenditure for the last estimated year to 56,32,853 rupees.

Thus we see that the ordinary expenses of the Civil establishments, including the Marine, do not amount to five millions of money :

	Rupees.
Revenue charges, including Canals, Tanks, and Surveys	2,00,13,066
Judicial charges	1,95,82,604
Customs charges	20,27,739
Marine charges	56,32,853
Total	4,72,56,262

The ordinary MILITARY charges exceed *ten* millions a year :

	Rupees.
Bengal	5,57,57,700
Madras	2,72,60,540
Bombay	1,79,37,800
Total	10,09,56,040

This is exclusive of the cost of Europe stores sent out from England, and charged to the Home accounts. Under the head of military expenditure, also, are to be accounted the “extraordinary military charges,” including the cost of “additional commissariat supplies, extra allowances to the troops, donation batta, compensation for loss of baggage, &c., &c.” In the last twelve years, the aggregate amount of these extra-



ordinary military charges (a deduction being made for extraordinary military receipts) has reached a sum of seven millions, making an average of nearly sixty lakhs, or 600,000*l.* a year.

These heavy military charges could not be met without increasing the Indian debt. The treasury being exhausted, the Government were compelled to borrow money where they could. This will be spoken of presently more in detail. It is sufficient to mention here that the interest on the debt charged in the Bengal accounts, reaches nearly to two millions and a quarter sterling—that is, in Indian currency :

	Rupees.
To which is to be added the Interest on the Home Bond Debt	2,22,38,918
	47,45,685
Total	2,69,84,603

Thus far I have accounted for about eighteen millions sterling :

	Rupees.
Civil charges (including Revenue, Judicial, Customs, and Marine)	4,72,56,262
Ordinary Military charges	10,09,56,040
Extraordinary Military charges, on an average of 12 years	58,81,372
Interest on Debt	2,69,84,603
Total	18,10,73,277

The next considerable items of expenditure are those which are comprehended under the head of General Charges, and which include the stipends and allowances made to the native princes and chiefs who have suffered by the assertion of our supremacy, the expenditure upon public works, upon education, upon the ecclesiastical establishments, and other component parts of the great administrative machine. These general charges amounted, according to estimate, in the year under review, to nearly four millions and a half:

	Rupees.
Bengal	1,28,52,640
North-Western Provinces	72,44,000
Madras	93,18,008
Bombay	1,54,37,440
Total	4,48,52,088



The charges, as we have seen, have now reached the amount of twenty-two and a half millions. To these are to be added the Home charges, amounting to two millions and a half more, raising the total charges to twenty-five millions, and leaving a deficit of half a million.*

These statements are extracted from the last general review of the Company's finances, taken by the Court of Directors. But they are intended here rather to convey a general idea of the revenues of India, and the charges incurred in the government of the country, than to determine the financial results of a particular year with any degree of precision. Indeed, nothing is more difficult than to secure, in any such statement, an amount of accuracy that will satisfy all financiers. The accounts are made up, by different authorities so differently, that the inquirer is often staggered by the discrepancies which look him in the face, and bewilder the understanding. As a general rule, it may, I think, be laid down that the Indian financiers make out a more favorable balance-sheet for the Company than those who make their calculations in Leadenhall-street. It has been shown, for example, that the estimated *deficit* for the year 1850-51, according to the Company's last general financial letter, was about half a million of money. But since the body of this chapter was written, the Government of India have announced in their Finance Letter of December 16, 1852, that the actual ultimate result in 1850-51 was a surplus of half a million.† Estimates are generally more favorable than actual results. But here we see that the actual results of the Indian Government are better by a million

* The amount of deficit, according to estimate in the Home calculations for 1850-51 (the last year in the Company's Finance Letter of June last), is 678,709*l*. Wishing to make the balance-sheet as

clear as possible to the general reader, I have dealt principally with round numbers.

† Or 50,85,107 rupees.



of money than the estimates of the Court of Directors.

The estimate of the last financial year 1852-53, is almost equally favorable. The surplus is again set down at half a million. I give the statement as contained in the Finance Letter of the Indian Government. It will be understood that it represents the gross revenues of the country.

Sketch Estimates of the Revenues and Charges of India, for 1852-53.

The results are as follow:

	Revenues.	Charges.
	Rupees.	Rupees.
Bengal	11,44,71,845	12,93,81,137
North-Western Provinces, including Punjab and Trans-Indus Territory	7,66,51,000	3,18,25,300
Madras	3,26,22,820	4,97,68,660
Bombay	4,85,36,860	5,22,00,164
	<u>29,22,82,525</u>	<u>26,31,75,261</u>

	Rupees.
Probable Indian Surplus	2,91,07,264
Home Charges Estimated	2,41,57,854
Estimated Ultimate Surplus in 1852-53	<u>49,49,410</u>

The Debt estimated to be increased in 1852-53 aggregates	8,35,96,921
Ditto to be paid off in ditto	8,64,24,364
Net amount to be paid off	<u>28,28,343</u>

The Cash Balances on 30th April, 1851, amounted to	12,98,21,744
On 30th April, 1852	14,85,88,750
On 30th April, 1853, they are estimated at	15,23,96,044

These results are regarded as in every respect most highly satisfactory, and indicative of a very favorable condition of the finances of India. It is hoped that the improvement now gradually developing itself in the resources of India, may not only



prove to be permanent, but progressive hereafter, as general tranquillity is restored to the country,

(Signed) DALHOUSIE.

F. CURRIE.

J. LOWIS.

December 16, 1852.

These assurances are most cheering at a time when people were beginning almost to fear that the deficit had become chronic.

It is easy to trace the causes of this continued deficit. In the financial year 1835-36 the Indian revenues yielded a surplus of nearly a million and a half. In the following year, the surplus was a million and a quarter; in the next, three-quarters of a million. In the next year (1838-39) the surplus had altogether disappeared, and the awkward word "deficit" appeared in the accounts. Then came the Afghan war. A British army was pushed across the Indus; and the deficit for the year 1839-40 reached the alarming amount of more than two millions sterling. From this time to the year 1848-49 there has been an average deficiency of a million and a half a year.

How these extraordinary expenses swelled the Indian debt may easily be seen. In 1836, the debt amounted to less than thirty millions; in 1850, it had nearly reached forty-seven millions. The debt had been reduced in the former year by the application to that purpose of a portion of the Company's commercial assets, realised on the cessation of their commercial privileges. At the outset of the war in Afghanistan there was an abundance of money flushing the public Treasury. There was the happy surplus of three good years to indent upon. It was not, therefore, until the beginning of the year 1841, that the financial embarrassments of the Indian Government gathered so oppressively around them, that they could only look

for extrication to the opening of a new loan. Then they began to borrow money at five per cent. interest; and as affairs beyond the frontier grew worse and worse, and a new war was undertaken to repair the disasters of the old, it was not until the commencement of 1843 that the subscription was closed. During that interval five millions of money had been received into the Treasury of India. The debt then in 1843 amounted to thirty-six millions sterling. A new four per cent. loan was then opened; but money came in slowly at this rate of interest, and from February, 1843, to October, 1846, only two millions and a half were attracted to the hands of the Government financiers. By this time the Sikh war had commenced, and more money was required. It was necessary, therefore, to stimulate the cupidity of the money-holders by the offer of a higher rate of interest. The five per cent. loan was therefore re-opened in October, 1846, and from that time to April, 1851, during a portion of which the second Sikh war was in full operation, eight millions and a half were subscribed. The debt had then been swollen by these additions to nearly forty-seven millions. The increase of interest, since 1839, payable on this debt, is ninety lakhs of rupees, or nearly a million sterling per annum.*

But the full extent of the evil is not here adequately represented. But for these exhausting wars we should have had a continued surplus, and been able to reduce the original debt. The cost of our military operations far exceeded the amount subscribed to the loan. The aggregate excess of ordinary military charges from the year 1838-39 to 1850-51 amounts to more than twenty millions and a half; and the excess of extraordinary military charges to upwards of seven millions. The

	Rupees.
* Interest on debt in 1839-40	1,31,99,549
Ditto in 1850-51	2,22,38,918



Company's financiers, indeed, estimate the cost of these wars at thirty millions. "We have already," they write, "explained the grounds on which we have come to the conclusion that 30 *crores* had been expended in increased military charges since 1838-39, and we have now shown that 5½ *crores* more have been paid for interest on the money borrowed in India."* And when these wars, beyond our north-western frontier, commenced, the country was only beginning to recover from the exhausting effects of another great war beyond our south eastern boundary. The Burmese war in 1824-26 cost fifteen millions of money.

Having briefly shown the present state of the Indian Revenue, I must say something about its antecedents. Under the administration of Lord Cornwallis in 1792-93, the Indian Revenue amounted to *eight* millions of English money. Under Lord Wellesley's administration in 1804-05, it had risen to nearly *fourteen* millions. At the close of Lord Minto's period of government in 1813-14, it was set down at *seventeen* millions. Under his successor, Lord Hastings, in 1821-22, it exceeded *twenty-one* millions.† And now, at the present time, the gross Revenue is estimated at twenty-nine millions.

But with all this increase of territory, and increase of Revenue, we are poorer than we were. In the year 1792-93, when our gross Revenue was only eight millions, we had a surplus of a million and a half. In 1804-05, the drainings of the Mahratta war had brought about a deficit of more than two millions and a half. During Lord Minto's peaceful reign, our financial position continued steadily to improve, and at the close of it, there was a surplus of a million and

* *Company's Finance Letter, June 3, Situation of the East India Company in 1852.*

† *Tucker's Review of the Financial*



a half. In the course of Lord Hastings' long administration, there were two bad years; but at the close of it, in 1821-22, there was again a surplus of more than a million and a half.* In 1835-36, at the close of Lord William Bentinck's administration, the disturbance in the Exchequer occasioned by the Burmese war had been allayed, and there was again a surplus of a million and a half; but in 1839-40 the Afghan war having been commenced, there was a deficit of two millions.† Since that time the deficit, with some slight fluctuations, has diminished; and it has now been seen that the Indian financiers are gratifying us by the unaccustomed exhibition of a surplus.

These facts are worthy to be held in remembrance, briefly indicating as they do the effect of all our great Indian wars upon the finances of the country. But although in India we would seem to live in a chronic state of warfare, there is nothing discouraging in them. They are, as it were, the accidents of our position — external hindrances and encumbrances — but there is real vitality within. All our principal sources of revenue have been continually increasing. In 1834-35 the Land-assessment, Sayer, and Abkarree, &c., yielded *thirteen* millions gross revenue; in 1850-51 they yielded nearly *seventeen* millions. In 1834-35 the Customs yielded a million and a half; in 1850-51 they yielded more than a million and a half,‡ although in the interval the transit-duties had been abolished in all the three presidencies. The Bengal Customs receipts, principally owing to the large importations of salt, have increased nearly a hundred per cent. since 1842-43. In 1834-35 the Salt revenue yielded *two* millions; in 1849-50 *two and a half* millions; in 1850-51 *two* millions, besides 610,000*l.* derived from

* *Tucker's Review.*

† *India House Returns.*

‡ The increase is 41,000*l.*, upon the years mentioned.



the duty on imported salt. In 1834-35 the Opium revenue reached only to a million and a quarter; in 1850-51 it exceeded three millions and a half.* In 1834-35 the Stamp-duties produced 350,000*l.*; in 1850-51 they had risen to 443,000*l.* In fact, every branch of the Revenue has considerably increased.

Lord Hastings, in 1822, declared that he saw no reason why in time of peace the Revenues of India should not yield an annual surplus of four millions. Mr. Tucker, one of the ablest financiers who has ever addressed himself to the illustration of Indian affairs, wrote, in 1826, that a surplus of two millions might be fairly looked for, but that from this sum must be deducted a million and a half for Home charges. There is no reason why, after a few years of peace, we should not have a clear surplus of a million.

This subject of Indian finance is not an attractive one, and it is not wise to dwell wearisomely upon it. But it is absolutely necessary to the right understanding of our position in India that the financial status of the Company should be clearly ascertained. What I wish to be gathered from these statements is this—that the welfare of the people of India mainly depends upon the preservation of peace. The finances of India have continually been in an embarrassed condition, because the Company have continually been, in spite of themselves, engaged in great and engulfing wars. The policy which they have avowed and honestly endeavoured to maintain has been pacific to the very core. But they have seldom been permitted to see the disturbance of their Exchequer more than readjusted before they have been again called upon to find money to prosecute a new war. Under these repeated pressures they have been compelled from time to time to borrow

* Some may say that this is a bad rather than a good sign, inasmuch as that this source of income is precarious.



money at a high rate of interest, and by so doing have created a permanent embarrassment which has kept them, and still keeps them, poor. So circumstanced, so impoverished, they cannot be generous—they can barely afford to be just. They are compelled to take a financial view of almost every question that is presented to them. They are compelled to repress humane instincts and kindly impulses—to narrow enlarged schemes of policy, and to give themselves up to petty shifts and temporary expedients. They are condemned on the one hand for exacting so much from the Revenue-payers, though they exact barely enough to keep themselves from bankruptcy. And they are condemned, on the other, for not spending more of the Revenue which it is said to be shameful to collect. Indeed, as far as I understood it, the whole drift of the popular clamor which in some quarters is raised against the existing Government of India, is that they ought to have less money, and ought to spend more.

There are many things in the Government of India which I would fain see amended—there are many things to be done, and many things to be left undone before any man of enlarged views and humane desires can look on with complacency and content. But it were well that it should be clearly understood how, at the bottom of all our misdoings and our short-comings, is this miserable want of money. With an overflowing treasury impure taxes might be remitted, and great public works might be completed. The interest alone of the increased debt, which has accumulated since 1839, would have sufficed for the construction of some great material work, which at the same time would have increased our revenue and benefited millions of people, or for the extensive diffusion among them of the blessings of intellectual enlightenment and practical education.



The past history of India is a history of revenue wasted, and domestic improvement obstructed by War. But I see no reason why we should not be hopeful of the future. Already, as I have shown, is there a marked improvement in the financial returns; and there is every reason to believe that the Company will soon be enabled to reduce their outstanding obligations. The reduction of the debt will release year by year, for purposes of national improvement, sums of money hitherto disappearing, under the name of "interest," without a sign. The good or bad government of India is mainly a question of money, and, therefore, a question of War or Peace.

I have shown in this chapter what the Revenues of India are—what the moneyed resources of the Indian Government. I purpose now to write more in detail of these revenues and resources, and especially of the great tax, which, in different parts of India, under different systems, is levied upon the Land. I have briefly stated what these systems are. I am anxious now to show how they took shape under our rule, and what have been their effects upon the happiness of the people.

CHAPTER II.

First Possession of the Dewanee—Primal Efforts at Revenue Collection—Instructions to the Supervisors—Quinquennial Settlements—Hastings, Francis, and Shore—Arrival of Lord Cornwallis—The Decennial Settlement—The Permanent Zemindaree Settlement—Its Results.

THE land-revenue of India is a very large subject. A man of more than ordinary intelligence may confess, without discredit, that after thirty years' study he but imperfectly comprehends it, in all its bearings and relations. I know very few men who have attained to anything beyond this imperfect comprehension. It is a subject on which volumes might be written without exhausting it, and on which volumes, indeed, have been written, only to leave it as obscure as before. As for myself, I purpose only in this volume to give a very slight account of the systems of land-assessment introduced into different parts of India under the British Government, and the influence which they seem to have had upon the happiness of the people.

It was in the year 1765 that this great question of land-revenue first opened out before us. Up to this time the English in India had been buyers and sellers of produce—compelled at last to buy and sell under the protection of ships of war and battalions of Sepoys, but still no more than traders, trading with military escorts at their backs. With the taxation of the people for purposes of government we had little to do; for we had owned no territory, and lorded it over no subjects.



But in 1765 the reigning prince conferred on the East India Company a grant in perpetuity of the provinces of Bengal, Behar, and Orissa; and the whole civil and military government of this fine tract of country fell under our sovereign control. The country became our own, and with it the revenue. So the matter of taxation from that time became one in which we were vitally concerned.

But it appeared at this time, no less to Clive and his associates in the local Government than to the Directors at home, that it would not be expedient to interfere, hastily and ignorantly, in the collection of the revenue. The Company's servants at this time were dead hands at investments; but they knew nothing of landed tenures. How could they be expected to know anything of them? They had other things to do than to study either the patriarchalities of the Hindoos, the oligarchisms of the Mussulman supplanters, or the bastardising effects of Mahratta intrusion. The philosophy of the question of right-in-the-soil was quite out of their reach, and its practicalities were equally beyond them. It was enough that somehow or other the revenue had been collected by the native officers of the Newab, from whom we received the territory, and it was thought expedient that the collection should remain, for a while at least, in their hands.

But it was soon found that these native officers required vigilant supervision and active control. So, in 1769, supervisors were appointed from among the covenanted servants of the Company to every district or province in the new territory.* What these European officers were

* "Agreed unanimously, that in every province or district, a gentleman in the service be appointed, with or without assistance, in proportion to the extent of the district, whose office or department is to be subordinate to the Resi-

dent of the Durbar, and managed as is expressly set forth and defined in the following letter of instructions," &c.--
[*Proceedings of the President and Select Committee, Aug. 16, 1769.*]

now instructed to do was no slight thing, considering that they had had little or no training for business of this description. They were ordered to collect and to report information regarding "the form of the ancient constitution of the province compared with the present;" to give "an account of its possessors or rulers, the order of their succession, the revolutions in their families, and their connexions; the peculiar customs and privileges which they or their people have established and enjoyed; and, in short, every transaction which can serve to trace their origin and progress, or has produced any material change in the affairs of the province." They were to report on the state, produce, and capacity of the lands; on "the amount of revenues, the cesses, or arbitrary taxes, and all demands whatsoever which are made on the Ryots, either by Government, Zemindar, or collector, with the manner of collecting them; and the gradual rise of every new impost." These might have been considered duties sufficiently onerous for men not much accustomed to the work of drawing up elaborate reports of this kind. But their studies were not to be limited to the nature of landed tenures and the system of territorial assessment. They were instructed also to report on the best means of regulating the commerce of the country, with especial reference to the development of its internal resources, and the best means of removing all internal obstructions, in the shape of unauthorised exactions between the producer and the market, foreign or domestic. And having dismissed the great agricultural and commercial questions, they were required to report on the judicial system, or no system, of the ceded country. I do not know whether any of the reports so elicited are extant; but the paper of instructions is a very curious and important one, for they are the first which assume a real administrative character, and in them the foundation of the Indian civil



service seems to be laid, broad and deep, to future generations.

But I have spoken of this more generally in another place. My immediate concern now is with the land-revenue. And, in connexion with the question of assessment and collection, under British administration, this paper of instructions to the supervisors of 1769 is very interesting and suggestive. It clearly sets forth the difficulties with which we had to contend at the outset, and shows that the revenue administration, which we found in force on first assuming the Government of Bengal, was vicious and corrupt in the extreme. In fact, we had then, as we still have, to surmount the great stumbling-block of native corruption. "It will require the greatest care," so ran the paper of instructions, "to enable you to form a general and particular 'hustabood,' or rent-roll, of the districts; you may perhaps find what is called a 'hustabood' in the suddur or principal cutcherry, but this, instead of satisfying must stimulate your curiosity; for the contents of it are merely adapted to the private interests of the Zemindars (or landholders), filled with representations designedly disguised to ignore with their offers and accounts to Government, loosely, unfaithfully, and partially formed in every instance. In fact, they can supply you with little more than a progressive history of the present dismemberments, and only suggest to you the degree of oppression which the multiplication of collectors and changes has, on that account, from time to time brought on the Ryots" (or cultivators of the soil). Nothing, indeed, is more certain than that when first we began to dabble in revenue matters, we found that, whatever may have been the system of land-assessment in force, it was bearing only the bitter fruits of extortion and oppression. Every man tried in his turn to pay as little to, and exact as much from, his neighbour



as fraud and falsehood could compass. The revenue-collector over-reached the landholders, and the landholders over-reached the cultivators. Cruelty and chicanery had full sway.

All this was plain enough. But the Indian revenue system, or systems, so varied and unstable, were not very readably intelligible to our merchants and factors. This much, however, was clear—that, although the cultivation of the soil was the main source of revenue, the cultivators were one class of people, and the revenue-payers were another. The Company's servants may have heard something of village communities, which had once, perhaps, existed in the very districts over which they had obtained a delegated sovereignty, and were still flourishing inviolate in other parts of the country; but they found that the actual payment of the revenue to the collecting officers of Government was in the hands of a few responsible parties, known as "Zemindars," or landholders, who looked to the actual cultivators for the means of meeting the Government demands.* The titles of these landholders were often extremely doubtful. In many cases they had been fraudulently obtained. In all it seemed that the landowners were a class who had very little claim upon the sympathy and forbearance of the governing body, whether native or foreign. The good old rule, the simple plan was theirs, to take what they could from the cultivators, and to keep all that they could from Government. Often this was best accomplished by means of collusion between the payers and the collectors of the revenue. The strong tyrannised over the weak, and authority was on the side of the former.

This was a state of things not to be upheld; and it is pleasant to see, that in the very first revenue-paper of

* I do not mean to say that the Zemindarry system was exclusively, but that it was principally, in operation throughout the Dewanee.



any importance emanating from the British-Indian Government, on record, the claims of the cultivators to our sympathy and protection were distinctly enunciated. "The Ryot," it said, "should be impressed in the most forcible and convincing manner, that the tendency of your measures is to his ease and relief; that every opposition to them is riveting his own chains, and confirming his servitude and dependence on his oppressors; that our object is not increase of rents, or the accumulation of demands, but solely by fixing such as are legal, explaining and abolishing such as are fraudulent and unauthorised, not only to redress his present grievances, but to secure him from all further invasions of his property." And the supervisors were, in conclusion, earnestly exhorted to do everything that could conduce "to the improvement of the lands, the content of the Ryot, the extension and relief of trade, the increase and encouragement of any useful manufacture or production of the soil, and the general benefit and happiness of the province in every consideration and point of view."*

But enlightened as were the instructions thus issued to the supervisors, the supervision was wholly inadequate to the requirements of the case. The double Government, as I have shown, did not work well.† It was altogether a sham, and an imposture. It was soon to be demolished at a blow; and on the 11th of May, 1772, a proclamation was issued, setting forth that the Honorable the Court of Directors had been pleased to divest the Nabob Mahomed Reza Khan of his station of Naib Dewan, and had determined to stand forth publicly themselves in the character of Dewan. Three days afterwards certain "regulations for the settlement and collection of the revenue" were passed; and from that time the collection of the revenue became one of the most

* Proceedings of the President and Select Committee, 16th August, 1769.—
[Colebrooke's Digest—Supplement.]

† See ante, page 83.

important duties of the civil servants of the Company, and the European "collector" started into life.*

The management of the revenue having now passed into our own hands, a new system of landed tenures was to be introduced. The Court of Directors had instructed the local Government not to introduce any very violent changes into the existing system—not suddenly "to deprive the Zemindars, &c., of their ancient privileges and immunities." What those ancient privileges and immunities were was not very clearly understood. Indeed, it had puzzled the servants of the Company from the first to satisfy themselves regarding the rightful ownership of the land. There it was, so many square miles of noble country, yielding all sorts of produce, and a revenue of two millions; but, in whom the rightful ownership of all these broad *beegahs* were vested, we knew no more than we did of the landed proprietorship of the moon. Whether we have yet arrived at any very satisfactory solution of the great question, may yet admit of a doubt; but in those early days, even the information, on which the profound discussions of the present enlightened period are based, was wanting to our English officials. Whatever they did in those days could be regarded only as an experiment. The first experiment was not a successful one. The land was let to the highest bidder, for a fixed term of five years. The country was at this time in an impoverished condition, for there had been a mighty famine in the land, and the farmers not sufficiently considering the results of this great calamity, and eager to obtain the benefits of the five years' proprietorship, were too liberal in their offers, and they failed. A large number of defaulters appeared.† The machinery of

* One of the regulations was, that "as the Company have determined to stand forth as Dewan, the servants employed in the management of the collections shall be henceforth styled

"collectors," instead of the present appellation of "supervisors."

† The remissions, on the five years leases, amounted to more than 118 lakhs, and the balances, mostly, irrecoverable



collection, too, was not found to work as well as had been anticipated. The European collectors were inexperienced in business of this kind; and it was found necessary to replace them by a staff of native revenue-officers, known as *aumils*, to be controlled by a permanent Committee of Revenue, meeting daily at the Presidency, and by occasional Commissioners, selected from the Company's covenanted servants, and "deputed to visit such of the districts as may require a local investigation." At the same time, other subsidiary regulations were passed tending to facilitate the collections by a new distribution of the collectorates, and a better system of subordination to central control.

The settlement had been made for five years, commencing on the 10th of April, 1772. As the period of its expiration approached, the future arrangements for the management of the land-revenue became a subject of warm discussion in the Council-chamber. It was a period of sharp intestine strife. The Governor-General, in those days, had no absolute power. He had merely a vote in council, like his colleagues, and was not seldom out-voted. It is not to be denied that, on all questions of internal administration, Hastings knew more than all the other counsellors together. But Francis was in hot and heady opposition. He was a man of energy and ability, with an uncommon opinion of his own importance, a weak judgment, and a bad heart. On the great question of landed tenures in India, he knew little or nothing. What could a clerk fresh from the War-office be expected to know on such a subject? But he knew how to avail himself of other men's experience, and John Shore was at his elbow. In the unhappy dissensions which then agitated the settlement, Shore had taken part against the Governor-General, and was not

at the end of the time, had reached the nearly two millions and a half of our still larger figure of 129 lakhs—in all, money.



unwilling to supply his enemies with information which might be turned to profitable account. He was one of the best authorities on questions of revenue in the country, and he wrote with fluency and precision. Francis' revenue minutes were mainly the work of Shore. The counsellor seasoned them when necessary with the due amount of acrimony, and then served them up as his own. When Shore fell sick, Francis, it is said, was silent, and Hastings smiled grimly at the ludicrous discomfiture of his foe.

There were two points to which Hastings had especially directed his attention, two objects which he was eager to carry out in furtherance of his plans for an improved system of revenue collection. He desired to get together the largest possible amount of information on the subject of landed tenures, and the actual capabilities of the lands, before committing himself to a settlement with any class of men, or fixing the rates of assessment for any protracted period of time.* And he was anxious, in any future arrangement, fairly to recognise and protect the claims of the actual cultivators of the soil.† The Ryots under the existing system, not having their contracts with the landholders clearly defined, were subject to all kinds of arbitrary exactions. "It is the Zemindar's interest," wrote Hastings, in his minute of November 1, 1776, "to exact the greatest rent he can

* "In whatever manner it may be hereafter determined to form the new settlement of the provinces after the expiration of the present leases, it will be equally necessary to be previously furnished with the accurate states of the real value of the lands, as the grounds on which it is constructed."—[*Minute of Mr. Hastings' Revenue Consultations*, Nov. 1, 1776.—*Colebrooke's Digest*.]

† "Many other points of inquiry will also be useful, to secure to the Ryots the perpetual and undisturbed possession of their lands, and to guard

them against arbitrary exactions. This is not to be done by proclamations or edicts, nor by indulgences to the Zemindars and farmers. The former will not be obeyed, unless enforced by regulations so framed as to produce their own effect without requiring the hand of Government to interpose its support; and the latter, though it may feel the luxury of the Zemindars, or the rapacity of the farmers, will prove no relief to the cultivator, whose welfare ought to be the immediate and primary care of Government."—[*Ibid.*]



from the Ryots; and it is as much against his interest to fix the deeds by which the Ryots hold their lands and pay their rents, to certain bounds and defences against his own authority. The foundation of such a work must be laid by Government itself; all that I would propose is to collect materials for it." Nothing could have been more reasonable than this; but the office which he proposed to establish for the collection of this information was to be under his immediate control, and this was in itself sufficient to secure the opposition of the imported counsellors to any measure, wise and beneficent in itself, though signed by a Prophet, and sealed by an Angel of light.*

But the ink with which this important minute was written was hardly dry, before Colonel Monson fell a victim to the climate of Bengal. Hastings was now Governor, indeed. Barwell was by his side, to preserve the balance of numbers, and the Governor-General had the casting vote. The proposed office was therefore established. Three experienced covenanted servants of the Company, Anderson, Croftes, and Bogle, were appointed to superintend it, and a bevy of native officers were sent into the country, "for the sole and express purpose of collecting such accounts and information as have reference to the business of the office."

The establishment was formed at the end of 1776. In the April of the following year the old leases expired; but the expected instructions from the Court of Directors relative to the new settlement had not, at that time, arrived. When they came at last, in July, it was found that they extended no further than to a temporary arrangement for the collection of the current revenue.

* Francis fell upon the plan, in detail, opposing it with a string of frivolous objections. Clavering denounced it in sweeping language as an attempt to

wrest from the Council the ordering, management, and government of the territorial acquisitions.



The lands were to be let for a year on the best terms procurable from the Zemindars, or others, the preference being given to the Zemindars; if on the terms of the old contract so much the better, if not, at any rent "judged adequate to their real worth."* An important change was introduced at this time into the mode of obtaining security for the payment of the Government dues. The security was henceforth to consist in the right of selling the estates of defaulting holders, for the realisation of the arrears. "In case of their falling in arrears," said the terms of the settlement, "they shall be liable to be dispossessed, and their Zemindarees, or portions of them, shall be sold to make up the deficiency."† Here we have the germ of the Sale law, which has since been productive of such mighty results.

The same plan of annual settlements was adopted for the three following years. It was a season merely of experiment and preparation. The system was declaredly instituted "for the temporary purpose of introducing another more permanent mode by an easy and gradual change, by which the effects of too sudden an innovation might be evaded."‡ It was now determined to place the revenue administration of the provinces upon a more permanent footing. So, at the commencement of 1781, certain "regulations," relating to the machinery of collection, were proposed in the Supreme Council. By these regulations the provisional councils were abolished, and a metropolitan Board of Revenue was appointed. The Board was to consist of four members, all experienced revenue-officers, Anderson, Shore, Charters, and Croftes.

* They were let eventually, on an average of the collections of the three preceding years. It was not to be doubted that the assessment, under the quinquennial settlement, had been too high. Indeed, at the end of it there was scarcely an estate paying

the amount agreed upon in the original lease.

† *Plan of Settlement, in Revenue Consultations, July 16, 1777.*

‡ *Introduction to Resolutions for the Revenue Administration, &c., &c., February 20, 1781.*



It was left to them to propose a new plan for the settlement of the revenue. In little more than a month after their appointment they made their report.* "The two principal objects," it stated, "for consideration are, the amount of the settlement, and the form of it." "The amount of the assessment," it continued, "must depend on the capacity of the different districts. In some, the assessment will be found already too great; others again, and the greatest part, will admit of an increase." The country had by this time recovered from the effects of the great famine of 1770; and the natural fertility of the soil had begun to proclaim itself. The four experimental years of annual assessment had sufficed to restore the balance which had been disturbed by the great drought. And the measures, of which I have spoken, seem to have brought together a sufficiency of accurate information to enable the Board to fix the amounts of assessment, without any very signal violation of justice in subordinate cases. Having thus sufficient materials for the ascertainment of the proper amount of settlement, they proceeded "to consider the mode of it." "The mode," they said, "which appears to the Committee the most convenient and secure for the Government, and the best for the Ryots and country, is, in general, to leave the lands with the Zemindars, making the settlement with them." The preference was, as in former instances, to be given to the Zemindars, and only in the event of their unwillingness, or disability, were the contracts to be concluded with others. "The considerations," it was added, "which ought to preclude the Zemindars, are their gross mismanagement, oppression, or incapacity." The leases were to be for one year, renewable by all who had punctually paid their rents. The proposed plan was adopted by the supreme Government, with some slight modification not affecting the principles upon which it was based,

* March 29, 1781.



and it was duly carried into effect, and remained in force, but with no very brilliant results, until the arrival of Lord Cornwallis. The Zemindars proved to be no better paymasters than the Adventurers under the settlement of 1772; the revenue fell off, and the home Government were alarmed and discouraged by the unfavorable out-turn of events.

That full success did not crown our initial efforts in the department of Land-Revenue, must be truthfully admitted. But the work was altogether new to the Company's servants at this time, and they may be forgiven if they only carried to it the amount of experience which, in the ordinary course of events, had gathered round such barren antecedents. It would seem, however, that they addressed themselves to their new labors with a sincere desire to respect the rights both of the Zemindar and the Ryot, and to develop the industrial energies of the country. What their efforts seemed to want at this time, was a sustained and systematic character; and this was now to be imparted to them, and in such a manner as to excite a controversy which sixty years of continued discussion have not sufficed to allay.

Lord Cornwallis arrived in India in the autumn of 1786. Mr. Shore, then appointed—in no small measure through the instrumentality of Warren Hastings—a member of the Supreme Council,* sailed from England in the same vessel with the new Governor-General, and soon cemented a close friendship with him. Hitherto India had been governed by men who had entered the country in early youth, and risen to high place, through all the gradations of service, military or civil. Cornwallis was an English nobleman, who had commanded armies in America, and sat in English Parliaments, but who

* Shore had originally been a partisan of Francis, but he lived to repent of this, to acknowledge that he had been mistaken in the man, and to cement a close friendship with Hastings.



knew little or nothing of India, the nature of its institutions, and the character of its people. But he was neither a hasty, nor a self-willed man. Equally willing to obey the instructions of his superiors and to profit by the advice of his inferiors, he formed no visionary projects of his own. He did not rush into authoritative execution of ill-digested measures, in defiance of the remonstrances of the experienced men by whom he was surrounded. Judged by the remarks which have been passed upon his civil administration by very opposite writers, he would appear to have been a presumptuous and self-opinionated man; but he was the very reverse of this. He adopted a measure only when it was his deliberate conviction that the balance of evidence was in its favor, and that it was his duty to carry it into effect.

As far as all predilections or prejudices for or against any particular system of revenue administration are concerned, it may be safely said, that when Cornwallis quitted England, his mind was a blank. It is not to his discredit to affirm, that he knew nothing about the land-revenue of Bengal and Behar. But the best revenue-officer in India was his fellow-passenger on board the *Swallow*; and it may be presumed that, from his conversation with Shore, he derived at least some general ideas of a subject of such pressing importance. His first lessons in Indian revenue were, doubtless, learnt during his passage to Bengal. But specific instructions had been sent to him by the Court of Directors, and he was not a man to toss them aside with haughty unconcern.

The Court of Directors had regarded with disapprobation the recent proceedings of the Indian Government in the Revenue department. They had seen that the measures adopted had not been successful; that the annual settlement had left the contractors, whether Zemindars or farmers, heavily in arrears, and that whilst the Government had been great losers by the system, it had bene-



fited no class of the community. They therefore laid down as a fixed principle, for the future guidance of their executive, that a moderate permanent assessment would be more beneficial, both to the State and to the people, than a heavy fluctuating one. "A moderate assessment, regularly and punctually collected," they wrote, "unites the considerations of our interests with the happiness of the natives, and security of the landholders, more rationally than any imperfect collection of an exaggerated *jumma* (assessment), to be enforced with severity and vexation." The amount of the assessment was to be determined by the experience of the four preceding years, but not to be fixed without reference to the home Government; and, although it was intended by the Directors that the assessment so determined should be fixed in perpetuity, it was deemed expedient, at this time, for special reasons, to introduce it by a settlement instituted, in the first instance, for ten years. They expressly declared their intentions, that the contract should be made with the Zemindar—that "the humane intention of the Legislature towards the native landholder should be strictly fulfilled."

Such was the tenor of the instructions written to the Governor-General in Council, in April, 1786. Neither the Zemindaree settlement, simply as such, nor the *perpetual* Zemindaree settlement, was the growth of his own imagination. He found that the idea had taken root in Leadenhall-street, and when he arrived in India he found that some of the most intelligent and experienced revenue-officers in the country were in favor of the latter—nearly all in favor of the former. All men seemed to have made up their minds that the claims of the Zemindars, as proprietors of the soil, should be amply recognised; and many were of opinion that no effectual settlement—a settlement advantageous to the State, to the landholder, and to the actual cultivator—could be



completed without embracing a permanency of tenure. But so little disposed was Lord Cornwallis to complete such a settlement "at once," that he hesitated even to enter upon the decennial settlement recommended by the Court as an initial measure. He did not think that the information before the Government warranted such a measure; and he began his career as a civil administrator with a recurrence to the system of annual leases. And whilst these annual leases were in operation, no effort to increase the store of available information was spared by the Governor-General and his colleagues. All the most experienced revenue-officers were encouraged to give their opinions, and other sources of information were resorted to without stint.

A vast body of information was thus collected—"information" declared in the celebrated "Fifth Report" to be "too voluminous to lay before the House." Foremost amongst those who advocated a perpetual settlement to be made with the Zemindars, was Mr. Thomas Law,* Collector of Behar, and afterwards a member of the Council of Revenue. He had the strongest possible faith in the virtue of a permanent Zemindarree settlement, and he did not hesitate to lay his plans before the Government, through the ordinary channel of the Board of Revenue, with an overwhelming array of argument in their support. Vigorously contrasting, in a series of juxta-posed paragraphs, the farming and the permanent system, he made out a strong case in favor of the latter. "Every year (under the permanent system)," he wrote, "increases confidence by length of possession. Every man will lay out money in permanent structures, as such works enhance the value of his estate, and promise future benefit. If a scarcity happens, the landholders will forego demands, and encourage cultivation to preserve

* Mr. Law was a brother of the late, and uncle of the present Lord Ellenborough.



their tenants, who become a part of their necessary property. The increasing independence will raise a class of native gentlemen proprietors, who will gradually have established themselves in good houses, with the various comforts of life." In short, he wrote, after a long array of detailed blessings, "The mocrerry (permanent) system founds on a permanent basis the future security, prosperity, and happiness of the natives, and ensures stability. A long and painful observation," he added, "of the evils of the farming system, which have dwindled great families into the commonalty, diminished rich cultivation, and exhausted the country; and a subsequent war, which has not only drained the resources of public credit, but the hoards of individuals, have induced me to reflect upon the subject."*

Nor was it only the expression of speculative opinions which Mr. Law forwarded to Government. He declared that already, in the districts of which he had the fiscal management, the expectation of the permanent settlement had produced the happiest results. He declared that these results were developing themselves in an increase of general confidence, and a corresponding increase of revenue. Men of ancient family, who had been ruined by our assumption of the Dewanee, who had mortgaged all their available property, and were pining under the aggravating contrast of their present penury with their past splendor, now began again to breathe an atmosphere of hope.† Other classes of the community, de-

* *Mr. Law to the President and Members of the Revenue Board, Oct. 4, 1778.*

† "I cannot refrain," said Mr. Law, in a letter to the Board of Revenue, "from communicating the pathetic expressions of the descendant of a great family. 'Our fathers,' said he, 'for adhering to the Company's arms, obtained pensions and jagheers; and they fondly imagined they had benefited their posterity, by introducing a mild administration in lieu of feudal anarchy; they foresaw not that offices of state and

command of troops would naturally be excluded from us by conquerors. Under adventuring farmers they could not submit to extortion and insult, or expose themselves to caprice for temporary tenures. Look, sir, into our houses; our widowed mothers, reduced to penury, in vain call upon us who have mortgaged almost every valuable in their support; our sisters pine in celibacy for want of portions, and men of property equal to their rank; when we look forward, future misery adds



pressed and impoverished by our previous operations, were, he represented, eager for the introduction of the permanent system, which was to restore them to their lost property. The bankers were petitioning for it. Under the old system, they said, they had no security for the recovery of their advances to the agriculturists, but that if the permanent system were introduced, they "would be greatly encouraged, and could confidently advance loans of money to the under-renters and Ryots," and "by this means," they added, "two advantages are apparent; first, the Ryots will daily exert themselves in improving the cultivation, and will become more capable and responsible, while the bankers will have an eye to the produce; and secondly, if any mocurreydar (permanent landholder) should happen to die, the accounts may be kept open with his successor, and the debts will be recovered without any risk whatever." All these things were [duly pressed upon the Revenue Board by Mr. Law, until at last, overwhelmed by the formidable array of facts and arguments poured forth by the worthy collector of Behar, the President of the Board (Mr. Shore) requested him to afford certain specific information required at the time, "without reverting to the comparative advantages of the plan over any other system, *as I see no reason to doubt them.*"*

But although Thomas Law was of all the servants of the Company at this time the stoutest advocate of the permanent system, he was by no means the only one.

poignancy to present want, and the retrospect of past splendor aggravates all. But we have now a hope upon the mocurrey (permanent) plan, that some may be favored with grants, and those who have jewels or plate remaining from the wrecks of their family may purchase villages and at length settle, by degrees to become affluent—our gratitude daily increasing to the British Government, who at once grant us places of tranquillity, and secure us

from invasion, thus making the superior policy and discipline which subdued us the sources of our happiness." The look, the manner of the speaker," added Mr. Law, "cannot be conveyed; much, therefore, is lost; yet I trust that even this faint participation will be grateful to sensibility and reason."—[*Mr. Law to the Board of Revenue, Nov. 26, 1788.*]

* *Mr. Shore to Mr. Law, Jan. 23, 1789.*



Among others, Mr. Brook, collector of Shahabad, came forward, with his unsought testimony, earnest and emphatic, in support of the proposed measure. "My earnest desire," he wrote to the Board of Revenue, "to see so beneficial a measure as a permanent quit-rent carried into execution, has induced me to trouble you with this public expression of my sentiments of Mr. Law's benevolent plan—a plan which, with a few subsidiary emendations, will ensure the relief of anxious millions, diffuse universal satisfaction through every denomination of landholders, and extend the fame of our justice through the remotest kingdoms of the East."

Of all the information which flowed in from the provincial revenue-officers, John Shore was the recipient. He was in immediate communication with the Governor-General, as member of the Supreme Council and chief of the Revenue Board, and to him had been entrusted the work of preparing the details of the new settlement. He labored at it, in his own words, "like a galley-slave." And in the summer of 1789 he was enabled to report that the arduous task which had been assigned to him, was complete. A masterly minute, dated the 18th of June, recorded his views on the subject of the proprietary rights of the Zemindars, and took a comprehensive survey of the whole civil administration of the Company's territories in Bengal. The plan now to be carried into effect was a decennial Zemindarree settlement. This had been suggested to the Governor-General, on his departure from England, three years before. But the measure had, as has been seen, been delayed for want of sufficient information to enable the Government to give it detailed effect. During the interval, information had been diligently sought and carefully collected. The home authorities had rebuked Hastings nearly ten years before for hesitating to mature a system of land-revenue on the ground of insufficient information. And



now the ablest revenue-officer in the country reported that the subject was exhausted, and that it was useless further to discuss a matter which had been removed beyond the regions of doubt. From all quarters came assurances that the interests of the country could only be promoted by a Zemindarree settlement. A remarkable unanimity prevailed, upon this point, among all the civil servants of the Company; and the opinion which was so generally expressed in India was shared by the Directors at home.

I have never been able to understand how, in the knowledge of such simple facts as these, it could ever be asserted that the Zemindarree settlement was an idea hastily conceived by Lord Cornwallis—the aristocratic plan of an aristocratic statesman*—an ignorant *Englishism*, in short, utterly unsuited to the country in which it was designed to make it strike root. The measure, whether good or bad, was not one of aristocratic conception, English importation, or precipitate execution. It was emphatically the work of the Company's civil servants—members of the middle classes, who had come out to India in their boyhood—and they had been incubating it for a quarter of a century. It had nothing whatever to do with the personal character of Lord Cornwallis. If Mr. Macpherson, who had been a ship's husband, had remained at the head of the Government, the settlement would still have been completed with the aristocratic Zemindars.

The terms of the decennial settlement were announced at the close of 1789; and it was then notified to the proprietors, with whom the settlement had been made, that at the expiration of the ten years the assessment would be continued, and "remain unalterable for

* Mr. Mill says: "Full of the aristocratical ideas of modern Europe, the aristocratical person now at the head of the Government avowed his intention of establishing an aristocracy upon the European model."



ever," provided that such continuance should meet with the approbation of the Court of Directors. It is contended that this was a mistake. Shore, who had been the framer of the Zemindarree settlement, protested against its hasty perpetuation. He did not urge that it might not be rendered permanent; but that such a measure would be premature under the circumstances then existing. Law, on the other hand, had from the first declared in favor of its permanency, arguing that, under a perpetual settlement, every year increased the interest of the holder in the prosperity of his estate, whereas, under an arrangement for a term of years, as every year brought him nearer to the close of it, and therefore nearer to a chance of being dispossessed, his interest naturally declined, and his efforts diminished. Cornwallis recognised the force of this argument. But other motives than these impelled him to recommend the perpetuation of the settlement. He would have yielded to Shore's weighty reasoning, but he feared that such a concession would be fatal to the entire project. If he or his colleague could have continued to watch the operation of the settlement during the ten years of probation, and been supreme at their close, he would have been contented to give a merely experimental character to the new settlement. But he had no guarantee that the prejudices of his successor might not reverse the entire scheme. He was thoroughly in earnest about it himself. He believed that a great boon had been conferred on the people of Bengal, and that every year would see an increase in the prosperity of the country and the happiness of the people. Anxious to secure to them what he regarded as so mighty a blessing, he recommended to the Court of Directors that the settlement should be fixed beyond the reach of reversal. And it was so fixed.

But if, in the month of September, 1789, Cornwallis hastily announced his intention, with the permission of



the Court of Directors, to render the settlement irreversible, that permission was not hastily accorded. It was not until September, 1792, three years after the first promulgation of the terms of the decennial settlement, with the conditional promise of its perpetual continuance, that the Court of Directors completed their reply to the reference of the Governor-General. The answer, when it came, was one of concurrence and approbation. It had been drawn up, after long consideration and much discussion, and was mainly, I believe, the work of the King's Ministers—Pitt and Dundas, aided by Mr. Charles Grant.*

In the spring of the following year these instructions reached Bengal, and on the 22nd of March a proclamation was issued, setting forth that "the Marquis Cornwallis, Knight of the most Noble Order of the Garter, Governor-General in Council, now notifies to all Zemindars, independent Talookdars, and other actual proprietors of land in the provinces of Bengal, Behar, and Orissa, that he has been empowered by the Honorable Court of Directors for the affairs of the East India Company, to declare the jumma, which has been or may be assessed upon their lands under the regulations above mentioned, fixed for ever. The Governor-General in Council accordingly declares to the Zemindars, independent Talookdars, and other actual proprietors of land, with or on behalf of whom a settlement has been completed, that at the expiration of the term of the settlement, no alteration will be made in the assessment which they have respectively engaged to pay, but that they and their heirs and lawful successors will be allowed to hold their estates at such assessment for ever."

* I gather this from a letter written by Mr. Beaufoy, secretary to the Board of Control, to Sir G. Barlow. "The revenue letter of the last year," he writes, "was considered as the sequel of that which confirmed the decennial settlement, and which was written (principally, I believe, by Mr. Pitt) on

the plan of a report, prepared by the secretary, from the original records." And he adds in a marginal note: "Particular parts of the letter are said to have been written by Mr. Dundas, and some by Mr. C. Grant."—[MS. Correspondence.]



Such is the history of the permanent Zemindarree settlement. It passed into law nearly seven years after Lord Cornwallis descended from the quarter-deck of the *Swallow*. It was sanctioned by the Court of Directors and the Board of Control after at least two years of consideration. It was approved, as a Zemindarree settlement, by all the first revenue-officers in the country, and as a permanent settlement by many of them. It was based upon information acquired during twenty-eight years of diligent inquiry. And yet it has been said that Lord Cornwallis, an aristocratic personage, saturated with aristocratic English ideas, hastily and unadvisedly completed in perpetuity a settlement with the wrong people.

I come now to speak of the results of this Bengal settlement. It is a large subject fearfully overloaded with controversy, and it is my desire in this work rather to state facts than to deliver opinions. No measure that ever emanated from the Anglo-Indian Government has been so warmly extolled on the one side, and so fiercely assailed on the other. Clouds of witnesses to be gathered from among the ablest revenue-officers of the Company, may be cited on either side of the controversy; and there is nothing in history which a one-sided writer, not unwilling to make foul use of the materials within his reach, may so easily color according to the complexion of his own mind. Thus it has been asserted that the utter failure of the experiment was palpable within ten years of its initiation. But it was in the cold weather of 1801-1802 that Sir John (then Captain) Malcolm, who, in the capacity of Private Secretary, was in attendance upon Lord Wellesley, then travelling through Bengal, wrote to Mr. Barlow: "We have, since you left us, passed through one of the finest and most highly cultivated tracts of country in the world. What adds to my pleasure in contemplating these scenes,



is to hear every man I ask tell how jungles have been cleared, and waste lands brought under cultivation. I cannot but envy your feelings on this subject. I confess, before I travelled through these provinces, I was not perfectly reconciled to your system. I have now observed its effects, and must ever think it one of the most wise and benevolent plans that ever was conceived by a Government to render its subjects rich and comfortable. We can only hope that a sense of gratitude will be the primary feeling in the breasts of those who benefit by this admirable system, and that they will repay the State for the care it takes of their interests by a firm and lasting attachment.”*

It was one of the main objects of the Permanent Settlement to give the landholder such a beneficial interest in the improvements of the land as would induce him to venture upon this reclamation of the jungle. The theory was excellent, and so, up to a certain point, was the result. But there were errors of detail which threatened to vitiate the broad and beneficent principle. The Government reserved to itself the right of selling the estates of defaulting Zemindars for arrears of revenue, and it is not to be doubted that, in the first instance, whilst the authority of the Zemindar over the Ryot was insufficient to enable him to obtain his dues, the power of the State over him was exercised in too summary a manner. The period of grace allowed to the landholders was too brief. The revenue-officers were empowered at any time in the course of the year to bring the lands of defaulting Zemindars to auction if the monthly instalment were not paid. And under the operation of this law a large number of estates were put up to sale. Some of the oldest and most respectable families in Bengal were, it is said, to be found in the list of defaulters. It seemed,

* *MS. Correspondence, quoted by me in the Calcutta Review.*



indeed, that the old aristocracy of the country was about to be speedily extinguished.*

The grievance was a palpable one, and Government was not unwilling to redress it. Accordingly, in 1799, a regulation† was passed, decreeing that sales of land for arrears of revenue should not take place until the end of each year. As the Zemindar was invested, at the same time, with the power of summary distraint over the goods of the defaulting Ryot, he was thus enabled to realise his own dues before he was called upon to give strict account to the Government; and it was the opinion of the larger number of experienced revenue-officers that he was now sufficiently protected. The Zemindars had alleged that the dilatory payments, or the actual non-payments of the cultivators, had been the occasion of their default; but under the new regulation they could not any longer put forward this extenuating plea. The whole question was sifted by Government. A series of interrogatories was circulated among the collectors, and their collective answers exhibit the result of the Zemindarree settlement during the first ten years of its operation. Among the most important questions submitted to the revenue-officers was this: "Are the existing regulations calculated to enable Zemindars to obtain payments from the Ryots without affording them ready means of oppression?"‡ Several collectors stated in reply, without qualification, that the regulations answered every purpose—

* I give this as the received version of the story; but it is my belief that "the old aristocracy" had nearly disappeared before 1793.

† Act VII., 1799.

‡ A few of these answers may be briefly given. Mr. Ricketts of Tirhoot replies, that "the regulations are well adapted for the purposes intended." Mr. Elphinstone of Sarun says: "The regulations are perfectly well calculated for the purposes intended." Mr. Cowell

of Bîrbhûm makes answer, that "the existing regulations are most favorable for realising the rents from the under-farmers and Ryots, and in general are acknowledged to be so by the Zemindars, and other description of landholders." Mr. Smith of Dinagapore curtly answers: "I conceive that they are." Mr. Wright of Rungpore says: "The regulations which have been issued for the benefit of the landholders have answered the purposes intended."



that the Zemindar had the power of obtaining punctual payment of his rents, and had not the power of oppressing the Ryots. Several stated that the Zemindar had the power of obtaining his rents, but that the system did tend to the oppression of the Ryots. A few stated, on the other hand, that the Regulations enabled the Ryot to cheat the Zemindar; and Sir Henry Strachey stated outright that there was not a Zemindar left in Bengal.

Now, the truth appears to have been this. Immaculate Ryots do not grow in Bengal any more than immaculate Zemindars. As there was tyranny on the one hand, there was fraud on the other. But the balance of wrongdoing must have been greatly on the side of the Zemindar. The ignorant husbandman was no match for the landed proprietor—still less was he a match for the middle-man or agent. Cunning he may have been—dishonest he may have been; but he was weak and cowardly too, and had little heart to systematise fraud, and to fight it out boldly with his superiors. He paid his rents when he could. He generally paid them, indeed, when there was no attempt to overreach him;

Mr. Seton of Kishnaghur replies: "The powers vested by the regulations in the Zemindars, and other proprietors and farmers, holding lands immediately of Government, are fully adequate to enable them to collect their rents from their under-farmers and Ryots." Mr. Le Gros of Mymensing answers in almost the same words: "The existing regulations are perfectly well calculated for enabling Zemindars and other proprietors of land, and farmers of land holding their farms immediately of Government, to realise their rents from their under-farmers and Ryots." Mr. Hayes of Mürshedabad emphatically declares that the "Zemindars, and other descriptions of landholders, are unanimous in acknowledging that the existing regulations, for enabling them to realise their rents from the under-farmers and Ryots, are well calculated for the purposes intended;" and the Collector of Midnapore commences a long able minute with the words: "I

am of opinion that, since the Regulation VII. of 1799 has been generally known and enforced in the Mofussil, the Zemindars have been very well able to realise their rents." "Lands," says Mr. Grant, collector of Midnapore, "being now exempted from sale for the recovery of arrears of revenue till the end of the year, it appears to me much less necessary to expedite the sale of distrained property than it was before Regulation VII. of 1799 was issued, when they were liable to be sold every month. . . . I have frequently had occasion to state to the Board that, as far as my experience goes, I have found that the common Ryots, or the lowest tenants, who are the cultivators of the soil, pay their revenues with great punctuality. . . . They are much more apt to submit tamely to exaction, than to hazard a contest with a Zemindar; and they pay a kist or two in advance much oftener than they fall in arrear."



but when he fell into arrears, and the war began, he did all that he could, in his weakness, with fraud and lying and the collusion of his friends, to outwit his antagonist. He got the start, when he could, of his enemy, carried off all his moveables to a neighbour's house, cut his standing crops in the night time, concealed them by the connivance of his friends, and met the distraining party with no worldly goods in his possession, but the rag about his middle, and a few earthenware pots in his house. The Zemindars certainly did complain that in this way the weapon of dstraint became a *telum imbelles* in their hands; that they had great difficulty in obtaining the assistance of the police—that, if a small party went to distrain, they were beaten; and that, if a large party went, the expense was so heavy, that it was better not to distrain at all; and that, as to suing the defaulter in our law courts, the process was so tedious, and the cost of maintaining the defendant in prison so onerous, that they seldom gained anything but a heavy loss by the proceeding.

Such was the complaint of the Zemindars. I do not doubt that such things happened. But the power of the Zemindar to oppress the Ryot must have been far greater than that of the Ryot to outwit the Zemindar. The husbandman was generally better disposed to submit to imposition than to battle it out with the proprietor, or the agent, who was sure to be a greater tyrant than his master. The Ryot had not much to lose, it is true; and it is argued that the constitutional indolence of the native character made him look upon mere loss of liberty as no evil, and that he was content to exist in gaol at the expense of his oppressor. But indolent and debased as he may have been, he was not utterly hardened and reckless. He could not meet with indifference a calamity that severed all family ties, and left wife and children at the mercy of the spoiler, and exposed to all the accidents



of life. He had, too, whatever he may have thought of the immunities of gaol-life, a horror of the police—a horror of the long journey to the justice-seat—and of a thousand vaguely apprehended evils, to which even the natural litigiousness of his character could not fortify him to look forward with complacency. The balance, indeed, was greatly against him, and he had sense enough to know it. He seldom invited a contest, which he knew must end in his ruin. It was better, he thought, to compromise with fate, and bear the lesser evil of the two. So he acceded in patience to the extortionate demands made upon him, when he could; when he could not, the Regulations took their course. And how destructive that course was, may be gathered from the evidence of Mr. Rees, the collector of Purneah, who speaks of “repeated instances of families, nay whole villages, reduced to penury and distress by their (the middle-men’s and agents’) oppressive use of that power of distraint, which is vested in them with equal authority as in the actual proprietor of the soil.” It was not till ten years afterwards that the Zemindar was prohibited from seizing even the agricultural implements and farm cattle of the Ryot: it was not till ten years afterwards that he was compelled to give due notice of his intention to distraint before coming down, with one fell swoop, upon all the property of his debtor.*

If, then, the large estates, under the Permanent Settlement, continued to fall to pieces, and the wealthy Zemindars were still stripped of their lands, it would hardly appear that the cause of this decadence of the old aristocracy is to be found in the fact that “Government had given to themselves the benefit of summary process with regard to the Zemindars, but had left the Zemindars to the tedious progress through all the technical forms of the courts in extracting payment from the

* *Author in the Calcutta Review.*



Ryots.”* Nor was it that the assessment itself was excessive. Under able and economical management the estates yielded readily the required revenue. But the management, in most instances, was neither able nor economical. The Zemindars were often indolent and extravagant; they mismanaged their estates, left them to the superintendence of underlings; and were fatally given to ruinous litigation. These causes combined to stimulate the Sale Act into unhealthy excited action; and many of the families (old or new) whom we found in possession of the land, were doubtless brought to ruin by them.† Property has undergone a great revolution, since the Regulations of 1793 brought the Zemindars of Bengal directly into the hands of the English collector. Mr. Law was of opinion that the Permanent Settlement would “raise a class of native gentlemen proprietors, who would establish themselves in good houses, wish the various comforts of life;”‡ and it certainly did raise a class of native proprietors—of mushroom gentlemen—who built up their prosperity upon the ruins of others more unfortunate or improvident than themselves.

The Bengal officials admitted this—but they doubted whether the change was to be greatly deplored. I think that they treated the matter of this great revolution in a very cool and off-hand manner, and I by no means share in the satisfaction expressed by some of them at the

* *Mil's History of India.*

† A very able writer on Indian affairs, speaking of the revolution of property in India, states the causes very truthfully and forcibly, in the following passage: “A minute inquiry into the causes which had transferred landed property from the older families to the traders and merchants, who owe their rise to the Company, might in a very few instances certainly prove that the transfer had been occasioned by causes beyond the control of the proprietor; by famine, by drought, by inundation, by the over-assessment of a zealous revenue-officer, by the absence or the

delay of an adequate remedy to hastiness. But, in a far greater number of instances, the change of circumstances would be owing to the culpable indifference, or the reckless extortion of the landlords; to the rack-rent of evil advisers or agents; to a spirit of litigation which is unrivalled in the forensic annals of Europe, and to a forgetfulness of the memorable aphorism that the immutable laws of Providence have decreed vexation to violence, and poverty to rapine.”—[*Letters on the Government of India.*—*Morning Chronicle*, March, 1853.]

‡ See *ante*, page 178.



thought that the extinction of the large Zemindarries, however much to be regretted as affecting the individual proprietor, would probably be beneficial to the country at large, from the estate falling into the possession of more able and economic managers. But I am inclined to believe that the evils of this revolution have been considerably over-stated. Indeed, it is remarkable that the Permanent Settlement is charged with two offences of an antagonistic and wholly irreconcilable character. It is said, on the one hand, that the settlement was completed with men who had no title to the privileges it accorded to them; and on the other, that it has stripped the ancient gentry of Bengal of privileges inherited from remote ancestral generations. One of these may be the rule; the other, the exception. They cannot both be the rule.

It is not, however, to be denied, even by those who recognise nothing but evil in the Regulations of 1793, that the cruel operation of the Sale Law is rather an accident of the Past than of the Present.* In spite of the publicity given to the new Regulations, the Zemindars were at first but imperfectly acquainted with them. They had been accustomed to personal coercion, but not to the sale of their lands; and they may, in the first instance, have believed that the threat would not be car-

* Mr. Campbell, one of the most strenuous as he is one of the ablest opponents of the Permanent Settlement, makes candid admission of this. "The general view," he says, "of the present working of the Permanent Settlement, shown by the last reports, proves that the Bengalees now understanding our system, and the bad estates having fallen to Government, the revenue is realised with considerable punctuality. A good many sales for arrears still take place, but they are principally of small estates. Some, probably, are permitted to go to the hammer by those wishing to dispose of them, and to give a good title to the purchasers. Re-

missions are occasionally made on the ground of natural calamities, but they are small in amount. The regularly settled estates of 1848-49 bore a rent of 3,45,98,603 rupees, of which upwards of 90 per cent. was realised within the year, along with 87 per cent. of the last year's balance, showing that the greater portion of the 10 per cent. current balance is the portion due at the end of the year, and collected in the next year. A little more than 1 per cent. was remitted or transferred to defaulters' register. . . . Of the total demand on account of land-revenue, the whole is eventually realised within 1 to 1½ per cent."—[*Campbell's Modern India*, 1852.]



ried into effect. It was often the interest of the agent to keep the Zemindar himself in ignorance of the danger which threatened his estate, and he awoke perhaps, from the false security in which he had been lulled, only to find himself stripped of his lands, and his agent, under cover of some man of straw, in actual possession of a large portion of the dismembered estate. But when the proceedings of the collector's office became better understood, and the larger and more unmanageable estates fell to pieces, the operation of the Sale Law lost all its severity. The assessment, originally light, has become lighter by the improvement of the land, and the cases of default are few. The unrealised balance every year does not exceed one and a half per cent. on the entire revenue of the land under assessment.

But there are still more important considerations than the transfer of these proprietary rights. It is time that I should say something of the effect of the measure on the general happiness of the people. When, in 1802, Malcolm wrote that the visible results of the settlement were of the most satisfactory description, he only wrote what now, fifty years afterwards, every traveller through Bengal would cheerfully endorse. The aspect of the country, under the operation of the Perpetual Settlement, seems to give the lie to the assertion that the people are ground down and depressed. There is hardly a rood of land not under cultivation. The jungle has entirely disappeared. "A man," says a recent writer, "may go for miles in any direction, east and north of the metropolis, and see plains succeeding to plains, where there is not one *bigah* of unproductive soil, and where many thousands of *bigahs* give their return of two crops in the year, without irrigation, and without that careful labor which seems indispensable, in the Upper Provinces, to successful agriculture. More new bazaars will be found to have been established within the last



thirty years than old bazaars to have decayed. The circulation of money in the interior of such districts is very considerable. The number of men who derive competence and consequence from the soil, is large. Is it fair to say that all these results are independent of the Perpetual Settlement?"*

It would seem then, that if the old aristocracy have been ruined, the country has not been ruined with them. The provinces under the Perpetual Settlement are the most thriving provinces in India. It is a great thing I know that they have enjoyed, under British rule, nearly a century of unbroken peace. Nature, doubtless, too, has done much for them. Their natural fertility is great. They are independent of artificial irrigation. But it is only since the Permanent Settlement was introduced that the country has been exempted from the curse of periodical famine; and some of the ablest men who have ever given themselves to the study of Indian affairs, foremost among whom were Edmonstone and Tucker,† have

* *Calcutta Review*.

† Sir Henry Russell says in his published Letters:

"In one of my last conversations on the subject with Mr. Edmonstone, to whose guidance and instruction I owe anything that I may have learned in India, and whom I have looked up to all my life with reverence and affection, he ascribed the present exemption of Bengal from those periodical famines, to which it was formerly subject, and by which other tracts are occasionally visited, to the influence of the permanent system. In this I cannot concur, without depreciating the value of good government, uniform protection, and shelter behind a wide and secure boundary. Unquestionably many able men, besides Mr. Edmonstone, have been from the first, and still are, the advocates of the *Zemindary* system. The fact is, that we all of us lean to the doctrine of the school we have been brought up in. Independently of the force of habit, we cannot easily bring ourselves to think that that, which we have spent our lives in learning, is of no substance or effect. The advocates

of this system have all been brought up in Bengal, where they have seen no other in action. Among the eminent authorities on this subject, Mr. Hodgson is the only one I remember, who, having made himself conversant with both systems, gives the preference to that of Bengal. With this single exception, as far as I am aware, the whole of those, who have witnessed the working of the two, are in favor of the native machinery of the *Ryotwar* system."

The testimony of Mr. Tucker may be added: "I never," he wrote to a brother Director, "can be persuaded that the Regulations of 1793 were not framed on sound and just principles—but no person will contend that the Permanent Settlement was not concluded with undue haste, and upon defective materials; but if the measure had not been prosecuted at the time, it would probable never have been undertaken, and thy country and the people would have remained in the wretched condition to which they had been reduced under short and corrupt settlements. If this great measure had no other merit, I would say that (under Providence) the



declared their opinion that it mainly is to the settlement that this exemption (under Providence) is to be attributed. This in itself is no small thing. It is no small thing to know that the peasantry of Bengal are never starving. "As to the poverty and misery of the actual Ryot," says the writer I have quoted above—one of the ablest men now in India—"so much insisted on by several writers at the present day, we deny that matters are as bad as represented. What strikes the eye most in any village, or set of villages, in a Bengal district, is the exuberant fertility of the soil, the sluttish plenty surrounding the Grihasta's (cultivator's) abode, the rich foliage, the fruit and timber-trees, and the palpable evidence against anything like penury. Did any man ever go through a Bengallee village and find himself assailed by the cry of want or famine? Was he ever told that the Ryot and his family did not know where to turn for a meal; that they had no shade to shelter them, no tank to bathe in, no employment for their active limbs? That villages are not neatly laid out like a model village in an English county, that things seem to go on, year by year, in the same slovenly fashion, that there are no local improvements, and no advances in civilisation, is all very true. But considering the wretched condition of some of the Irish peasantry, or even the Scotch, and the misery experienced by hundreds in the purlieus of our great cities at home, compared with the condition of the Ryots, who know neither cold nor hunger, it is high time that the outcry about the extreme unhappiness of the Bengal Ryot should cease."

I quote this, instead of putting forward the same truths on my own authority, because it was written in Bengal, only a few months ago, by one whose opinions are supported by the evidence of his own senses, and

absence of that frightful scourge, famine, with which the country had been periodically visited, is mainly to be attributed to it."—[*MS. Correspondence.*]



who speaks of what he sees around him. I know that the Bengal Ryot lives in an enviable state of *sansculotteism*. I know that he enjoys the inestimable privilege of living with only a rag about his middle—

O fortunati agricolæ! sua si bona norint!

I know that the abode in which he dwells is one of very primitive construction. I know that he does not drink beer, or eat beef, or read the newspaper by a sea-coal fire.* I know that he does not trouble himself much about Government paper, or other public securities, and that he lives from hand to mouth, in a rude, simple manner, well content if he can feed himself and the other inmates of his clay-built cottage. But all that I gather from my knowledge of these facts is, that Bengal is very much unlike England, and that what is a hardship in England is not a hardship in Bengal.

The peasantry of Bengal are unquestionably poor. I do not know any peasantry who are rich. "Riches," however, is, after all, only a comparative term, and the question is whether, according to their wants and requirements, the peasantry of Bengal are poorer than the peasantry of any other part of the world. I do not think that they are. Doubtless, there are some evils inherent in the system under which they live. In some parts of the Lower Provinces there is a system of underletting which is very injurious to the cultivator. There is a middle-man, or more than one middle-man, between him and the Zemindar, and a profit must be made by

* This may appear to be trifling, but I can assure the most solemn of my readers that it is not. It is a fact that many people who have never visited India look upon the condition of the Bengal peasantry with English eyes, and bring all their ideas of English poverty and destitution to bear upon the subject. Thus it is related that Sir Elijah Impey, on his first arrival off Calcutta, told "brother Hyde" to look at the nakedness of the people, and as-

sured him that it would not be long before the beneficial action of the Crown Courts would clothe them all in shoes and stockings. This is an old story in India—but it may not be equally well known in England. I may add to it, that Lord George Bentinck was reported by the London papers to have alluded, in a famous speech on the Sugar Question, to the necessity of the hundred millions of the people of India having to go without *sugar in their tea*.



each. But is this peculiar to Bengal—is it peculiar to India? It is the commonest thing possible in England. A tradesman in a country village, or a little townlet, will take a lease of a stack of cottages, each with a little garden behind it. He will let these cottages severally, without the gardens—realise from his tenants collectively much more than the entire rent of the estate—then throw all the gardens into one and let them, at a high rent, to some well-to-do person whose grounds are contiguous to them, and who is anxious to increase his domain. In this manner the middle-man will, perhaps, double the rent that he pays to the actual landlord; and all at the expense of the peasants who are compelled to submit to his terms. In the towns, too, this system of under-letting is carried to a still more abominable extent. Think what are the profits derived by the middle-man from a London lodging-house, and what those lodging-houses are. The tenants pay from 200 to 400 per cent. above the actual value of the accommodation as estimated by the real owner of the house, which is parcelled out among a number of families, or let to a promiscuous crowd of nightly occupants reeking with fever and filth.

There is nothing in any part of India, except in famine-times—and famine-times have ceased in Bengal—to indicate the misery and degradation of which these London lodging-houses are the visible signs. I am speaking now of them, however, only in connexion with the subject of middle-men, simply as respects the matter of rent. It

* Mr. Shore (Lord Teignmouth), in his famous minute of June 18, 1789, thus described the intermediate agency: "The Ryots who cultivate the soil pay their rent to a Mundel (head Ryot) or Gomastah (agent), of which each village has one or more, according to its extent. 2nd. The Mundel pays his rent to a renter of two or three villages. 3rd. The renter pays to the farmer of a division comprehending many villages. 4th.

The farmer of a division pays to the farmer of a Pergunnah. 5th. The farmer of a Pergunnah pays to the Zemindar. And 6th. The Zemindar carries his rent to the office of the Government." This classification, in all its details, only applies to the very large estates, but with more or less modification it may be said to represent the general system.



may be said that with the Indian cultivator rent means something more than house accommodation. The land which is let to him by the middle-man is the arena of his industry—the source of his subsistence—in fact, that the middle-man stands between him and the very well-spring of life. But this, too, is the commonest thing possible in England. We have heard a great deal lately about the “sweating system,” and other vile systems, which intercept and diminish the rightful earnings of the working-man, and enrich the intermediate agent. These are great evils. It were well that we should think about them sometimes, when we are volubly discouraging of the sufferings endured by the unhappy Bengal Ryot. It were well that we should think, too, whether we may not lay them at the door of Free-trade, or the Income-tax, or the new Police, or the Great Exhibition, as reasonably as we may attribute the poverty and misery of the Bengal Ryot to the Permanent Zemindarry Settlement.

Again, it is unquestionable that the Ryot suffers much under the burden of that great calamity, debt. He borrows money at an exorbitant rate of interest, and the “Mahajun,” who lends it to him, compels him to purchase everything he requires from people in whom the usurer is interested, and in whose gains he participates. But is not this a system again well understood in England? It little matters in what manner this payment of interest diminishes the daily comforts of the poor man—whether it reduces the profits of his own little cultivation or the wages paid to him as the cultivator of other men’s lands. There is nothing from which our own people suffer more than from this slavery of debt. I do not believe that the Ryots in any part of India suffer as much from the avarice of the Mahajuns as our own workmen have suffered, and do suffer, from the “truck” and the “tally” systems, and other schemes by which advantage is taken of the im-



providence of the poor. Our tradesmen prey as greedily upon the peasantry who once get on their books, and intercept their earnings with as ruinous a gripe, as the most wily Mahajun in Jessore.

It may be alleged that the Ryot is driven into debt by the exactions of the Zemindar, and that the great inherent vice of the Permanent Settlement is, that whilst the amount leviable from the landed proprietor is definitely and permanently fixed, there is no definition of the claim to be made by him upon the under-tenant. It has been said, indeed, that "in the permanently settled districts of Bengal, nothing is settled, and little is known, except the Government assessment."* And there is no doubt that this is the great blot of the Permanent Settlement. The Zemindars, except in a few special cases, exact from the Ryots as much as they can be made to pay; and there is no doubt that what is left to the actual cultivator, after all these exactions, is little more than suffices to keep the souls and bodies of the peasantry together. Hastings, it has been seen, was especially anxious to "secure to the Ryots the perpetual and undisturbed possession of their lands, and to guard them against arbitrary exactions,"† and he maintained that it was the duty of Government "to fix the deeds by which they hold their lands and pay their rents, to certain bounds and defences against the authority of the Zemindar." But the ablest revenue-officers in the country admitted that it was difficult, if not impossible, to reduce such a fixation to anything like system; and the attempt was abandoned in despair. It was decreed, indeed, that the Ryot had no rights, and he was left to fight it out with the Zemindar. The result is, that the assessment levied upon the actual cultivator is extremely variable, but that it seldom falls far short of the amount which, with extreme diffi-

* *Report of the Calcutta Finance Committee, July 12, 1830.*

† See ante, pp. 155, 156.



culty, he can contrive to pay.* He is, in fact, left with what is sufficient only to supply the bare necessities of life. But there is nothing in this peculiar to the state of the rural population of Bengal. "In every country," says Sismondi, "the share assigned to the laborer is most frequently only just what is sufficient to support his existence." Existence is easily supported in Bengal; and I believe that, in proportion to his wants, the peasant is as well supplied in that flourishing province as in any part of the world.

It is readily admitted that, if the advantages derivable from the increased productiveness of the settled districts could have been shared between the Zemindar and the Ryot, instead of passing entirely into the exchequer of the former, the arrangement would have afforded greater matter for congratulation. Under the existing system, the increased value of the land directly benefits neither the Government nor the people. But the men, who stand between the Government and the people, are greatly the gainers by it. The residuary produce is theirs. The effect has been to raise up a body of moderate capitalists, whose existence is decidedly advantageous to the State;† and, though I fear much cannot be said in favor of their enlightenment and liberality—of their practical recognition of the duties and responsibilities which property entails, it may be hoped that they will learn in time the great truth that, by serving others,

* "The standard," said Mr. Shore, "was so indeterminate, that the Ryots neither knew what they had to pay, nor could the officers of Government, without the most difficult investigation, ascertain whether the Ryots had been imposed on, or not;" and again the same authority declared, that "of all subjects relating to the Revenue, this, though the most important, was, at the same time, the most difficult to explain," and that "he distrusted his own knowledge, and still more his ability, to render it intelligible."

† Mr. Tucker, in his very able "Re-

view of the Financial Situation of the East India Company in 1824," says: "There are persons who, witnessing the flourishing condition of the Bengal provinces, and knowing that the rents and income of the Zemindars have, in many instances, been immoderately increased, seem disposed to impute to Lord Cornwallis an improvident sacrifice of the public revenue. The inference is as gratuitous as the imputation is unjust. The prosperity of the country and the growing opulence of the Zemindars are the happy effects of the Permanent Settlement."