

# POVERTY OF INDIA.

PAPERS AND STATISTICS

BY

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# POVERTY OF INDIA.

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HILE pointing out in these notes one of the unfavourable results of the present system of British administration, I do not for a moment mean to ignore the very bright side of British rule, and the many blessings of law and order which it has conferred on India. On the latter subject I have already expressed my sentiments on several occasions.

My object at present is to show in greater detail what I have already stated before, that, under the present system of administration, India is suffering seriously in several ways, and is sinking in poverty. In my humble opinion, this is the question, or rather the most serious question, of the day. Whether I am right or wrong will be for you to judge, after hearing what I have to say. If I am right, I shall have discharged a duty as a loyal subject to urge upon our rulers to remedy this most serious evil. If, on the other hand, I am shown to be wrong, none will rejoice more than myself; and I shall have equally done a duty, as a wrong feeling of a serious character will be removed.

These notes were written two to three years ago. I lay them before you as they are. If necessary, I shall consider hereafter any modification that the light of subsequent events may suggest, either in confirmation or refutation of the views expressed in them. There will be a few repetitions from my former papers, but they are necessary in order to make these notes complete. I have endeavoured to avail myself as much as possible of the weight of official or other great authorities, and facts from official records; hence I shall have more quotations than might be thought suitable in an address before an audience; and my notes may prove dull, but I only hope they may be found of some importance to atone for such dullness. I may propose here that any discussion upon the notes may be deferred till they are all read, and my whole argument placed before you, or otherwise there will be confusion in the discussions.

## TOTAL PRODUCTION OF INDIA.

In July, 1870, I made a rough estimate, in my paper on "The Wants and Means of India," placed before the East India Association, as follows:—

"The whole produce of India is from its land. The gross land-tax is put down for 1870-71 a little above £21,000,000. Now, I suppose I shall be within the mark if I say that Government takes for this land-tax, on an average, one-eighth of the gross produce, if not more. This gives for the gross production of the country, say, about £168,000,000; add to this—gross opium revenue about £7,000,000; gross salt revenue, £6,000,000; gross forest, £600,000. The total, thus, of the raw produce of the country amounts to under £182,000,000—to be on the safe side, let us say £200,000,000, to include the produce of half a million tons of coal, of alienation lands, or anything else there may be. Now, the population of the whole of British India is nearly 150,000,000; giving, therefore, less than 27s. a head for the annual support of the whole people."

I then further raised the production from £200,000,000 to £300,000,000, to include the value of manufacturing industries, excise on spirits, and a large margin for any omissions, making 40s. a head for the gross production of India as a high estimate.

Since then I have endeavoured to work out the same problem directly, as far as the official data I could get enabled me to do so.

## CALCUTTA STATISTICAL COMMITTEE.—AGRICULTURAL TABLES.

Parliament requires a yearly report of the moral and material progress of India; and a Statistical Committee is formed at Calcutta to supply the necessary information. This Committee has prescribed certain tables to be filled up by the different Governments in their administration reports.

The Central Provinces and Burmah reports are the only two complete in their agricultural tables as far as practicable. Four others (Madras, North-West Provinces, Punjab, and Oudh) give them imperfectly. Bengal and Bombay gave the least, or none, up to 1869-70. For what I could not get from the reports I applied to the India Office, which naturally replied they could not give what they did not get from India. It will be seen, therefore, that I have been obliged to work out the production under much difficulty. Not only is the quantity of information insufficient, but the quality even of such as is given is defective. For instance, in the tables of prices of produce in the different districts of the Central Provinces, in order to get an average the prices are added up together, and the total is divided by the number of the districts. This principle is generally adopted by the returns made by all the

Governments with respect to average of produce or prices. The principle, however, is altogether fallacious. In taking the average of prices, the quantities of produce sold at the different prices are altogether lost sight of. In the same way, in taking the average produce per acre, the extent of land yielding different quantities is overlooked.

#### FALLACY OF ITS STATISTICS.

The result, therefore, is wrong, and all arguments and conclusions based upon such averages are worthless. Taking the instance of the Central Provinces in the administration report of 1867-8, the average price of rice is made out to be Rs. 2-12-7 per maund, when in reality the correct average will be only Rs. 1-8 per maund. Again, the table for the produce of rice per acre gives the average as 579 lbs., when in reality it is 759 lbs. Now, what can be the worth of conclusions drawn from these wrong averages? These averages are not only worthless, but mischievous. It is a pity that, with large Government establishments, more accurate and complete information should not be given. I sincerely trust that future reports will not only work averages upon correct principles, but also work out the total production of their respective provinces. Then only we shall know the actual condition of the mass of the people. All "I thinks" and "my opinions" are of no use on important subjects. The whole foundation of all administration, financial and general, and of the actual condition of people, rests upon this one fact—the produce of the country, the ultimate result of all capital, labour and land. With imperfect materials at command, and not possessed of the means to employ a staff to work out all the details as they ought to be, I can only give approximate results.

#### HOW STATISTICS SHOULD BE COMPILED.

On the question of taking proper averages and supplying complete information, I addressed a letter, in February, 1871, to the India Office, which I have reason to believe has been forwarded to the Governments in India. I hope that some attention will be paid to the matter. As a specimen of the correct principle of averages, I have worked out table **A** of the averages of price and produce of some of the principal productions of the Central Provinces. From this will be seen that the correct average price for rice is Rs. 1-8, instead of Rs. 2-12-7, as stated above; also that the correct average of produce is 759, and not 579 lbs. of rice per acre. I have explained, in the following calculations for the different provinces, the mode I have adopted for each. Though working with insufficient and defective materials, and without the means and time to work out details, I have endeavoured to

calculate *above* the mark, so that, whatever my error, it will be found on the safe side, of estimating a higher produce than the reality.

The principle of my calculations is briefly this. I have taken the largest one or two kinds of produce of a province to represent all its produce, as it would be too much labour for me to work out every produce, great and small. I have taken the whole cultivated area of each district, the produce per acre, and the price of the produce; and simple multiplication and addition will give you both the quantity and value of the total produce. From it, also, you can get the correct average of produce per acre and of prices for the whole province, as in this way you have all the necessary elements taken into account.

#### CENTRAL PROVINCES.

The total area of cultivated land (table 2, Fiscal of Report, 1867-8—an average *good season* year) is 12,378,215 acres. The price of produce per acre, as worked out in table A for the important articles rice, wheat, other food-grains, oil-seeds, and cotton is Rs. 11-13-5—say Rs. 12.\* The total value of agricultural produce will be acres 12,378,215  $\times$  Rs. 12 = Rs. 14,85,38,580. To this is to be added the produce of Sumbulpore; but the acreage of that district is not given. Making some allowance for it, I increased the produce to, say, Rs. 16,00,00,000, or £16,000,000, for a population of 9,000,000.

I have lately met with an unexpected confirmation of my views. The *Times of India* Summary of 6th June, 1873, takes from the *Englishman* some particulars from Mr. Pedder's reply to the Viceroy's circular on local funds. Mr. Pedder marks out, as the value of produce in the Nagpore district, about Rs. 8 per acre, and my estimate of the whole of the Central Provinces is Rs. 12 per acre. I do not know whether Mr. Pedder has avoided the wrong principles of averages—whether he calculates for an average good season, and whether any allowance is made for bad seasons.

#### PUNJAB.

The administration report of 1867-8 gives all the necessary

\* The table A is too large for insertion.

| Summary.          |       |           |             |
|-------------------|-------|-----------|-------------|
|                   |       | Acres.    | Rs.         |
| Rice              | .. .. | 2,938,328 | 4,18,43,575 |
| Wheat             | .. .. | 3,313,677 | 3,51,77,956 |
| Other Food Grains |       | 4,197,516 | 4,70,63,760 |
| Oil Seeds         | .. .. | 697,100   | 1,04,42,854 |
| Cotton            | .. .. | 643,390   | 50,28,838   |

Total .. .. 11,790,011 13,95,56,983

Average Rs. 11-13-5 per acre. \*

agricultural tables, except one, *viz.*, the produce per acre of the different kinds of crops. I take this year (1867-8) as a better season, and with a larger extent of cultivation than that of 1868-9.

The chief crops are wheat and other inferior grains—the former nearly 20, and the latter 50 per cent., of the whole cultivation. The price of wheat is higher than that of other inferior grains; and as I take the prices of first-class wheat, I think the average price of the produce of one acre of wheat, applied to the whole cultivated acreage, will be very much above the actual value of the production, and my estimate will be much higher than it ought to be.

As the administration reports of both 1867-8 and 1868-9 do not give the produce of crops per acre, I ascertain it from other sources.

In the administration report of the Punjab for the year 1850-51 (published in 1854 by the Court of Directors), drawn up by Mr. (now Sir Richard) Temple, a detailed table, dated Jullundhur, 25th October, 1851, gives the produce per acre. The table gives 14 instances of first-class lands, which, by the rough process of adding up and dividing by the number of instances, gives  $14\frac{1}{2}$  maunds = 1,160 lbs.; (a maund equals 82 lbs.—Report 1855-6); for the *second class* from 8 instances, I find the average  $13\frac{1}{2}$  maunds, or 1,107 lbs.; and for the third class from 6 instances, I find 11 maunds, or 902 lbs. From this table I have taken all at 10 maunds or upwards as representing irrigated land, and the second class representing the bulk of it, as producing 1,100 lbs. per acre. For unirrigated land I have not sufficient data. I adopt 600 lbs. per acre, for reasons I have stated under heading “North-West Provinces.”

After I had made my following calculations on the above basis, I was favoured with a loan from the Record Department of the India Office of the administration report for 1869-70. The produce per acre is given in this report, but the average is taken on the objectionable principle of adding up the produce of all districts and dividing by the number of districts, without reference to the extent of cultivation in each district. According to this, the average of the produce of wheat per acre of all the districts is given in the report as only 624 lbs. The highest produce in three districts included in this average is 1,044, 1,066, and 1,000 lbs.; so that my assumption of 1,100 lbs. per acre for *all* irrigated land is much above the mark. Again, even making allowance for the drought of the years 1868-9 and 1869-70, my assumption, of 600 lbs. of wheat per acre of all unirrigated land only, is also above the mark.

I take the calculated area of 1867-8, which is also the largest of the three years 1867-8, 1868-9, and 1869-70; and I

take prices for 1867-8, that having been an average good season. The prices of 1868-9 and 1869-70 are scarcity-prices. The year 1867-8 is a fair test for the produce of the Punjab in an average favourable season.

The report for 1867-8 does not give prices of produce for all districts separately, but only of a few important towns, *viz.*, Delhi, Umballa, Lahore, Sealkote, Mooltan, and Peshawur (page ciii.); and as I take these prices to represent not only those of the whole of the districts of these towns, but of all the districts of the Punjab, I evidently assume a much higher price than actually must have been the case. My results, therefore, will be affected in a double way (*viz.*, firstly, in taking first-class wheat to represent all produce; and secondly, in taking the prices in the principal towns to represent all Punjab); and will show then the total value of the production of all Punjab much higher than the reality. I therefore think I shall not be unfair in deducting 10 per cent. as some correction of this double error; and even then I shall be above the mark. The prices given in the report for 1867-8 are as follows (III E. J. Statement, showing the prices of produce in the Punjab for the year 1867-8):—

|                | Price in Seers for One Rupee. |                   |                   |                   |         |                       |
|----------------|-------------------------------|-------------------|-------------------|-------------------|---------|-----------------------|
|                | 1st June<br>1866.             | 1st Jan.<br>1867. | 1st June<br>1867. | 1st Jan.<br>1868. | Average |                       |
| Delhi .....    | 21½                           | 20                | 19½               | 25                | 21½     | The Seer<br>is 2 lbs. |
| Umballa .....  | 25                            | 20                | 20½               | 20½               | 21½     |                       |
| Lahore .....   | 23                            | 20                | 22                | 17                | 20½     |                       |
| Sealkote ..... | 24                            | 20                | 22                | 16                | 20½     |                       |
| Mooltan .....  | 16                            | 17½               | 16                | 13½               | 15½     |                       |
| Peshawur ..... | 24¾                           | 22                | 20¾               | 15                | 20½     |                       |

I take the above averages of the towns to represent their whole districts, and then the average of the six districts to represent the whole of the Punjab in the following calculation (wheat first sort is taken to represent all produce):—

| Districts.     | Irrigated<br>Land. | Produce<br>per Acre. | Total<br>Produce. | For<br>Re. r. | Total<br>Value. |
|----------------|--------------------|----------------------|-------------------|---------------|-----------------|
|                | Acres.             | lbs.                 | lbs.              | lbs.          | Rs.             |
| Delhi .....    | 200,955            | 1,100                | 221,050,500       | 43            | 51,40,701       |
| Umballa .....  | 96,328             | "                    | 105,960,800       | 43            | 24,64,204       |
| Lahore .....   | 447,295            | "                    | 492,024,500       | 41            | 1,20,00,597     |
| Sealkote ..... | 394,227            | "                    | 433,649,700       | 41            | 1,05,76,821     |
| Mooltan .....  | 505,750            | "                    | 556,325,000       | 31½           | 1,76,61,111     |
| Peshawur ..... | 249,144            | "                    | 274,058,400       | 41            | 66,84,351       |
| Total .....    | 1,893,699          | ...                  | .....             | ...           | 5,45,27,793     |

The average value of produce per acre of the irrigated land of the six districts will, therefore, be Rs. 28-7-9.

I now apply this to all irrigated land of the Punjab.

Total irrigated acres are 6,147,038, which, at Rs. 28-7-9 per acre, will give Rs. 17,69,73,224 as the total value of the produce of irrigated land of the Punjab for 1867-8.

I now calculate the value of the produce of unirrigated land (wheat first sort is taken to represent all produce):—

| Districts.     | Unirrigated Land. | Produce per acre. | Total Produce. | For Re. 1. | Total Value. |
|----------------|-------------------|-------------------|----------------|------------|--------------|
|                | Acres.            | lbs.              | lbs.           | lbs.       | Rs.          |
| Delhi .....    | 307,690           | 600               | 184,614,000    | 43         | 42,93,348    |
| Umballa.....   | 856,701           | „                 | 514,020,600    | 43         | 1,19,53,967  |
| Lahore .....   | 557,882           | „                 | 334,729,200    | 41         | 81,64,126    |
| Sealkote.....  | 425,440           | „                 | 255,264,000    | 41         | 62,25,951    |
| Mooltan .....  | 118,684           | „                 | 71,210,400     | 31½        | 22,60,647    |
| Peshawur ..... | 456,661           | „                 | 273,996,600    | 41         | 66,82,843    |
| Total...       | 2,723,058         | ...               | .....          | ...        | 3,95,80,882  |

The average value of produce of one acre of unirrigated land of the six districts is Rs. 14-5-3. Applying this to the unirrigated land of the whole of the Punjab, the result will be as follows:—Total unirrigated acres 14,810,697, at Rs. 14-5-3 per acre, will give Rs. 21,51,99,427 as the value of the produce of all unirrigated land of the Punjab for 1867-8.

Adding up the value of the produce of irrigated and unirrigated land, the total will be Rs. 39,21,72,651. From this I deduct 10 per cent. for reasons stated above, which will leave Rs. 35,29,54,800 for a population of 17,593,946, or say £36,000,000 for a population of 17,500,000.

#### NORTH-WEST PROVINCES.

I take the figures of 1867-8, being an average good season. The subsequent ones, 1868-9 and 1869-70, have been bad.

The administration report does not give the distribution of chief crops, but I find in the Statistical Reporter of the *Indian Economist* (page 136) of 15th March, 1871, a table of the crops for 1868-9. From this it will be seen that, out of a total of about 22,000,000 acres, rice, jowari, bajri, wheat, and barley make up—

|                  |     |     |           |
|------------------|-----|-----|-----------|
| Rice ...         | ... | ... | 2,479,874 |
| Jowari and Bajri | ... | ... | 4,302,890 |
| Wheat and Barley | ... | ... | 7,257,873 |

Acres 14,040,637 or nearly  $\frac{2}{3}$

As I cannot get the prices of all the above kinds of produce, except wheat and barley, if I take wheat to represent all, I shall be above the mark.

In the administration report of 1868-9 there is a table given of prices of wheat and barley. I take the prices for the months of April, May, and June as those of the good season of 1867-8. The subsequent prices are affected by drought. I should have preferred to take the prices for January to June, 1868; but the table does not give the earlier months. These prices are of some of the chief markets only, so that, taking the prices to represent the whole of the respective districts, and then taking the average of these few districts to represent the whole of the North-West Provinces, the result will be much higher; so, as in the case of the Punjab, I deduct 10 per cent. as some correction for these errors of excess.

The prices given in the report of 1868-9, pages 29, 30, are as follows:—"The following table gives the prices at the close of each month for the year in the chief markets of the provinces. The figures denote seers and chittacks.

| Districts.     | WHEAT. |    |      |     |       |    |          |                  |     |     | My Remarks.  |
|----------------|--------|----|------|-----|-------|----|----------|------------------|-----|-----|--|
|                | April. |    | May. |     | June. |    | Average. |                  |     |     |  |
|                | s.     | c. | s.   | c.  | s.    | c. | s.       | c.               | lb. | oz. |  |
| Saharunpore    | 22     | 6  | 25   | 14  | 25    | 14 | 24       | 11               | 49  | 6   | <p>The report does not say which seer this is.</p> <p>Formerly 1 seer is given equal to 2·057 lbs.</p> <p>(Parliamentary Return No. 29 of 1862, page 5.)</p> <p>I take this seer 2 lb.</p> <p>16 chittacks = 1 seer.</p> <p>The report also does not say whether these quantities were got for one rupee, but it evidently appears to be meant so.</p> |
| Meerut .....   | 26     | 0  | 27   | 0   | 27    | 8  | 26       | 13               | 53  | 10  |  |
| Moradabad      | 26     | 10 | 25   | 10  | 24    | 0  | 25       | 8 $\frac{3}{4}$  | 51  | 1   |  |
| Bareilly ..... | 25     | 10 | 27   | 8   | 25    | 0  | 26       | 0                | 52  | 0   |  |
| Muttra .....   | 24     | 0  | ...  | ... | 24    | 0  | 24       | 0                | 48  | 0   |  |
| Agra .....     | 23     | 0  | 23   | 0   | 24    | 0  | 23       | 5                | 46  | 10  |  |
| Cawnpore ...   | 23     | 0  | 23   | 0   | 22    | 0  | 22       | 11               | 45  | 6   |  |
| Allahabad ...  | 18     | 4  | 18   | 0   | 17    | 0  | 17       | 12               | 35  | 8   |  |
| Mirzapore ...  | 18     | 0  | 18   | 0   | 17    | 0  | 17       | 10 $\frac{3}{4}$ | 35  | 6   |  |
| Benares .....  | 17     | 5  | 18   | 5   | 18    | 0  | 17       | 15 $\frac{1}{2}$ | 35  | 14  |  |

The administration reports give no table of produce per acre of different crops. I adopt the same scale as given in the case of the Punjab, for the following additional reasons:—  
 \*Captain Harvey Tuket's estimate in the year 1840, from 2,000 experiments, of which 512 were for wheat, made by the Government of the North-West Provinces, gives the average produce of wheat per acre at 1,046 lbs. The late Mr. Thornton, formerly Secretary to that Government, has recorded that, judging from his own experience, he should say that 1,200 lbs. per acre was a high average for irrigated land, and 700 lbs. for that of which a considerable portion is dry.<sup>1</sup> Mr. Maconochi, in his recent settlements of Oonah (Oudh), gives for irrigated land—

1st class 21 bushels=1,218 lbs. (at 58 lbs. per bushel)

2nd „ 16 „ = 928 „

3rd „ 9 „ = 522 „

and for unirrigated land—

1st class 11 bushels=638 lbs.

2nd „ 9 „ =522 „

3rd „ 7 „ =406 „

Taking second class as representing the bulk, the average for irrigated land may be considered as 928 lbs., and for unirrigated 522 lbs. From all the above particulars it will be seen that the estimate I have adopted, of 1,100 lbs. per acre for irrigated and 600 lbs. for unirrigated land, is something above a fair average. A Settlement Officer of the North-West Provinces, in a letter to the *Indian Economist* of 15th February, 1871 (*"Agricultural Gazette,"* page 171), sums up all that is known to him on the subject of the produce of wheat per acre in those Provinces. It will be too long an extract to insert here; but, making allowances for the "mischievous fallacy" of all official documents alluded to by this writer, about which I have already complained to the India Office, and which vitiates averages for a number of years or places, I think the average I have adopted above is something more than a reasonable one. When administration reports will give, as they ought, correct particulars for each district every year, accurate estimates of the actual produce of the Provinces could be easily made. I give the calculations below. The table of cultivated land, given at page 45 of the appendix to the administration report of 1867-8, does not give the irrigated and unirrigated extent of land separately for the Moradabad, Tarrae, Mynpoorie, Banda, and Ghazipore districts.

I find that the totals of irrigated and unirrigated land bear nearly the proportion of two-fifths and three-fifths respectively

\* The "*Agricultural Gazette of India*" of the *Indian Economist*, 15th August, 1870, No. 1.

† See also Parliamentary Return No. 999 of 1853, page 471.

of the whole total cultivated land. I assign the same proportion to the above districts in the absence of actual particulars.

*Wheat.*

| Districts.       | Irrigated Land. | Produce per acre. | Total Produce. | For r. Re. | Total Value. |
|------------------|-----------------|-------------------|----------------|------------|--------------|
|                  | Acres.          | lbs.              | lbs.           | lbs. oz.   | Rs.          |
| Saharunpore..... | 160,058         | 1,100             | 176,063,800    | 49 6       | 35,65,849    |
| Meerut .....     | 577,346         | "                 | 635,080,600    | 53 10      | 1,17,26,444  |
| Moradabad .....  | 806,930         | "                 | 787,623,000    | 51 1       | 1,73,83,069  |
| Bareilly .....   | 344,662         | "                 | 379,128,200    | 52 1       | 72,82,174    |
| Muttra .....     | 332,542         | "                 | 365,796,200    | 48 0       | 89,22,837    |
| Agra .....       | 434,166         | "                 | 477,582,600    | 46 10      | 1,02,43,058  |
| Cawnpore .....   | 397,396         | "                 | 437,135,600    | 45 6       | 96,33,842    |
| Allahabad .....  | 345,624         | "                 | 380,186,400    | 35 8       | 1,07,09,476  |
| Mirzapore .....  | 198,823         | "                 | 218,705,300    | 35 6       | 61,82,481    |
| Benares .....    | 238,971         | "                 | 262,868,100    | 35 14      | 75,01,549    |
| Total...         | 3,836,518       | ...               | .....          | ...        | 9,31,50,779  |

The average value of the produce of one acre will be Rs. 24-2-8.

Applying the average of the above districts to the whole of the irrigated area of the North-West Provinces, the result will be—acres 10,045,050  $\times$  Rs. 24-2-8 = Rs. 24,38,93,814.

In a similar manner, the total value of the produce of unirrigated land, as represented by wheat, will be as follows:—

| Districts.      | Unirrigated Land. | Produce per acre. | Total Produce. | For r. Re. | Total Value. |
|-----------------|-------------------|-------------------|----------------|------------|--------------|
|                 | Acres.            | lbs.              | lbs.           | lbs. oz.   | Rs.          |
| Saharunpore ... | 621,382           | 600               | 372,829,200    | 47 6       | 75,50,960    |
| Meerut .....    | 453,694           | "                 | 272,216,400    | 53 10      | 50,76,288    |
| Moradabad ...   | 484,158           | "                 | 290,494,800    | 51 1       | 56,88,992    |
| Bareilly .....  | 768,283           | "                 | 460,957,800    | 52 1       | 88,53,920    |
| Muttra .....    | 406,153           | "                 | 243,691,800    | 48 0       | 50,76,912    |
| Agra .....      | 374,976           | "                 | 224,985,600    | 46 10      | 48,25,424    |
| Cawnpore .....  | 436,636           | "                 | 261,981,600    | 45 6       | 57,73,696    |
| Allahabad ..... | 644,594           | "                 | 386,756,400    | 35 8       | 1,08,94,544  |
| Mirzapore ..... | 614,658           | "                 | 368,794,800    | 35 6       | 1,04,25,280  |
| Benares .....   | 202,818           | "                 | 121,690,800    | 35 14      | 33,92,064    |
| Total...        | 5,007,352         | ...               | .....          | ...        | 6,75,58,080  |

The average value of wheat per acre of unirrigated land is, therefore, Rs. 13-4-9.

Applying this average to the whole unirrigated land of the North-West Provinces, we get—acres 14,132,111  $\times$  Rs. 13-4-9 = Rs. 19,06,42,177. The grand total of the value of the produce of irrigated and unirrigated land will be—

|               |                  |                  |
|---------------|------------------|------------------|
| Irrigated ... | 10,045,050 acres | Rs. 24,38,93,814 |
| Unirrigated   | 14,132,111 „     | „ 19,06,42,177   |
| <hr/>         |                  | <hr/>            |
| Total ...     | 24,177,161 „     | „ 43,45,35,991   |
| <hr/>         |                  | <hr/>            |

Deducting 10 per cent. for reasons stated above, the remainder will be Rs. 39,10,82,392 for a population of 30,086,898, or say £40,000,000 for a population of 30,000,000.

#### BENGAL.

The administration reports till 1869-70 give no information required by the Statistical Committee, except the area of districts in square miles and acres (report 1869-70). For information for cultivated area, distribution, produce of crops, and prices, I have to look out elsewhere, or make a rough estimate.

First with regard to the extent of cultivated land, I adopt the following plan as the best I can. The total area of the North-West Provinces is about 50,000,000 acres, of which about 25,000,000 are cultivated. The population of those Provinces is, by the late census of 1865, about 30,000,000, so we have the total area 5 acres to 3 persons, and of cultivated area five sixths of an acre per head. Now, assuming Bengal to be at least as thickly populated as the North-West Provinces, and the total area, as given in the administration report of 1869-70 (appendix, page xxi.), being about 105,000,000 acres, the population of Bengal will be about 63,000,000; and I am encouraged to adopt this figure instead of 36,000,000 of the report of 1869-70, as the *Englishman* of 25th June, 1872, states that the census of Bengal, as far as the figures are made up, leads to an estimate of about 65,000,000. Again, as in the North-West Provinces, I allow five-sixths of an acre of cultivated land per head, and take, therefore, 54,000,000 acres of cultivated land for a population of 65,000,000.

With regard to produce, coarse rice is the chief produce of Bengal, and, in taking it to represent the whole produce, I shall be near enough the mark. For the produce of rice per acre, I take a table given in the report of the Indigo Commission (Parliamentary Return No. 72,1 of 1861, page 292), in which produce of paddy per beegah is given for a number of districts. The rough average, without reference to the

quantity of land in each district, comes to about nine maunds per beegah.

The maund I take is the Indian maund of 82 lbs. The quantity of produce per beegah given in the table is evidently for rice in husk; for, though not so stated, this would be apparent by comparing the money values of these quantities given in the same table, with the prices for 1860 given in the table at page 291.

The beegah I find explained, at page lxi. of the same return, at about one-third of an acre. Thacker's Bengal Directory for 1872, page 2, gives the following table for "Bengal square or land measure":—

1 chittack=45 square feet or 5 square yards.

16 „ = 1 cottah = 720 sqr. ft. or 80 sqr. yds.

20 cottah = 1 beegah = 14,400 „ or 1,600 „

This gives a little more than 3 beegahs to an acre.

Mr. Cowasjee Eduljee, the manager of the Port Canning rice mills and lands, thinks, that for an average of all lands, or say for standard land, seven maunds of paddy per beegah will be a very fair calculation. I take eight maunds. Mr. Cowasjee further says, as the out-turn of his mills, that paddy yields 55 per cent. of rice at the outside.

For the price of rice I take the season 1867-8. I take the rough average of the weekly prices given in the *Calcutta Gazette* for the months of January to March, 1868, as fairly representing the effect of the season of 1867-8. This average is taken by simply adding up the prices and dividing by the number of districts, and not on the correct principle of taking the quantities of the produce of each district into account (as in specimen table A I have given for the Central Provinces). The average, therefore, which I have adopted, must be much higher than the actual one, and will require some reasonable deduction. I shall deduct only 10 per cent. as some correction for this, and to make up for any error in the produce per acre. Besides, the prices given in the *Gazette* are retail prices, and are therefore higher than the prices all over the country; so my deduction of 10 per cent. will be but a very small correction for all the errors of my rough calculation. I cannot get the extent of cultivated land for each district. I give below the calculations. Since writing these notes, I have seen the late census report, which gives the population as 66,856,859, or say 67,000,000. The approximate area of cultivated land will be, say, five-sixths of 67,000,000 or 56,000,000 acres. The produce per acre, taken as 24 maunds paddy per acre, will give about 13 maunds of clean rice, or 1,066 lbs., say 1,100 lbs. The total produce of 56,000,000 acres will be 616,000,000 lbs., which, at 58 lbs. per rupee (as obtained by the rough average of the weekly prices of the three months of January, February, and March, 1868), will give Rs.

1,06,00,00,000, or £106,000,000. Deducting 10 per cent. will give £95,400,000, or say £96,000,000, for a population of 67,000,000. This will amply cover the higher price of some of the articles, such as silk, indigo, cost price of opium, tea, &c., or any double crops, &c. The percentage of these products is a small one; the total value for all these will be under 10 per cent. of the whole produce, while the average of price I have taken for rice as representing the whole produce of the presidency will be found much above the actuals. On the whole, I cannot help thinking that the total value of all productions of the Bengal Presidency will be found much under, than above, my estimate. It is very desirable, however, to get a correct result, and the Statistical Committee or Agricultural Department should give it.

#### MADRAS.

I take the administration report of 1868-9 as I have not been able to get an opportunity of studying that of 1867-8. Besides, as prices have not much altered, the later report is the better. I am obliged to ascertain the produce per acre from other sources: the report does not give the information. I take paddy to represent the produce of wet, and cumboo for dry land, as they form the bulk of the produce of the country.

Mr. H. Newill, the Director of Settlements for South Arcot, in his letter of 27th August, 1859 (Selections of the Madras Government, No. 14, of 1869, Appendix Y, from page 142), gives an elaborate table of produce per acre of the principal grains, as ascertained by a large number of experiments and general enquiry; and the result of his investigations gives, for the different classes of soils, the following produce, from which 5 per cent. is to be deducted for numerous ridges for regulating irrigation channels, exterior boundaries, &c. .—

#### *Produce of Wet Land per acre for "Good Crop" first grade Land—*

| Description of Soils. | Value assigned for Good Crops per Acre H. C. (Bazar Huris Cullum). | Description of Soils. | Value assigned for Good Crops per Acre H.C. (Bazar Huris Cullum). |
|-----------------------|--|-----------------------|---|
| 1                     | 45   | 10                    | 30  |
| 2                     | 40   | 11                    | 25  |
| 3                     | 35   | 12                    | 20  |
| 4                     | 30   | 13                    | 18  |
| 5                     | 28   | 14                    |   |
| 6                     | 40   | 15                    | 15  |
| 7                     | 35   |                       | —   |
| 8                     | 30   | Average ...           | 30  |
| 9                     | 28   |                       | —   |

Deducting 5 per cent. for ridges, &c.,  $30 - 1\frac{1}{2} = 28\frac{1}{2}$  H. C.

For second grade land, deduct 15 per cent., which will give  $24\frac{1}{4}$  H. C. For third grade deduct 20 per cent., which will give 22.8 H. C. For bad seasons Mr. Newill deducts 10 per cent. more, which I do not; so that the produce calculated by me is for "good crop," or in "good season," as in all other cases. Taking second grade as the bulk of the land, I take  $24\frac{1}{4}$  H. C. as the average of all wet land.

For dry land for cumboo (page 150), Mr. Newill gives the produce per acre as follows:—

| Descriptions<br>of Soil. | H. C. | Descriptions<br>of Soils. | H. C. | Descriptions<br>of Soils | H. C.           |
|--------------------------|-------|---------------------------|-------|--------------------------|-----------------|
| 1                        | 21    | 6                         | 17    | 11                       | 12              |
| 2                        | 18    | 7                         | 15    | 12                       | 10              |
| 3                        | 17    | 8                         | 13    | 13                       | 10              |
| 4                        | 16    | 9                         | 12    | 14                       | 9               |
| 5                        | 14    | 10                        | 14    | 15                       | 8               |
| Average . .              |       |                           |       |                          | $13\frac{1}{2}$ |
|                          |       |                           |       |                          | say 14 H. C.    |

The next thing necessary is to ascertain the correct average price. I take the average price as given in the administration report (calculated on the wrong principle referred to by me before), bearing in mind that the correct average, as worked out according to specimen table A, would be very likely found lower. Again, taking the rough average of first and second-class paddy, the price comes to Rs. 180 per garce; and as second-class paddy must be the bulk of the produce, the correct average price in this respect also must be lower. In taking, therefore, Rs. 180 per garce, some reasonable allowance will have to be made. I shall make it only 10 per cent. for all kinds of excess. It is too much work for me to calculate as in table A.

Wet land under cultivation (except South Canara and Malabar, where areas under cultivation are not given) is, for 1868-9, 2,957,748 acres at  $24\frac{1}{4}$  H. C. produce per acre (and  $133\frac{1}{2}$  H. C. = 1 garce\*) will give 511,490 garces, which, at Rs. 180 per garce, will give Rs. 9,68,53,500—the total value of the produce of wet land.

Dry cultivated land (except South Canara and Malabar) is 13,560,329 acres, and, with produce at 14 H. C. per acre (and 133 H. C. = 1 garce), will give 1,427,403 garces. I take the rough average price as given in the table—Rs. 188 per garce—in the administration report of 1868-9. This will be an over-

\* 24 Madras measures = 1 Huris Cullum.

133½ Huris Cullum = 1 Madras Garce,

(Selection of the Madras Government, No. XIV. of 1869, page 16).

estimate, as quantities in each district are not taken into account. The total value will be—1,427,403 garces at Rs. 188 = Rs. 26,83,51,764. Total produce of wet and dry lands will be Rs. 36,52,05,264; adding 10 per cent. for South Canara and Malabar, the total for all the Madras Presidency will be a little above Rs. 40,00,00,000. From this is to be allowed 10 per cent. as a correction for errors of high averages, which will leave, say, £36,000,000 for a population of 26,539,052 (Parliamentary Return No. <sup>(C. 184)</sup><sub>1870</sub>), or say 26,500,000.

### BOMBAY.

The season 1867-8 was a favourable one (Bombay administration report, 1867-8 page 59); that for 1868-9 unfavourable (report for 1868-9, page 65). I take the former to ascertain the produce of a fair good season. I am sorry that the administration reports give no agricultural information. I therefore take the necessary particulars from other sources. The Revenue Commissioner's reports for 1867-8 give the total area under cultivation for the Northern Division at 5,129,754 acres and 1,263,139 beegahs, in which are included for grass and fallow-land 611,198 acres and 226,708 beegahs. The actual cultivated land will, after deducting this, be 4,518,556 acres, and 1,036,431 beegahs = 609,842 acres, or total acres 5,128,398. Out of this, bajri, jowari, rice, and cotton make up nearly two-thirds, or about 60 per cent., as follows:—

|            | Acres.          | Beegahs.                        |
|------------|-----------------|---------------------------------|
| Bajri ...  | 985,427         | 56,857                          |
| Jowari ... | 676,377         | 224,210                         |
| Rice ...   | 616,802         | 94,306                          |
| Cotton ... | 519,058         | 319,572                         |
|            | <hr/> 2,797,664 | <hr/> 694,945 = 4,08,791 acres, |
|            |                 | or total acres 3,206,455.       |

Similarly for the Southern Division, out of the total acres, 13,985,892, jowari, bajri, rice, and cotton make up above 60 per cent. as follows:—

|            | Acres.          |
|------------|-----------------|
| Jowari ... | 4,906,073       |
| Bajri ...  | 2,715,719       |
| Rice ...   | 504,015         |
| Cotton ... | 704,629         |
|            | <hr/> 8,830,436 |

I take, therefore, these four articles to represent the produce of the whole Presidency, though this will give a higher estimate. Neither the administration nor the Revenue Commissioner's reports give produce per acre or prices. I take

these two items as follows. From selections of the Bombay Government, Nos. 10 and 11 of 1853, I get the following estimate of produce:

*Produce per Acre in Pounds.*

| Selections. |      | Districts reported upon.   | Bajri with Kuthole. | Jowari with Kuthole.                   | Sathi, or Coarse Rice | Kupas, or uncleaned Cotton. | Remarks.   |
|-------------|------|--|---------------------|--|-----------------------|-----------------------------|--|
| No.         | Page |  | lbs.                | lbs.                                   | lbs.                  | lbs.                        |  |
| X           | 15   | Prant of Husore—<br>Morassa & Bayar Pergunnah in Ahmedabad Collectorate... | 680                 | 700<br>1,020<br>Jowari in fallow land. | 1,020                 |                             | Cleaned Cotton as per experiments made under order of Mr. Saunders, Resident of Hyderabad, in Bassein district of Berar—average of 8 acres giving 31 $\frac{1}{2}$ lbs. of clean Cotton and 83 $\frac{1}{2}$ lbs. of Seed. ( <i>Agricultural Gazette of India</i> of 21st Aug. 1871, page 31. This would give 82 lbs. for 305 lbs. of kupas. |
|             | 106  | Duskroee pergunnah—<br>Greatest...<br>Least .....                          | 1,700<br>270        | 1,500<br>210                           | 1,360<br>410          | 410<br>200                  |  |
| XI.         | 15   | Dholka—<br>Greatest...<br>Least .....                                      | 1,700<br>270        | 1,500<br>210                           | 1,360<br>410          | 410<br>200                  |  |
|             |      | Rough average .....  | 924                 | 856                                    | 912                   | 305                         |  |

The above averages belong to a fertile part of the Northern Division, so that if I put down 900 lbs. for bajri, jowari, and rice per acre, and 80 lbs. of cotton for the whole of that Division, I shall be making a high estimate.

The next thing to settle is the prices. I take them from the *Government Gazette* weekly prices for the months of January to May, 1868, as fairly representing the effect of the average favourable season of 1867-8. These are retail prices of the chief markets of the respective districts, and it will be necessary to deduct 10 per cent. to make a fair average for the whole of the Division. For cotton I take the export prices from the *Prices Current* of the Bombay Chamber of Commerce for January to May, 1868. This gives an average of Rs. 181 per candy. The export prices I have taken represent more than the average value of the whole crop of the

Presidency, as the above average is for Fair Dhollera and Bhownggur, which necessarily give a higher figure than the average of all the different varieties. Again, the bulk of the cotton is not 'fair,' but 'mid-fair'; so, to make a fair allowance for all these circumstances, I take the price for 1867-8 as Rs. 170 per candy of 784 lbs.

*The Southern Division.*—As a whole, this Division is not as fertile as the Northern. I shall take, however, only 50 lbs. less for bajri, jowari, and rice; and for cotton I take 60 lbs. per acre—a high average for the whole of the Division; for Mr. J. B. Smith, M.P., in his paper of 1857 read before the Society of Arts, quotes Mr. Vary, the then late Superintendent of Government Cotton Experiments in Sattara and Sholapore, to the effect that "40 lbs. per acre per clean cotton is considered a fair crop." For rice, I take Rutnagherry as exceptional in its produce. If I give 1,700 lbs. per acre for the whole district, it will be a high average.\* I take the prices from the *Government Gazette* in the same way as for the Northern Division, and a similar reduction of 10 per cent. will have to be made. I give below a table worked out in the manner described above:—

\* The Statistical Reporter of the *Indian Economist* of 22nd January, 1872, gives a table, on official authority, of the total produce of the Bombay Presidency. The figures given for Rutnagherry are evidently wrong. For 113,296 acres the produce of rice is given as 10,110,964 maunds of 82 lbs., which will be above 7,200 lbs. per acre. The best land may produce as much as 3,000, but 7,200 lbs. is simply out of the question. In the Pardy settlement (*Indian Economist* of 15th July, 1871, page 330), an acre of rice "in embanked land receiving full supply of water for a crop of rice," is put down as producing 3,400 lbs. Even in Bengal and Burmah—rice-producing countries—there is no such production as 7,000 lbs. per acre. For the rest of the presidency (excepting Canara), the total produce is given as follows:—

*Rice—*

| Acres.  | Produce, maunds<br>of 82 lbs.               |
|---------|---|
| 822,218 | 9,197,713, giving an average of<br>917 lbs. |

*Jowari and Bajri—*

| Acres.    | Produce, maunds<br>of 82 lbs.                |
|-----------|--|
| 9,476,687 | 44,557,600, giving an average of<br>385 lbs. |

Now, the year 1869-70 is reported to have been an average favourable season, in which case my adopting 900 lbs. for the Northern and 850 for the Southern Division for all grains, is very much higher than the real average. For cotton the figures are, acres, 1,937,375; maunds, 3,264,464, giving an average of 1.63 maunds, or 136 lbs. It is not stated whether this is cleaned or seed cotton. Anyway, this cannot be correct. It is, however, remarked by the official who supplies these statistics—"The figures in table iii., giving the weight of produce, are not, it is feared, very reliable, but now that attention is being given to the subject, they will become more so every year." I earnestly hope that it will be so; correct statistics of this kind are extremely important.

*Bajri.*

| Collectorates.   | Cultivated Area. | Total Produce (at 900 lbs. per Acre). | Price per 1 Re. | Total Value. |
|------------------|------------------|---------------------------------------|-----------------|--------------|
|                  | Acres.           | lbs.                                  | lbs.            | Rs.          |
| Ahmedabad ...    | 129,365*         | 116,428,500                           | 33'6            | 34,65,134    |
| Kaira .....      | 150,841          | 135,756,900                           | 30'0            | 45,25,230    |
| Surat .....      | 27,217           | 24,495,300                            | 25'5            | 9,60,600     |
| Khandeish .....  | 711,447          | 640,302,300                           | 27'6            | 2,31,99,359  |
| Tanna .....      | .....            | .....                                 | .....           | .....        |
| Total...         | 1,018,870        | .....                                 | .....           | 3,21,50,323  |
|                  |                  | (850 lbs. per Acre.)                  |                 |              |
| Poona .....      | 834,325          | 709,176,250                           | 34'7            | 2,04,37,356  |
| Ahmednuggur      | 1,152,316        | 979,468,600                           | 34'3            | 2,85,55,936  |
| Kulladghee ..... | 240,165          | 204,140,250                           | 64'4†           | 31,69,880    |
| Rutnagherry ...  | .....            | .....                                 | .....           | .....        |
| Belgaum .....    | 76,228           | 64,793,800                            | 59'2            | 10,94,489    |
| Dharwar .....    | 14,108           | 11,991,800                            | 69'0            | 1,73,795     |
| Sattara .....    | 398,573          | 338,787,050                           | 52'9            | 64,04,292    |
| Total...         | 2,715,715        | .....                                 | .....           | 5,98,35,748  |

*Jowari.*

| Collectorates.   | Cultivated Area. | Total Produce (at 900 lbs. per acre.) | Price per 1 Re. | Total Value. |
|------------------|------------------|---------------------------------------|-----------------|--------------|
|                  | Acres.           | lbs.                                  | lbs.            | Rs.          |
| Ahmedabad.....   | 119,679          | 107,711,100                           | 42'4            | 25,40,356    |
| Kaira.....       | 44,536           | 40,082,400                            | 42'4            | 9,45,339     |
| Surat .....      | 178,839          | 160,955,100                           | 27'1            | 59,39,302    |
| Khandeish .....  | 465,198          | 418,678,200                           | 40'4            | 1,03,63,322  |
| Tanna .....      | 10               | 9,000                                 | 26'8            | 336          |
| Total...         | 808,262          | .....                                 | .....           | 1,97,88,655  |
|                  |                  | (850 lbs. per Acre.)                  |                 |              |
| Poona .....      | 1,487,816        | 1,264,643,600                         | 49'5            | 2,55,48,355  |
| Ahmednuggur      | 852,232          | 724,397,200                           | 45'6            | 1,58,85,903  |
| Kulladghee ..... | 1,162,582        | 988,194,700                           | 70'0            | 1,41,17,060  |
| Rutnagherry ...  | .....            | .....                                 | .....           | .....        |
| Belgaum .....    | 426,542          | 362,560,700                           | 66'0            | 54,93,344    |
| Dharwar .....    | 511,389          | 434,680,650                           | 83'8            | 51,87,120    |
| Sattara .....    | 465,509          | 395,682,650                           | 52'6            | 75,22,487    |
| Total...         | 4,906,070        | .....                                 | .....           | 7,37,54,269  |

\* Gujarat in Northern Division; the cultivated area is given partly in acres and partly in beegahs. The beegahs are converted into acres, as 17 beegahs = 1 acre. † Bhagalkote price is taken.

## Rice.

| Collectorates.    | Cultivated Area. | Total Produce (at 900 lbs. per Acre.) | 2nd Sort price per 1 Re. | Total Value |
|-------------------|------------------|---------------------------------------|--------------------------|-------------|
|                   | Acres.           | lbs.                                  | lbs.                     | Rs.         |
| Ahmedabad .....   | 31,902           | 28,711,800                            | 14'0                     | 20,50,843   |
| Kaira .....       | 51,443           | 46,298,700                            | 12'2                     | 37,94,975   |
| Surat .....       | 108,348          | 97,513,200                            | 11'27                    | 86,52,458   |
| Khandeish .....   | 12,081           | 10,872,900                            | 20'1                     | 5,40,940*   |
| Tanna .....       | 468,499          | 421,649,100                           | 20'1†                    | 2,09,77,567 |
| Total...          | 672,273          | 605,045,700                           | .....                    | 3,60,16,783 |
|                   |                  | (850 lbs. per Acre.)                  |                          |             |
| Poona .....       | 108,643          | 92,346,550                            | 22'2                     | 41,59,754   |
| Ahmednuggur.....  | 28,922           | 24,583,700                            | 12'3                     | 19,98,674   |
| Kulladghee .....  | 5,496            | 4,671,600                             | 20'9                     | 2,23,521    |
| Rutnagherry ..... | 130,403          | 221,685,100                           | 27'0                     | 82,10,559   |
|                   |                  | (1,700 lbs. per Acre.)                |                          |             |
| Belgaum .....     | 70,889           | 60,255,650                            | 29'0                     | 20,77,781   |
| Dharwar .....     | 91,840           | 78,064,000                            | 27'1                     | 28,80,590   |
| Sattara.....      | 67,820           | 57,647,000                            | 22'4                     | 25,73,527   |
| Total...          | 504,013          | 539,253,600                           | .....                    | 2,21,24,406 |

## Cotton.

| Collectorates.   | Cultivated Area. | Produce per Acre | Total Produce. | Price per Candy | Total Value |
|------------------|------------------|------------------|----------------|-----------------|-------------|
|                  | Acres.           | lbs.             | lbs.           | Rs.             | Rs,         |
| Ahmedabad .....  | 707,041          | 80               | 56,563,280     | 170             | 1,22,64,997 |
| Kaira .....      |                  |                  |                |                 |             |
| Surat .....      |                  |                  |                |                 |             |
| Khandeish .....  |                  |                  |                |                 |             |
| Tanna .....      |                  |                  |                |                 |             |
| Poona .....      | 704,629          | 60               | 42,277,740     | 170             | 91,67,367   |
| Ahmednuggur ...  |                  |                  |                |                 |             |
| Kulladghee ..... |                  |                  |                |                 |             |
| Rutnagherry ...  |                  |                  |                |                 |             |
| Belgaum .....    |                  |                  |                |                 |             |
| Dharwar .....    |                  |                  |                |                 |             |
| Sattara .....    |                  |                  |                |                 |             |

\* Average of Tanna and Alibaug.

† Price at Dhoolia being not given, I have taken the same with Tanna.

## SUMMARY.

*Northern Division.*

|                                | Acres.    | Rs.         | Rs.                | Rs.               |
|--------------------------------|-----------|-------------|--------------------|-------------------|
| Bajri.....                     | 1,018,870 | 3,21,50,323 |                    |                   |
| Jowari ...                     | 808,262   | 1,97,88,655 |                    |                   |
| Rice .....                     | 672,273   | 3,60,16,783 |                    |                   |
|                                |           |             | 8,79,55,761—10 % = | 7,91,60,185       |
| Cotton...                      | 707,041   | .....       |                    | 1,22,64,997       |
| Total...                       | 3,206,446 |             |                    | Rs....9,14,25,182 |
| Average per acre.....Rs. 28.51 |           |             |                    |                   |

*Southern Division.*

|                              | Acres.    | Rs.         | Rs.                 | Rs.                |
|------------------------------|-----------|-------------|---------------------|--------------------|
| Bajri ...                    | 2,715,715 | 5,98,35,748 |                     |                    |
| Jowari...                    | 4,906,070 | 7,37,54,269 |                     |                    |
| Rice .....                   | 504,013   | 2,21,24,406 |                     |                    |
|                              |           |             | 15,57,14,423—10 % = | 14,01,43,981       |
| Cotton...                    | 704,629   | .....       |                     | 31,67,367          |
| Total...                     | 8,830,427 |             |                     | Rs....14,93,10,348 |
| Average per acre.....Rs. 17. |           |             |                     |                    |

*Total Cultivated Area.*

|                         | Acres.                        | Rs.          |
|-------------------------|-------------------------------|--------------|
| Northern Division...    | 5,128,221 at Rs. 28.51 =      | 14,62,05,580 |
| Southern     ,,     ... | 13,985,892 at     ,,     17 = | 23,77,60,164 |
| Total Rs....            |                               | 38,39,65,744 |

This gives for the whole of the Bombay Presidency the total value as Rs. 38,39,65,744, or say £40,000,000 for a population of 11,000,000.

About two or three months ago I came across an unexpected confirmation of my calculations, I was able to get from my friend, Mr. Nowrojee Furdoonjee, a few notes from Colonel Prescott's reports on the settlement of Akleshwar Taluka—I suppose an average Gujerat taluka. Colonel Prescott has made the value of gross produce (excluding straw) about Rs. 24 per acre. Why, my estimate for the whole of the Northern Division is above Rs. 28 per acre.

# OUDH.

The administration report does not give the agricultural tables, but they are given in the revenue report. Wheat forms the most important produce in Oudh, as in the North-West Provinces. I take it to represent the whole produce. In the revenue report ending 30th September, 1868, the average produce per acre is given as 892 lbs.—say 900 lbs. Now, in Oudh, irrigated land is nearly within 10 per cent. of unirrigated land. I shall give the above produce per acre for both, as the table also gives this as the average of all land. The year 1867-8 was somewhat below an average good season, and the prices, therefore, higher than they would be for an average good season year. I take them, however, as they are. The average for wheat, first quality, is given at Rs. 1-9-7 per maund of 80 lbs., and for second quality Rs. 1-8-4—the average will be about Rs. 1-9. As a small correction for the prices being of an inferior season, the average being on the usual wrong principle, and the second quality being the largest quantity, I shall deduct only 10 per cent. The total cultivated area is 12,486 square miles, or 7,991,040 acres. The total produce, at 900 lbs. of wheat per acre, will be 7,191,936,000 lbs.; and the total value, at the rate of Rs. 1-9 per maund of 80 lbs., will be Rs. 14,04,67,500. This, less 10 per cent., will be Rs. 12,64,20,750, or say £13,000,000, for a population of 9,500,000.

## SUMMARY.

| Provinces.              | Value of the<br>Produce of<br>Cultivated<br>Land. | Population. | Produce<br>per head. |
|-------------------------|---|-------------|----------------------|
|                         | £   |             | Rs.                  |
| Central Provinces ..... | 16,000,000  | 9,000,000   | 18                   |
| Punjab .....            | 36,000,000  | 17,500,000  | 21                   |
| North-West Provinces    | 40,000,000  | 30,000,000  | 14                   |
| Bengal .....            | 96,000,000  | 67,000,000  | 15                   |
| Madras .....            | 36,000,000  | 26,500,000  | 14                   |
| Bombay .....            | 40,000,000  | 11,000,000  | 36                   |
| Oudh .....              | 13,000,000  | 9,500,000   | 14                   |
| Total .....             | 277,000,000                                       | 170,500,000 |                      |

Such is the produce of India for a good season year, in which any second crops will be fully included. I have not taken the produce of grazing-land, or straw, or kurby, though the cattle required for cultivation and stock need not only all these grazing-lands, but also a portion of the produce of the cultivated land, such as some grains, fodder, and other produce. From the above total of £277,000,000 it is necessary to deduct for seed for next year, say, only 6 per cent., that is, allowing sixteen-fold for produce of the land. The balance will be about £260,000,000 as the produce of cultivation, during a good season, for human use and consumption for a year. If the Government of India would calculate this production correctly, it would find the total a good deal under the above figures.

#### OTHER ITEMS OF INDIA'S WEALTH.

I have next to add for annual produce of stock for consumption, annual value of manufacturing industry, net opium revenue, cost of production of salt, coals, and mines, and profits of foreign commerce.

Salt, opium, coal, and profits of commerce will be about £17,000,000. For annual price of manufacturing industry or stock, I have not come across full particulars. The manufacturing industry in the Punjab—where there are some valuable industries, such as shawls, silks, &c., to the total estimated value of the “annual out-turns of all works”—is put down as about £3,774,000. From this we deduct the value of the raw produce; and if I allow this value to be doubled by all the manufactures, I shall be making a good allowance. Say, then, that the value of the industry is about £2,000,000, including the price of wool; the manufactures of other parts of India are not quite as valuable. Therefore, for the population of all British India, which is about ten times that of the Punjab, if I take £15,000,000 for the value of manufacturing industry, I shall not be far from the mark. The total for Central Provinces for 1870-1 for all manufactures is about £1,850,000. There are no very valuable industries, allow, therefore, £850,000 for the value of the industry for a population of 9,000,000. In this proportion, the total value for India will be about, say, £17,000,000. For the annual produce of stock, and fish for human consumption, as milk or meat, I can hardly get sufficient data to work upon. I hope Government will give the particulars more fully, so that the annual production of stock for consumption, either as milk or meat, may be known. I set it down as £15,000,000 as a guess only.

All this will make up a total of about £307,000,000. I add for any contingencies another £30,000,000, making at the

utmost £340,000,000 for a population of 170,000,000, or 40s. a head for an average *good season*. I have no doubt that, if the Statistical Department worked out the whole correctly and fully, they would find the total less. Again, when further allowance is made for bad seasons, I cannot help thinking that the result will be nearer 30s. than 40s. a head. One thing is evident—that I am not guilty of any under-estimate of produce.

#### INCOME PER HEAD.

Adding this additional £63,000,000 in proportion of population, that is to say, 7s. 5d. per head, the total production per head of each province will be as follows:—Central Provinces, 43s. 5d.; Punjab, 49s. 5d.; N. W. Provinces, 35s. 5d.; Bengal, 37s. 5d.; Madras, 35s. 5d.; Bombay, 79s. 5d.; Oudh, 35s. 5d.—Average, 40s.

#### NECESSARY CONSUMPTION.

I now consider what is necessary for the bare wants of a human being, to keep him in ordinary good health and decency.

I have calculated production chiefly for the year 1867-8. I shall take the same year for ascertaining the necessary consumption.

Surgeon S. B. Partridge, Government Medical Inspector of Emigrants, in a statement dated Calcutta, 26th March, 1870,\* proposes the following as a scale of diet to supply the necessary ingredients of nourishment for the emigrant coolies during their voyage, living in a state of quietude:—

| Rice Diet for One Man. |     |     |      | For Flour Diet.  |     |     |      |
|------------------------|-----|-----|------|------------------|-----|-----|------|
|                        |     |     | OZS. |                  |     |     | OZS. |
| Rice                   | ... | ... | 20'0 | Flour            | ... | ... | 16'0 |
| Dhal                   | ... | ... | 6'0  | Dhal             | ... | ... | 4'6  |
| Preserved Mutton       | ... | ... | 2'5  | Preserved Mutton | ... | ... | 2'5  |
| Vegetables             | ... | ... | 4'27 | Vegetables       | ... | ... | 4'27 |
| Ghee                   | ... | ... | 1'0  | Ghee             | ... | ... | 1'5  |
| Mustard Oil            | ... | ... | 0'5  | Mustard Oil      | ... | ... | 0'5  |
| Salt                   | ... | ... | 1'0  | Salt             | ... | ... | 1'0  |
| Total... 35'27         |     |     |      | Total... 29'77   |     |     |      |

\* The *Indian Economist* of 15th October, 1870, Statistical Reporter, page 45.

The administration report of Bengal for 1870-1 gives in appendix 11 D, the following "scale of provisions for ships carrying Indian emigrants to British and foreign colonies west of the Cape of Good Hope." Besides which there is an allowance for dry provision to be used at the discretion of the surgeon, for medical comforts, medicine, instruments, and appliances for hospital and dispensary. Again, for confirmed opium-eaters or *ganja*-smokers, the surgeon superintendent is to see a proper quantity supplied. Surgeon Partridge's scale is absolutely necessary to supply the necessary ingredients of nitrogen and carbon; not the slightest luxury—no sugar or tea, or any little enjoyment of life, but simple animal subsistence of coolies living in a state of quietude. I have worked out below the cost of living according to Surgeon Partridge's scale for the year 1867-8 at Ahmedabad prices. The scale in the Bengal administration report provides curry-stuff and narcotics in addition, which I have not calculated in this table, though it can hardly be said that they are not necessities to those poor people.

*"Daily Allowance to each statute Adult [Children above two and under ten years of age to receive half rations.]"*

| Class.           | Articles.                   | Remarks.   |
|------------------|-----------------------------|--|
|                  | oz. drs.                    |  |
| Grain ..         | Rice .....                  | 20 0   |
|                  | Flour .....                 | 16 0   |
|                  | Dhal { for rice-eaters      | 6 0  |
|                  | { for flour-eaters          | 4 0  |
| Oil .....        | Ghee { for rice-eaters      | 1 0  |
|                  | { for flour-eaters          | 1 8  |
|                  | Mustard Oil ..              | 0 8  |
|                  | Preserved Mutton            | 2 8  |
| Meats, &c.       |                             | (Four kinds of dhals make up this quantity.)   |
|                  |                             | Half an ounce extra allowance of ghee to each adult for every day that dried fish is supplied.                               |
|                  |                             | (In lieu of preserved mutton to be supplied at scale rate, dried fish for two to three weeks. Fresh mutton (sheep) one week. |
| Vegetables       | 1 oz. pumpkins or yams..... | 5 0  |
|                  | 2 oz. potatoes ..           |  |
|                  | 2 oz. onions ....           |  |
| Curry Stuff, &c. | Garlic .....                | 0 0½   |
|                  | Mustard Seed....            | 0 0½   |
|                  | Chillies.....               | 0 0½   |
|                  | Black Pepper....            | 0 1½   |
|                  | Coriander Seed ..           | 0 2  |
|                  | Turmeric .....              | 0 4  |
|                  | Tamarind .....              | 0 8  |
|                  | Salt .....                  | 0 8  |
| Narcotic         | Prepared tobacco            | 0 7  |
|                  | Leaf .....                  | 0 3  |
|                  | Firewood.....               | 2 0  |
|                  |                             | (Or in lieu of firewood, its equivalent in coal for half the quantity.)  |

*Cost of necessary living at Ahmedabad prices, on 30th January, 1868, as given in the "Bombay Government Gazette."*

|  |           |
|--|-----------|
| Rice, second sort, 20 ozs. per day, or 37½ lbs. per month, at 15 lbs. per rupee ... ..     | Rs. 2 8 0 |
| Dhal 6 oz. per day, or 11¼ lbs. per month, at 20 lbs.* per rupee ... ..                    | " 0 9 0   |
| Preserved mutton 2½ oz. per day, or 4 lbs. 11 oz. per month, at 6½ lbs. † per rupee ... .. | " 0 11 7  |
| Vegetable 4½ oz. per day, or 8 lbs. per month, at 20 lbs. ‡ per rupee ... ..               | " 0 6 5   |
| Ghee 1 oz. per day, or 1 lb. 14 oz. per month, at 2 lbs. 1 oz. per rupee ... ..            | " 0 11 0  |
| Mustard oil 0½ oz. per day, or 1 lb. 8 oz. per month, at 6 lbs.§ per rupee ... ..          | " 0 4 0   |
| Salt 1 oz. per day, or 1 lb. 14 oz. per month, at 38 lbs.    per rupee ... ..              | " 0 0 10  |

Per Month.....Rs. 5 2 10

The annual cost of living or subsistence only, at Ahmedabad prices, is thus Rs. 62-2.

#### COST OF SUBSISTENCE.

The following is an estimate of the lowest absolute scale of necessities of a common agricultural labourer in the Bombay Presidency annually, by Mr. Kazeé Shahabudin:—

##### *Food—*

|   |             |
|---|-------------|
| 1½ lbs. Rice per day, at Rs. 2 to Rs. 2-8 per maund of 40 lbs., say... .. | Rs. 28 8    |
| Salt, including waste, about 1 oz. a day ... ..                           | " 1 0       |
| ¼ lb. Dhal ... ..   | " 9 0       |
| Vegetables ... ..   | " 0 0       |
| Food-oil ... ..   | " 5 0       |
| Condiments, chillies, &c. ... ..  | " 0 0       |
| Tobacco ... ..  | " 5 0       |
|   | Rs.... 48 8 |

##### *Clothing—*

|                               |            |
|-------------------------------|------------|
| 3 Dhotees a year ... ..       | Rs. 3 0    |
| 1 pair champal (shoes) ... .. | " 0 12     |
| ½ a turban ... ..             | " 1 8      |
| 1 Bundee (jacket) ... ..      | " 1 0      |
| 2 Kamlees (blankets) ... ..   | " 1 8      |
| 1 Rumal (handkerchief) ... .. | " 0 2      |
| 1 Rain-protector ... ..       | " 0 4      |
|                               | Rs.... 8 2 |

\* There are three kinds of dhal—Oorud, Moong, and Toor. I take an average.

† I don't find price of preserved mutton. I have taken of mutton.

‡ No price is given for vegetables. I take it the same as dhal

§ No price of mustard oil is given. I have taken for teel, which is the cheapest among the four kinds of oil given in the table.

This is the price of common sea salt, which would require to be taken more than a ¼ oz. to make up for the ¼ oz. of good salt required. Also there is some wastage or loss.

The dress of the female of the house—

|                          |     |     |             |
|--------------------------|-----|-----|-------------|
| 1½ Saree (dress)...      | ... | ... | Rs. 3 12    |
| 1 Cholee (short jacket)  | ... | ... | „ 0 12      |
| Oil for head             | ... | ... | „ 1 8       |
| Bangrees (glass bangles) | ... | ... | „ 0 6       |
| ½ Champal (shoes)        | ... | ... | „ 0 4       |
| Extras                   | ... | ... | „ 1 0       |
|                          |     |     | Rs.... 7 10 |

The old members of the family will require as much.

*Lodging—*

|                                      |     |          |
|--------------------------------------|-----|----------|
| Hut (labour taken as his own)        | ... | Rs. 25 0 |
| Hut repairs (bamboos, &c), per annum | „   | 4 0      |
| Oil for lamp, per day                | ... | „ 0 0½   |
| Barber per month                     | ... | „ 0 1    |
| Domestic utensils per annum          | ... | „ 0 12   |

Say altogether Rs. 12 to Rs. 15 for the family.

#### SUBSISTENCE PER HEAD.

Taking one-quarter less, for reasons stated further on, to calculate the cost per head of family, the result will be—

|                  |  |
|------------------|--|
| Food.....Rs. 36  | Without any provision for social and religious wants, letting alone luxuries, and anything to spare for bad seasons. |
| Clothing ... „ 6 |  |
| Lodging ... „ 3  |  |
| Rs....45         |  |

The report of the Bombay Price Commission gives the following particulars of the wants of the lowest servants of Government (pages 85, 86), supplied from the Poona District :—

|                     | Quantities per month. | Cost per month in 1863. | Remarks.  |
|---------------------|-----------------------|-------------------------|---|
|                     | Seers.                | Rs. a.                  |   |
| Rice .....          | 12                    | 1 8                     | It will be observed that simple living and clothing are here exhibited, and nothing is taken in to account for support of dependent members of family, servants, religious and other domestic expenses. |
| Bajri .....         | 12                    | 1 4                     |   |
| Toor Dhal, &c.....  | 4                     | 0 12                    |   |
| Ghee .....          | 0½                    | 0 10                    |   |
| Vegetables .....    | ...                   | 0 6                     |   |
| Oil .....           | 1½                    | 0 6                     |   |
| Firewood .....      | ...                   | 0 8                     |   |
| Salt .....          | 1                     | 0 1                     |   |
| Mussala .....       | ...                   | 0 2                     |   |
| Chillies .....      | 0½                    | 0 2                     |   |
| Milk .....          | +                     | 0 8                     |   |
| Betelnut-leaves ... | ...                   | 0 8                     |   |
|                     |                       | Rs.... 6 11             |   |

| <i>Clothing—</i> | <i>Cost per Month</i> |
|------------------|-----------------------|
| Turbans.....     | Rs. 0 8               |
| Dhotee .....     | „ 0 10                |
| Puncha .....     | „ 0 2                 |
| Rumal .....      | „ 0 0½                |
| Coats .....      | „ 0 3                 |
| Waistcoat.....   | „ 0 2                 |
| Shoes.....       | „ 0 1½                |
| <hr/>            |                       |
| Total...Rs.      | 1 11                  |

Grand Total...Rs. 8 6 per month.

For Poona the above scale is calculated to cost Rs. 6-11 per month, or Rs. 80-4 per annum, at the high prices of 1863, while my estimate, according to Surgeon Partridge's scale for 1867-8, is Rs. 5-2-10 per month, or Rs. 62-2 per annum—nearly 24 per cent. less, as prices have gone lower. For clothing, the estimate for 1863 is Rs. 1-11 per month, or Rs. 20-8 per annum, while Mr. Shahabudin's estimate is only Rs. 8-2 in 1868. Even allowing for fall in price, Mr. Shahabudin's estimate is lower, and calculated on a very low scale for an agricultural labourer in the poorest districts, while that of 1863 is for the lowest class of Government servants. Upon the whole, therefore, the estimate given for 1867-8, as for the bare necessities of a common agricultural labourer, is evidently under the mark.

Lately I found the following in the "Statement of the Moral and Material Progress of India" for 1871-2:—"The best account of the Bombay peasantry is still probably that by Mr. Coats, written fifty years ago. The clothes of a man then cost about 12s. and the furniture of his house about £2."—(Parliamentary Return No. 172 of 28th April, 1873.)

I have not been able to work out the details of cost of living in other parts of India. For the present I give the following approximate comparison for 1867-8:—

*Jails.*

| Provinces.              | Cost of Living. |       |       | Cost of Clothing. |       |       | Total. |       |       |
|-------------------------|-----------------|-------|-------|-------------------|-------|-------|--------|-------|-------|
|                         | Rs.             | A.    | P.    | Rs.               | A.    | P.    | Rs.    | A.    | P.    |
| Central Provinces ..... | 25              | 8     | 0     | 5                 | 8     | 0     | 31     | 0     | 0     |
| Punjab .....            | 23              | 6     | 0     | 3                 | 13    | 0     | 27     | 3     | 0     |
| North-West Provinces    | 18              | 8     | 0     | 3                 | 5     | 0     | 21     | 13    | 0     |
| Bengal*.....            | 28              | 3     | 0     | 3                 | 8     | 0     | 31     | 11    | 0     |
| Madras .....            | †49             | 2     | 7     | 3                 | 15    | 9     | 53     | 2     | 4     |
| Bombay.....             | 41              | 13    | 0     | 5                 | 10    | 0     | 47     | 7     | 0     |
| Oudh .....              | .....           | ..... | ..... | .....             | ..... | ..... | .....  | ..... | ..... |

\* Administration Report of Jails for 1871, page 39 of appendix.

† This appears to be a very large expenditure. Besides, the average is taken on the wrong principle, without taking the number of the prisoners in each district into account. The correct average will be above Rs. 50.

## PROPORTION OF CHILDREN TO ADULTS.

Now, the Bengal Census Report of 1872, page 109 of the appendix, gives the percentage of population according to age as follows :—

| Males.                  |                | Females.                |                |
|-------------------------|----------------|-------------------------|----------------|
| Not exceeding 12 Years. | Above 12 Years | Not exceeding 12 Years. | Above 12 Years |
| 18·8                    | 31·3           | 15·7                    | 34·2           |

The Census of the N.W. Provinces gives nearly the same result. Above 12 years' adults, 64·4 per cent.; under 12, 35·6 per cent. (See Administration Report for 1871—72, page 55; Census Report, vol. 1, page 31).

The total adults, that is, above 12 years, are 65·5 per cent., and infants or children under 12 years 34·5 per cent., which gives the proportion of two adults to each child, or one child to every three persons.

## PRODUCTION COMPARED WITH COST OF LIVING.

From taking the cost of adults per head to be  $a$ , and cost of the mass per head to be  $x$ , and supposing that, out of 34 per cent. of children under 12, only 17 per cent. cost anything, say one-half of the adult (though the Bengal provision is half for children from two to ten years), while the other 17 cost nothing at all, the problem will be—

$$66a + 17 \frac{a}{2} + 17 \times 0 = 100x$$

$$x = \frac{74\frac{1}{2}a}{100}, \text{ or say } \frac{75a}{100} \text{ or } \frac{3}{4}a,$$

*i.e.*, the cost outside jail, or for the whole mass per head, will be about three-fourths of inside the jail, allowing the jail for adults only. Thus, taking the cost of three persons in the jail, or of three adults, to four persons outside, or of the mass, it comes to this :—

| Production per Head.                                      | Three-fourths of Jail Cost of Living, or Cost per head outside Jail. |
|---|--|
| Central Provinces .....Rs. 21 $\frac{3}{4}$ or say Rs. 22 | Rs. 23   |
| Punjab ..... „ 24 $\frac{3}{4}$ „ „ 25                    | „ 20   |
| North-West Provinces ... „ 17 $\frac{3}{4}$ „ „ 18        | „ 16   |
| Madras ..... „ 17 $\frac{3}{4}$ „ „ 18                    | „ 41   |
| Bengal ..... „ 18 $\frac{3}{4}$ „ „ 19                    | „ 23-12  |
| Bombay ..... „ 39 $\frac{3}{4}$ „ „ 40                    | „ 35   |
| Oudh ..... „ 17 $\frac{3}{4}$ „ „ 18                      |  |

It will be seen, from a comparison of the above figures, that, even for such food and clothing as a criminal obtains, there is hardly enough of production even in a good season, leaving alone all little luxuries, all social and religious wants, all expenses of occasions of joy and sorrow, and any provision for bad season. It must, moreover, be borne in mind that every poor labourer does not get the full share of the average production. The high and middle classes get a much larger share, the poor classes much less, while the lowest cost of living is generally above the average share.

Such appears to be the condition of the masses of India. They do not get enough to provide the bare necessities of life.

On the subject of necessary consumption, I shall be very glad if some members of this Association, or others who possess or can ascertain the necessary information, will supply it, as I have not been able to make such minute and extended enquiries myself as I could wish.

#### DEFICIT OF IMPORTS COMPARED WITH THE EXPORTS OF INDIA.

The total imports and exports of the United Kingdom for the years 1858 to 1870 are—

|         |     |                                    |
|---------|-----|------------------------------------|
| Imports | ... | £3,608,216,242 (including Bullion) |
| Exports | ... | £2,875,027,301 ( " " )             |

This shows an *excess of imports* over exports of £733,188,941, *i.e.*, the imports are above 25 per cent. greater than the exports.

This excess is to be increased to the extent of about £125,000,000, the balance of loans to India included in the exports, less interest on these loans included in imports of about £60,000,000, and by such further amounts as may be made up by balances of loans and interests with foreign parts. As England is the greatest lending country in the world, the ultimate result of excess of commercial imports over commercial exports will most probably be above, rather than under, £733,000,000, or 25 per cent. of exports. At all events, it will not be less than 15 per cent.

For British North America, the total imports and exports, including bullion, for the years 1854 to 1868, are—

|         |     |     |     |     |              |
|---------|-----|-----|-----|-----|--------------|
| Imports | ... | ... | ... | ... | £200,257,620 |
| Exports | ... | ... | ... | ... | £154,900,367 |

This shows an excess of imports over exports of £45,357,253, *i.e.*, the imports are about 29 per cent. more than the exports, subject to a modification of the extent to which it has received from, or given loan to, foreign parts. As far as I can see, it is a borrower, and the excess to that extent will be lesser.

For Australia, the total imports and exports, including bullion, for the years 1854 to 1868, are—

|                |              |
|----------------|--------------|
| Imports ... .. | £443,407,019 |
| Exports ... .. | £384,503,081 |

The excess of imports over exports is therefore £58,903,938, *i.e.*, the imports are 15 per cent. more than the exports, subject to modification, as in the case of British North America, for its foreign debt. These figures show that the normal condition of the foreign commerce of any country is generally such that for its exports there is always a return in imports equal to the exports, *plus* profits. On an average, commercial profits may be taken at 20 per cent. Indian merchants generally insure by sailing vessels 25 per cent. more, and by steamers 15 per cent., for profits, as by steamers the same capital may be turned over oftener. If I take general commercial profits as 15 per cent., I shall be quite under the mark.

Now we must see what the case is with India. The exports of India for the years 1835 to 1872 being about £1,120,000,000, the imports, with an addition of 15 per cent. to exports for profits (of about £168,000,000), should be about £1,288,000,000. Besides this, India has incurred to foreign parts a debt of about £50,000,000 for the public debt, and about £100,000,000 for railways, during the same period.

#### THE DRAIN TO ENGLAND.

Now, on the other hand, in return for the exports, *plus* profits, of £1,288,000,000, and £150,000,000 of the loans, India has actually imported, during the last 38 years, from 1835 to 1872 (not, as would be the case in a normal condition, £1,430,000,000, but) only about £943,000,000, leaving a balance of about £500,000,000, which England has kept back as its benefit, chiefly arising from the political position it holds over India. This is without including any interest at all. Towards this drain, the net opium revenue contributed by China amounts to about £141,000,000. The balance, of about £360,000,000, is derived from India's own produce and profits of commerce. The profits of commerce are, say, about £168,000,000. Allowing then the *whole opium revenue* and the *whole profits of commerce* as having gone towards the drain, there is still a deficiency of nearly £200,000,000, which must have gone out of the produce of the country. Deducting from this £200,000,000 the interest on railway loans remitted to England, the balance still sent from the very produce of the country is about £144,000,000. Strictly speaking, the whole £200,000,000 should be considered as a drain from the very produce of the country, because it is the exhaustion caused by the drain that disables us from building our railroads, &c., from our own means. If we did not

suffer the exhaustion we do, and even then if we found it to our benefit to borrow from England, the case would be one of a healthy natural business, and the interest then remitted would have nothing to be deplored in it, as in the case of other countries, which, being young, or with undeveloped resources, and without much means of their own, borrow from others, and increase their own wealth thereby, as Australia, Canada, the United States, or any other native-ruled country that so borrows. However, as matters stand at present, we are thankful for the railway loan, for in reality that, though as a loan (with the profits during the American War), has revived us a little. But we are sinking fast again.

#### INCREASE OF THE DRAIN.

Allowing for the railway interest as a mere matter of business, and analysing the deficit of imports, or drain to England, as only about £453,000,000, the following is the yearly average for every five years:—

| Years.       |     |     |     | Yearly Average. |
|--------------|-----|-----|-----|-----------------|
|              |     |     |     | £               |
| 1835 to 1839 | ... | ... | ... | 5,347,000       |
| 1840 „ 1844  | ... | ... | ... | 5,930,000       |
| 1845 „ 1849  | ... | ... | ... | 7,760,000       |
| 1850 „ 1854  | ... | ... | ... | 7,458,000       |
| 1855 „ 1859  | ... | ... | ... | 7,730,000       |
| 1860 „ 1864  | ... | ... | ... | 17,300,000      |
| 1865 „ 1869  | ... | ... | ... | 24,600,000      |
| 1870 „ 1872  | ... | ..  | ... | 27,400,000      |

Now, can it be shown by anybody that the production during these 38 years has been such as to leave the same amount per head every year, and surplus besides to make up the above £200,000,000 taken away from the produce of the country, in *addition* to opium revenue and profits of commerce? In that case it will be that India is no better off now, but is only in the same condition as in 1834. If it can be shown that the production of the country has been such as to be the same per head during all these years, and a surplus greater than £200,000,000 besides, then will it be that any material benefit has been derived by India to the extent of such excess of surplus over £200,000,000. It must, however, be remembered that, in the years about 1834, the condition of the people had already gone down very low by the effects of the previous deficits, as will be seen further on from the official opinions I have given there.

The benefit to England by its connection with India must not be measured by the £500,000,000 only during the last 38 years. Besides this the industries of England receive large additional support for supplying all European stores which Government need, and all those articles which Europeans

want in India from their habits and customs, not from mere choice, as may be the case with natives. All the produce of the country, thus exported from sheer necessity, would otherwise have brought returns suitable to native wants, or would have remained in the country, in either case, to the benefit of the produce or industry of India. Be it clearly borne in mind that all this additional benefit to English industries is entirely independent of, and in addition to, the *actual deficit* between the export, *plus* profits and imports. Everything I allude to is already included in the imports. It is so much additional capital drawn away, whether India will or no, from the industry of India to the benefit of English industry. There is again, the further legitimate benefit to England of the profits of English firms there carrying on commerce with India, the profits of the shipping trade, and insurance. The only pity—and a very great one too—is that the commerce between England and India is not so large as it should and can be, the present *total* exports of India to all the outside world being only about 5s. a head, while the exports of the United Kingdom are about £6 10s. a head, of British North America about £3 a head, and of Australia about £19 a head, including gold (and exclusive of gold, about £11 a head). Again, what are imports into India from the United Kingdom, including treasure, Government stores of every kind, railway and other stores, articles for European consumption, and everything for native consumption and use? Only less than 3s. a head, as below:—

*Total Imports, including Treasure, into India from the United Kingdom.*

|          |             |  |
|----------|-------------|--|
| 1868 ... | £31,629,315 | } Say £32,000,000, on an average, for<br>a population of about 225,000,000<br>or less than 3s. a head. |
| 1869 ... | 35,309,973  |  |
| 1870 ... | 30,357,055  |  |
| 1871 ... | 28,826,264  |  |

(Parliamentary Return [c. 587] of 1872, page 16,—Trade and Navigation Returns of the United Kingdom.)

SMALL AMOUNT OF IMPORTS FROM ENGLAND.

What a vast field there is for English commerce in India! Only £1 a head will be equal to nearly the whole present exports of the United Kingdom to all parts of the world. There is one further circumstance against British-Indian subjects, which will show the actual drain from the produce of the country of more than £200,000,000 as borne by British India. The exports from India do not all belong to British India; a portion belongs to the Native States. These States naturally get back their imports equal to their exports, *plus* profits—less only the tribute they pay to British India, of only about £720,000 altogether per annum, of which even a

portion is spent in their own States. No account can I take here of the further loss to India (by famines) of life and property, which is aggravated by the political exhaustion. It is complained that England is at the mercy of India for its loan of some £200,000,000, but let it be borne in mind that, within the next few years, that sum will have been drawn by England, while India will continue to have its debt over its head.

The figures of the deficit previous to 1834 I cannot get. I hope the India Office will prepare a table similar to this for this previous period, in order that it may be ascertained how India had fared materially under British rule altogether.

The effect of the deficit is not equally felt by the different presidencies. Bengal suffers less than the others on account of its permanent settlement. I do not mean that as any objection to such settlement, but I state it merely as a fact.

#### INDIA'S TRIBUTE.

The Court of Directors, in the year 1858, deliberately put forth before the Parliament and public of England the statement (Parliamentary Return No. 75 of 1858) that "the great excess of exports above imports is being regularly liquidated in silver." Now, is it not India's misfortune that not one man in the India Office pointed out how utterly incorrect, misleading, and mischievous this statement was?

Now, Mr. Laing makes the following statement before the present Finance Committee:—"Question 7660 of 2nd Report.—Would it not be correct to state that the difference between the value of the exports from India, and the imports into India, which now amount, I think, to the sum of about £20,000,000, represents the tribute which India annually pays to England? *Answer*.—No, I think not; I should not call it a tribute when there is a balance of trade of that sort between the two countries. There are many other countries which are in the same condition of exporting considerably more than they import from one particular country, and the balance of trade is adjusted either by other payments which have to be made, or by transactions through third countries, or finally by remittance of bullion."

First of all, the question was not about India's commerce with any particular country, but about *all* its exports and imports. And next, taking his answer as it is, it is altogether incorrect and inapplicable to India, as must be evident from the facts I have already laid before you.

Next comes Mr. Maclean. He is reported to have said before this Committee something to the effect that, if we compare India, for instance, with the United States, which can hardly be called a country that is being drained of its natural wealth, we will find that the excess of exports over imports in the United States is very much greater than the corres-

ponding excess in India. Now, let us see what the facts are. I have prepared a table, and have taken the figures from the year 1795—the earliest I could get. From the totals I have excluded the years 1802-6, 1808-14, 1818-20, because the imports for them are not given, and the years 1863-6 for reasons well known (the American War). The result till 1869 (I cannot get later authentic figures) is not, as Mr. Maclean says, that “the excess of exports over imports in the United States is very much greater than the corresponding excess in India,” but that the excess of *imports* over exports is about \$493,000,000 till 1847, and £43,000,000 from 1848-69, excepting the years I have mentioned above; and if all the necessary modifications from various other circumstances be made, the excess of the imports will be found necessarily much greater. In fact, the United States are no exception to the ordinary laws of political economy, in a country where the rule is a native, and not a foreign one. I have made up my tables from Parliamentary Returns.

The deficits of £500,000,000 in imports, do not, as I have already explained, show the whole drain; for the English stores, whether Government or private, are all already *included in the imports*, nor is any interest calculated. With interest, the drain from India would amount to a very high figure.

#### THE ELEMENTS OF THE DRAIN.

This drain consists of two elements—first, that arising from the remittances by European officials of their savings, and for their expenditure in England for their various wants both there and in India; from pensions and salaries paid in England; and from Government expenditure in England and India. And the second, that arising from similar remittances by non-official Europeans. Over the first we have no control, beyond urging upon our rulers that the present system of administration is an unnatural one, destructive to India and suicidal for England. For the second, it is in our own hands what its extent should be. It is no blame to these European gentlemen for coming here to seek their fortunes—and in fact we have need for them to some extent; but if we are blind to our own national interests and necessities, and if we do not support, encourage, and preserve in every possible way, every talent, trade, industry, art, or profession among the natives, even at certain sacrifices, the fault is our own, and we deserve to be, and shall be, impoverished. In complaining, therefore, about the vast drain from India, and our growing impoverishment, it must be borne in mind that, for a certain portion of it, we have to thank our own blindness to our national interests, but for a large portion the cause is the present system and policy of Indian administration.

## OFFICIAL OPINION ON THE DRAIN.

We may draw our own inferences about the effects of the drain, but I give you below official opinions on the subject, from early times to the present day, for each presidency.

## BENGAL.

## 1787. SIR JOHN SHORE'S OPINION.

Sir John Shore, in 1787, says, in his famous minute (appendix to 5th report, Parliamentary Return No. 377 of 1812):—

"129. Secondly, it is a certain fact that the zemindars are almost universally poor . . . Justice and humanity calls for this declaration.

"130. . . . I do not, however, attribute this fact to the extortions of our Government, but to the causes which I shall hereafter point out, and which will be found sufficient to account for the effect. I am by no means convinced that the reverse would have taken place if the measure of our exactions had been more moderate.

"131. Thirdly, the Company are merchants, as well as sovereigns of the country. In the former capacity they engross its trade, whilst in the latter they appropriate the revenues. The remittances to Europe of revenues are made in the commodities of the country which are purchased by them.

"132. Whatever allowance we may make for the increased industry of the subjects of the State, owing to the enhanced demand for the produce of it (supposing the demand to be enhanced), there is reason to conclude that the benefits are more than counterbalanced by evils inseparable from the system of a remote foreign dominion. . . .

"135. Every information, from the time of Bernier to the acquisition of the Dewani, shows the internal trade of the country, as carried on between Bengal and the upper parts of Hindustan, the Gulf of Moro, the Persian Gulf, and the Malabar Coast, to have been very considerable. Returns of specie and goods were made through these channels by that of the foreign European companies, and in gold direct for opium from the eastward.

"136. But from the year 1765 the reverse has taken place. The Company's trade produces no equivalent returns, specie is rarely imported by the foreign companies, nor brought into Bengal from other parts of Hindustan in any considerable quantities.

"141. If we were to suppose the internal trade of Hindustan again revived, the export of the production of the country by the Company must still prevent those returns which trade formerly poured in. This is an evil inseparable from a European government.

Page 194.—"A large proportion of the rents of the country

are paid into the Company's treasury, and the manufactures are applied to remit to England the surplus which remains after discharging the claims on this Government, and to augment the commerce and revenue of Great Britain."

#### 1790. LORD CORNWALLIS' OPINION.

Lord Cornwallis' minute on land settlements, dated 10th February, 1790, says:—"The consequence of the heavy drain of wealth from the above causes (*viz.*, large annual investment to Europe, assistance to the treasury of Calcutta, and to supply wants of other presidencies), with the addition of that which has been occasioned by the remittances of private fortunes, have been for many years past, and are now, severely felt, by the great diminution of the current specie, and by the languor which has thereby been thrown upon the cultivation and the general commerce of the country."

#### 1816. MR. MONTGOMERY MARTIN'S OPINION.

The East India Company, on finding the provinces of Bengal and Behar continuously deteriorating, caused a long and minute survey of the condition of the people. This survey extended over nine years, from 1807 to 1816. The reports, however, lay buried in the archives of the India House, till Mr. Montgomery Martin brought them to light. He sums up the result of these official minute researches in the following remarkable words (vol. I., page 11):—"It is impossible to avoid remarking two facts as peculiarly striking—first, the richness of the country surveyed; and second, the poverty of its inhabitants."

Before proceeding further, I must first say that the drain to which these great men have referred was much less than at present. I give the figures in Mr. Martin's words (page xii):—"The annual drain of £3,000,000 on British India has amounted in 30 years, at 12 per cent. (the usual Indian rate) compound interest, to the enormous sum of £723,900,000 sterling. . . . So constant and accumulating a drain, even in England, would soon impoverish her. How severe then must be its effects on India, where the wage of a labourer is from twopence to threepence a day?"

In volume III., page 4, &c., alluding to the nine years' survey, Mr. Martin says that the obscurity to which such a survey was consigned was to be deplored, "and can only be accounted for by supposing that it was deemed impolitic to publish to the world so painful a picture of human poverty, debasement, and wretchedness"; and Mr. Martin draws many other painful conclusions.

#### 1837. MR. F. J. SHORE'S OPINION.

Coming down to later times, Mr. Frederick John Shore, of

the Bengal Civil Service, has left us the following account of the condition of the people in 1837 (vol. II., page 28):—"But the halcyon days of India are over; she has been drained of a large proportion of the wealth she once possessed, and her energies have been cramped by a sordid system of misrule to which the interests of millions have been sacrificed for the benefit of the few." "The gradual impoverishment of the people and country, under the mode of rule established by the British Government, has," &c., &c.

"The English Government has effected the impoverishment of the country and people to an extent almost unparalleled."

For the manner in which the cotton industry of India was destroyed, see note at page 37 of the same volume. In his concluding remarks (vol. II., page 516), Mr. Shore says:—"More than 17 years have elapsed since I first landed in this country; but on my arrival, and during my residence of about a year in Calcutta, I well recollect the quiet, comfortable, and settled conviction, which in those days existed in the minds of the English population, of the blessings conferred on the natives of India by the establishment of the English rule. Our superiority to the native Governments which we have supplanted; the excellent system for the administration of justice which we had introduced; our moderation; our anxiety to benefit the people—in short, our virtues of every description—were descanted on as so many established truths, which it was heresy to controvert. Occasionally I remember to have heard some hints and assertions of a contrary nature from some one who had spent many years in the interior of the country; but the storm which was immediately raised and thundered on the head of the unfortunate individual who should presume to question the established creed, was almost sufficient to appal the boldest.

"Like most other young men who had no opportunities of judging for themselves, it was but natural that I should imbibe the same notions; to which may be added, the idea of universal depravity of the people, which was derived from the same source."

After stating how his transfer to a remote district brought him into intimate contact with natives, how he found them disaffected towards British rule, and how this conviction in spite of himself was irresistible, he says:—"This being the case, an attempt to discover the reasons for such sentiments on the part of the native population, was the natural result. Well-founded complaints of oppression and extortion, on the part of both Government and individuals, were innumerable. The question then was, why, with all our high professions, were not such evils redressed? This, however, I was assured, was impossible under the existing system; and I was thus

gradually led to an inquiry into the principles and practice of the British-Indian administration. Proceeding in this, I soon found myself at no loss to understand the feelings of the people both towards our Government and to ourselves. It would have been astonishing indeed had it been otherwise. The fundamental principle of the English had been to make the whole Indian nation subservient, in every possible way, to the interests and benefits of themselves. They have been taxed to the utmost limit; every successive province, as it has fallen into our possession, has been made a field for higher exaction; and it has always been our boast how greatly we have raised the revenue above that which the native rulers were able to extort. The Indians have been excluded from every honour, dignity, or office which the lowest Englishman could be prevailed upon to accept. . . . . Had the welfare of the people been our object, a very different course would have been adopted, and very different results would have followed; for, again and again I repeat it, there is nothing in the circumstance itself, of our being foreigners of different colour and faith, that should occasion the people to hate us. We may thank ourselves for having made their feelings towards us what they are."

In vol. I., page 162, Mr. Shore says:—The ruin of the upper classes (like the exclusion of the people from a share in the government) was a necessary consequence of the establishment of the British power; but had we acted on a more liberal plan, we should have fixed our authority on a much more solid foundation."

#### 1875. COL. MARRIOT'S OPINION.

Colonel Marriot, at the East India Association meeting in July last, referring to Bengal, said:—"But he had no doubt that he accurately quoted the words of the present Lieut.-Governor of Bengal in saying that the mass of the population is probably poorer, and in a lower social position, than any in India."

The "Material and Moral Progress" for 1871-2 (page 100), says that "the Calcutta missionary conference had dwelt on the miserable and abject condition of the Bengal ryots, and there is evidence that they suffer many things, and are often in want of absolute necessities."

#### BOMBAY.

#### 1836. MR. SAVILLE MARRIOT'S OPINION.

Mr. Saville Marriot, "one of the Commissioners of Revenue in the Deccan," and afterwards a Member of Council, says in 1836, in his letter to Sir R. Grant:—"You will readily conceive that my opinions are the result rather of practical experience than deduction drawn from scientific views. . . . ."

"For many years past, I have, in common with many others, painfully witnessed their decline (the people's); and more especially that part of the community which has emphatically been styled the 'sinews of the State'—the peasantry of India. It is not a single, but a combination of causes, which has produced this result. Some of these are, and have been from the beginning, obvious to those who have watched with attention the development of the principles of our rule in relation to such as have been superseded, become blended with our system, or are opposed to it in practical effect. Others are less apparent, and some complex; whilst another class of the decline may possibly be involved in obscurity.

"It is a startling but too notorious a fact, that, though loaded with a vastly greater absolute amount of taxation, and harassed by various severe acts of tyranny and oppression, yet the country was in a state of prosperity under the native rule, when compared with that into which it has fallen under the avowedly mild sway of British administration. Though, in stating the subject, I have used the expression 'a vastly greater absolute amount of taxation,' yet I would beg to be understood as being fully aware those terms must be treated in a qualified sense, since it is manifest that, relatively reviewed, a smaller numerical amount of taxation may, with reference to the means of payment, be, in point of fact, more burdensome than a much larger one where the resources are more adequate to the object. But, in the particular case in point, it is, I believe, ability which has diminished; and that, too, to many grades below the proportionate fall in the pecuniary amount of fiscal demand. To the pecuniary injurious result are also to be added the many unfavourable circumstances inseparable for a time from a foreign rule. In elucidation of the position *that this country is verging to the lowest ebb of pauperism*, I would adduce a fact pregnant with considerations of the most serious importance, namely, that of late years a large portion of the public revenue has been paid by encroachment upon the capital of the country, small though that capital is in itself. I allude to the property of the peasantry, which consists of personal ornaments of the precious metals and jewels, convertible, as occasions require, to profitable purposes, and accommodations in agricultural pursuit, most frequently in the shape of pawn, till the object has been attained. I feel certain that an examination would establish *that a considerable share of this and other property, even to cattle and household utensils*, has been for ever alienated from its proprietors to make good the public revenue. In addition to *this lamentable evidence of poverty*, is another of equal force, to be seen in all parts of the country, in the numerous individuals of the above class of the community wandering about for the

employment of hirelings, which they are glad to obtain even for the most scanty pittance. In short, *almost everything forces the conviction that we have before us a narrowing progress to utter pauperism.*"\*

Mr. Marriot in another place (page 11), says:—"Most of the evils of our rule in India arise directly from, or may be traced to, the heavy tribute which that country pays to England."

And with regard to this tribute, he quotes the Chairman of a Court of Proprietors held on the 28th February, 1845, as follows:—"India paid to the mother-country, in the shape of home charges, what must be considered the annual tribute of £3,000,000 sterling; and daily poured into the lap of the mother-country a continual stream of wealth in the shape of private fortunes." To this should be added all earnings of Europeans, except what they spent in India for Indian supplies; which would show that there is something far beyond even private fortunes which is continuously poured into the lap of England.

Mr. Marriot goes on to say:—"It will be difficult to satisfy the mind that any country could bear such a drain upon its resources without sustaining very serious injury. And the writer entertains the fullest conviction that investigation would effectually establish the truth of the proposition as applicable to India. He has himself most painfully witnessed it in those parts of the country with which he was connected, and he has every reason to believe that the same evil exists, with but slight modification, throughout our Eastern Empire."

Again says Mr. Marriot (page 17):—"A different state of things exists in the present day on that point; and, though the people still, and gratefully so, acknowledge the benefits they have derived from the suppression of open violence, yet they emphatically and unanswerably refer their increasing penury as evidencing the existence of a canker-worm that is working their destruction. The sketch which I have given shows a distressing state of things; but lamentable as it may appear, I would pledge myself to establish the facts advanced, and that the representation is not overdrawn."

#### 1848. MR. GIBERNE'S OPINION.

Mr. Robert Knight says:—"Mr. Giberne, after an absence of fourteen years from Guzerat, returned to it, as judge, in 1840. 'Everywhere'—he told the Commons' Committee on Cotton Cultivation in 1848—"he remarked deterioration," and 'I did not see so many of the more wealthy classes of the natives. The aristocracy, when we first had the country; used to have their gay carts, horses, and attendants, and a

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\* Mr. Marriot's pamphlet re-published in 1857, page 13. The italics are mine.

great deal of finery about them, and there seems to be an absence of all that. . . . The ryots all complain that *they had had money once, but they had none now.*"

#### 1868. MR. ROBERT KNIGHT'S OPINION.

In a private letter, dated 1849, "written by a gentleman high in the Company's service," and quoted in a pamphlet in 1851, the decay of Guzerat is thus described:—"Many of the best families in the province, who were rich and well-to-do when we came into Guzerat in 1807, have now scarcely clothes to their backs. . . . Our demands in money on the talookdars are more than three times what they originally paid, without one single advantage gained on their parts. Parties, from whom they have been compelled to borrow at ruinous rates of interest, enforced their demands by attachment of their lands and villages; thus they sink deeper and deeper in debt, without the chance of extricating themselves. What, then, must become of their rising family?"\*

#### 1838. LIEUT. NASH'S OPINION.

Lieutenant A. Nash, after giving a table of the prices of grain from 1809 to 1838 in Indapore (Bombay Government Selections, No. 107, New Series, page 118), says:—"The table is chiefly interesting in showing the gradual diminution in the price of corn from the days of the Peishwas to our own. By comparing the prices at the commencement with those at the end of the table, and then reading the list over, this circumstance will become apparent." I give this table in my notes on prices.

#### MADRAS.

#### 1854. MR. J. B. NORTON'S OPINION.

Mr. John Bruce Norton, in his letter to Mr. Robert Lowe in 1854, quotes the words of Mr. Bourdillon—"one of the ablest revenue officers in the Madras Civil Service, and a Member of the Commission on Public Works"—about the majority of the ryots:—*Page 21.*—"Now, it may certainly be said of almost the whole of the ryots, paying even the highest of these sums, and even of many holding to a much larger amount, that they are always in poverty and generally in debt." *Page 22.*—"A ryot of this class, of course, lives from hand to mouth. He rarely sees money . . . His dwelling is a hut of mud walls and thatched roof—far ruder, smaller, and more dilapidated than those of the better classes of ryots above spoken of, and still more destitute, if possible, of anything that can be called furniture. His food, and that of his family, is partly thin porridge made of the meal of grain

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\* Mr. Robert Knight's paper read before the East India Association, 3rd March, 1868.

boiled in water, and partly boiled rice, with a little condiment; and generally the only vessels for cooking and eating from, are of the coarsest earthenware, much inferior in grain to a good tile or brick in England, and unglazed. Brass vessels, though not wholly unknown among this class, are rare."

About the labourer he says:—"As respects food, houses, and clothing, they are in a worse condition than the class of poor ryots above spoken of. It appears from the foregoing details that the condition of the agricultural labourer in this country is very poor. . . . In fact, almost the whole of his earnings must necessarily be consumed in a spare allowance of coarse and unvaried food, and a bare sufficiency of clothing. The wretched hut he lives in can hardly be valued at all. As to anything in the way of education or mental culture, he is utterly destitute of it."

#### 1869. SIR GEORGE CAMPBELL'S OPINION.

Such is the testimony in the year 1854. Now let us come down to so late a time as 1869. Mr. (now Sir George) Campbell, in his paper on tenure of land in India, published by the Cobden Club, quotes from an official authority a report made so late as 1869 about the Madras Presidency, as follows:—"The bulk of the people are paupers. They can just pay their cesses in a good year, and fail altogether when the season is bad. Remissions have to be made, perhaps every third year, in most districts. There is a bad year in some one district, or group of districts, every year."

Again, the Parliamentary Report of the Moral and Material Progress of India for 1868-9, page 71 says—"Prices in Madras have been falling continuously."

#### PUNJAB.

The administration report for 1855-6 (Government of India Selections, No. 18, 1856) gives the following table:—

#### *Average Prices.*

| For Ten Years up to<br>1850—51. | Wheat, Rs. 2 per<br>maund of 82 lb. | Indian Corn,<br>Rs. $1\frac{1}{8}$ per maund. |
|---------------------------------|-------------------------------------|---|
| 1851-2 .....                    | Rs. 1 per maund.                    | Rs. $0\frac{1}{8}$ per maund.                 |
| 1852-3 .....                    | " $1\frac{3}{8}$ "                  | " $1\frac{1}{8}$ "                            |
| 1853-4 .....                    | " $1\frac{3}{8}$ "                  | " $1\frac{3}{8}$ "                            |
| 1854-5 .....                    | " 1 "                               | " $0\frac{1}{8}$ "                            |
| 1855-6 .....                    | " $1\frac{3}{8}$ "                  | " $0\frac{1}{8}$ "                            |

With the usual effects of the introduction of a foreign rule,

and the seasons happening to be good, the result was a fall in prices to nearly half during the five years after the annexation. The political portion of the causes of this depression is well described in a subsequent report, and how a change in that political portion produced a favourable reaction in the province.

#### 1858. SIR J. LAWRENCE'S OPINION.

The administration report of 1856-8 (Parliamentary Return No. 212 of 1859, page 16), "prepared under the direction of Sir J. Lawrence, K. C. B., Chief Commissioner of Punjab, by R. Temple, Secretary to Chief Commissioner, Punjab," says :—"In former reports it was explained how the circumstance of so much money going out of the Punjab contributed to depress the agriculturist. The native regular army was Hindustani; to them was a large share of the Punjab revenues disbursed, of which a part only they spent on the spot, and a part was remitted to their homes. Thus it was that, year after year, lakhs and lakhs were drained from the Punjab, and enriched Oudh. But within the last year, the native army being Punjabi, all such sums have been paid to them, and have been spent at home. Again, many thousands of Punjabi soldiers are serving abroad. These men not only remit their savings, but also have sent quantities of prize property and plunder, the spoils of Hindustan, to their native villages. The effect of all this is already perceptible in an increase of agricultural capital, a freer circulation of money, and a fresh impetus to cultivation."

#### 1868. PUNJAB GOVERNMENT'S REPORT.

This is just the cause which, in a far more aggravated form and on a far larger scale, operates on the whole of British India in its relations with England. Millions are drained to England; and till the reversing cause of the retaining and return of wealth in some way comes into operation, the evils of the drain cannot be remedied. And what is the condition of a labourer now? Here is the Punjab Government's own answer in the administration report for 1867-8 (page 88). After stating the rates of unskilled labour as ranging from two annas (threepence) to five annas (seven and a half pence) per diem, and alluding to a considerable rise in rates in places affected by the railway and other public works, where labour in any shape commands higher remuneration than formerly, the report says :—"It may be doubted whether the position of the unskilled labouring classes has materially improved."

#### N. W. PROVINCES.

#### 1862. COL. BAIRD SMITH'S OPINION.

Colonel Baird Smith's report on the famines of the North-West Provinces (Parliamentary Return No. 29 of 1862), referring to the famine of 1837, says :—Page 57.—"From the

time of our earliest acquisition of any part of these up to 1833, our fiscal system, notwithstanding some improvements on the native method which were gradually introduced, had been thoroughly bad." Page 59—"Speaking in general terms, therefore, native society in the N.W. Provinces had to face the calamity in 1837, debilitated by a fiscal system that was oppressive and depressing in its influence. . . . In India we all know very well that when the agricultural class is weak, the weakness of all other sections of the community is the inevitable consequence."

#### 1872. MR. HALSEY'S OPINION.

I have not come across Mr. Halsey's report on the assessment of Cawnpore, but I take an extract from one given in the *Bombay Gazette* Summary of 21st June, 1872, page 12:—"I assert that the abject poverty of the average cultivator of this district is beyond the belief of any one who has not seen it. He is simply a slave to the soil, to the zemindar, to the usurer, and to Government. . . . I regret to say that, with these few exceptions, the normal state of between three-fourths and four-fifths of the cultivators of this district is as I have above shown. It may appear to many to be exaggerated, and from the nature of the case, it is of course impossible to produce figures in support of it; nevertheless, it is the result of my personal observations, and I feel confident the result of the whole discussion will be to prove I have not overstated the truth."

The figures I have given of the total produce of the North-West Provinces prove by fact what Mr. Halsey gives as his observations. Hardly 27s. per head—say even 30s.—cannot but produce the result he sees.

#### CENTRAL PROVINCES.

#### 1873. MR. W. G. PEDDER'S OPINION.

Here is the latest testimony about the people. Mr. W. G. Pedder says\*:—"Who [the people], if an almost universal consensus of opinion may be relied on, are rapidly going from bad to worse under our rule, is a most serious question, and one well deserving the attention of Government."

#### INDIA.

#### LORDS LAWRENCE AND MAYO.

Lastly, to sum up the whole, here is Sir John Lawrence (Lord Lawrence) testifying so late as 1864 about all India:—"India is, on the whole, a very poor country; the mass of the population enjoy only a scanty subsistence." And Lord Mayo, on the 3rd March, 1871, says, in his speech in the Legislative Council:—"I admit the comparative poverty of

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\* *Times of India* Summary of 6th June, 1873.

this country, as compared with many other countries of the same magnitude and importance, and I am convinced of the impolicy and injustice of imposing burdens upon this people which may be called either crushing or oppressive."

"Mr. Grant Duff, in an able speech which he delivered the other day in the House of Commons, the report of which arrived by last mail, stated, with truth, that the position of our finance was wholly different from that of England. 'In England,' he stated, 'you have a comparatively wealthy population. The income of the United Kingdom has, I believe, been guessed at £800,000,000 per annum; the income of British India has been guessed at £300,000,000 per annum. That gives well on to £30 per annum as the income of every person in the United Kingdom, and only £2 per annum as the income of every person in British India.'

"I believe that Mr. Grant Duff had good grounds for the statement he made, and I wish to say, with reference to it, that we are perfectly cognisant of the relative poverty of this country as compared with European States."

So here is a clear admission by high authorities of what I had urged in my paper on the "Wants and Means of India," and what I now urge, that India's production was only about 40s. a head.

And now in the year 1873, before the Finance Committee, Lord Lawrence repeats his conviction that the mass of the people of India are so miserably poor that they have barely the means of subsistence. It is as much as a man can do to feed his family or half feed them, let alone spending money on what may be called luxuries or conveniences. Mr. Grant Duff asked Mr. Lawson so late as in May, 1870, in the House of Commons, whether he meant to "grind an already poor population to the very dust."

#### CONDITION OF ENGLAND UNDER A SIMILAR DRAIN.

The following picture about England itself under similar circumstances, may, I hope, enable the British people to realise our condition. The parallel is remarkable, and the picture in certain portions life-like of the present state of India. Draper's "Intellectual Development of Europe," 5th edition, *Page* 365.—"In fact, through the operation of the Crusades, all Europe was tributary to the Pope (Innocent III.) . . . A steady drain of money from every realm. Fifty years after the time of which we are speaking, Robert Grostale, the Bishop of Lincoln, and friend of Roger Bacon, caused to be ascertained the amount received by foreign ecclesiastics in England. He found it to be thrice the income of the king himself. This was on the occasion of Innocent IV. demanding provision to be made for three hundred additional Italian clergy by the Church of England; and that one of his nephews—a mere

boy—should have a stall in Lincoln Cathedral.” *Page 397.*—“In England—for ages a mine of wealth to Rome—the tendency of things was shown by such facts as the remonstrances of the Commons with the Crown on the appointment of ecclesiastics to all the great offices, and the allegations made by the ‘Good Parliament’ as to the amount of money drawn by Rome from the kingdom. They asserted that it was five times as much as the taxes levied by the king, and that the Pope’s revenue from England was greater than the revenue of any Prince in Christendom.” *Page 434.*—“It is manifest by legal enactments early in the fourteenth century.

. . . . . By the Parliamentary bill of 1376, setting forth that the tax paid in England to the Pope for ecclesiastical dignities is fourfold as much as that coming to the king from the whole realm; that alien clergy, who have never seen, nor cared to see, their flocks, convey away the treasure of the country.” *Page 477.*—“The inferior, unreflecting orders were in all directions exasperated by its importunate unceasing exactions of money. In England, for instance, though less advanced intellectually than the southern nations, the commencement of the Reformation is perhaps justly referred as far back as the reign of Edward III., who, under the suggestion of Wickliffe, refused to do homage to the Pope; but a series of weaker princes succeeding, it was not until Henry VII. that the movement could be continued. In that country, the immediately existing causes were, no doubt, of a material kind, such as the alleged avarice and impurity of the clergy, the immense amount of money taken from the realm, the intrusion of foreign ecclesiastics.” *Page 478.*—“As all the world had been drained of money by the Senate and Cæsars for the support of republican or imperial power, so there was a need of like supply for the use of the pontiffs. The collection of funds had often given rise to contentions between the ecclesiastical and temporal authorities, and in some of the more sturdy countries had been resolutely resisted.”

The result of this drain from England to Italy was the condition of the people as pictured at pages 494-5, than which nothing could be more painful. Mr. Draper says:—“For many of the facts I have now to mention, the reader will find authorities in the works of Lord Macaulay, and Mr. Froude on English History. My own reading in other directions satisfies me that the picture here offered represents the actual condition of things. . . .

“There were forests extending over great districts; fens forty or fifty miles in length, reeking with miasma and fever, though round the walls of the abbeys there might be beautiful gardens, green lawns, shady walks, and many murmuring streams. . . . The peasant’s cabin was made of reeds or sticks, plastered over with mud. His fire was chim-

neyless—often it was made of peat. In the objects and manner of his existence, he was but a step above the industrious beaver who was building his dam in the adjacent stream. . . . Vermin in abundance in the clothing and beds. The common food was peas, vetches, fern-roots, and even the bark of trees. . . . The population sparse as it was, was perpetually thinned by pestilence and want. Nor was the state of the townsman better than that of the rustic; his bed was a bag of straw, with a fair round log for his pillow. . . . It was a melancholy social condition when nothing intervened between reed cabins in the fen, the miserable wigwams of villages, and the conspicuous walls of the castle and the monastery. . . . Rural life had but little improved since the time of Cæsar; in its physical aspect it was altogether neglected. . . .

“England, at the close of the age of faith, had for long been a chief pecuniary tributary to Italy, the source from which large revenues have been drawn, the fruitful field in which herds of Italian ecclesiastics had been pastured. . . . At the beginning of the sixteenth century, the island was far more backward, intellectually and politically, than is commonly supposed.”

We see then, to what condition the people of England were reduced under the Italian drain. India cannot but share the same fate under similar causes, unless England, as she sincerely means to do, adopts the necessary precautions and remedies to prevent such results.

#### DRAIN THROUGH INVESTMENT OF ENGLISH CAPITAL.

Before I close the subject of the drain and its consequences, I direct your attention to a few facts connected with the subject of railways, and such other useful public works. You are well aware that I strongly desire these works, but I cannot shut my eyes to the following facts:—

America, for instance, requires money to build a railway, takes a loan and builds it—and everybody knows it is immensely benefitted. I need not read to you a chapter on political economy why it is so. I need only say every man employed in the construction of that railway is an American; every farthing, therefore, that is spent out of the loan remains in the country. In the working of the railway, every man is an American; every farthing taken out of the produce of the country for its conveyance remains in the country; so, whatever impetus is given to the production of the country, and increase made in it, is fully enjoyed by the country paying, out of such increase in its capital and production, the interest of the loan, and in time the loan itself. Under such ordinary economic circumstances, a country derives great benefit from the help of loans

from other countries. In India, in the construction of the railroad, a large amount of the loan goes towards the payment of Europeans, a portion of which, as I have explained before, goes out of the country. Then, again, in the working of the railway, the same drawback, leaving therefore hardly any benefit at all to India itself, and the whole interest of the loan must also go out of the country. So our condition is a very anomalous one—like that of a child to which a fond parent gives a sweet, but to which, in its exhausted condition, the very sweet acts like poison, and, as a *foreign substance*, by irritating the weak stomach makes it throw out more, and causes greater exhaustion. In India's present condition, the very sweets of every other nation appear to act on it as poison. With this continuous and ever increasing drain by innumerable channels, as our normal condition at present, the most well-intentioned acts of Government become disadvantageous. Sir Richard Temple clearly understands this phenomenon, as I have already shown. But, somehow or other, he seems to have now forgotten what he so clearly pointed out a score of years ago. Many a time, in discussing with English friends the question of the material drain generally, and the above remarks on railways, irrigation works, &c., I found it a very difficult task to convince. Fortunately, a great authority enunciates the fundamental principles very clearly and convincingly, and I give them below, hoping that an authority like that of the late Mr. Mill, will, on economic principles especially, command attention.

JOHN STUART MILL'S DICTA.

I give a few short extracts from Mill's "Political Economy," chapter V. :—

"Industry is limited by capital."

"To employ industry on the land is to apply capital to the land."

"Industry cannot be employed to any greater extent than there is capital to invest."

"There can be no more industry than is supplied by materials to work up, and food to eat. Yet, in regard to a fact so evident, it was long continued to be believed that laws and governments, without creating capital, could create industry."

"While, on the one hand, industry is limited by capital, so on the other every increase of capital gives, or is capable of giving, additional employment to industry, and this without assignable limit."

"A second fundamental theorem respecting capital relates to the source from which it is derived. It is the result of saving. All capital, and especially all addition to capital, are the result of saving."

"What supports and employs productive labour is the capital expended in setting it to work, and not the demand of purchasers for the produce of the labour when completed. Demand for commodities is not demand for labour."

"The demand for commodities determines in what particular branch of production the labour and capital shall be employed. It determines the *direction* of labour, but not the more or less of the labour itself, or of the maintenance or payment of the labour. These depend on the amount of the capital, or other funds directly devoted to the sustenance and remuneration of labour."

"This theorem—that to purchase produce is not to employ labour; that the demand for labour is constituted by the wages which precede the production, and not by the demand which may exist for the commodities resulting from the production—is a proposition which greatly needs all the illustration it can receive. It is to common apprehension a paradox."

#### THEIR APPLICATION TO INDIA.

These principles applied to the particular case of India, amount to this:—Poor India has not even to support its absolute want, even were the whole production employed in supporting labour. But as this is not the case,—as there must be some portion of the produce consumed unproductively in luxuries,—the share for the support of labour for reproduction becomes still more scanty; saving, and therefore addition to capital, being altogether out of the question. Moreover, not only is there no saving at the present rate of production, but there is actual continuous yearly abstraction from this scanty production. The result is an additional evil consequence in the capability of labour deteriorating continuously, for "industry is limited by capital"—so the candle burns at both ends,—capital going on diminishing on the one hand, and labour thereby becoming less capable, on the other, to reproduce as much as before. The last theorem of Mill is a clear answer to those who say that, because the railways open up a market for the commodities, the produce of the country *must* increase. I need only repeat the "demand for commodities is not demand for labour," and that "industry cannot be employed to any greater extent than there is capital to invest."

If these principles are fairly borne in mind, and the element of the drain from India fairly considered, the gradual impoverishment of India, under the existing system of administration, will cease to appear a paradox.

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#### THE MORAL DRAIN.

Beyond the positions of deputy-collectors or extra-commissioners, or similar subordinate positions in the Engineering,

Medical, and all other services (with a very few somewhat better exceptions), all experience and knowledge of statesmanship, of administration or legislation, of high scientific or learned professions, are drained away to England when the persons possessing them give up their service and retire to England.

#### SIR T. MUNRO'S OPINION.

The result, in Sir T. Munro's words, is this:—"The consequence of the conquest of India by British arms would be, in place of raising, to debase the whole people."—(Life of Sir T. Munro, page 466, quoted in Mr. Torrens' "Empire in Asia.") For every European employed beyond absolute necessity, each native capable of filling the same position is displaced in his own country. All the talent and nobility of intellect and soul, which nature gives to every country, is to India a lost treasure. There is, thus, a triple evil—loss of wealth, wisdom, and work to India—under the present system of administration. Whether the power of education which the British rulers are raising with the glorious object of raising the people of India, and which is day by day increasing, shall be a bulwark or weakness hereafter to the British rule, is a question of great importance. As matters stand at present, in the words of Sir Bartle Frere—"And now, wherever I go, I find the best exponents of the policy of the English Government, and the most able coadjutors in adjusting that policy to the peculiarities of the natives of India, among the ranks of the educated natives." Of the future who can say? It lies in the hands of our rulers whether this power they are raising shall continue to be their "coadjutor," or become their opponent. The merit or fault will be entirely their own.

#### SIR J. MALCOLM'S OPINION.

Sir J. Malcolm says:—"We are not warranted by the History of India, nor indeed by that of any other nation in the world, in reckoning upon the possibility of preserving an empire of such a magnitude by a system which excludes, as ours does, the natives from every station of high rank and honourable ambition. Least of all would such a system be compatible with the plans now in progress for spreading instruction. . . . If we do not use the knowledge which we impart, it will be employed against us. . . . We find in all communities, bold, able and ambitious individuals who exercise an influence and power over the class to which they belong, and these must continue enemies to a Government, however just and humane in its general principles, under which they are neither trusted nor employed. . . . High and aspiring men can find no spot beyond the limits of our authorities, and such must either be syste-

matically watched and repressed as enemies of our power, or cherished and encouraged as the instruments of its exercise; there is no medium. In the first case, the more decidedly we proceed to our object, the better for our safety; but I should, I confess, have little confidence in the success of such a proceeding. As one head of the hydra was lopped off, another would arise; and as well might we strive to stem the stream of the Ganges, as to depress to the level of our ordinary rule the energies and hopes which must continually arise in so vast and various a population as that of India."

There can be but one conclusion to the present state of affairs—either the people will become debased, as Munro thinks; or dead to all true wisdom, experience, honour, and ambition to serve one's country; or use their knowledge of it against the very hand that gives it. As Sir John Malcolm observes—"If these plans [of spreading instruction] are not associated with the creation of duties that will employ the minds which we enlighten, we shall only prepare elements that will hasten the destruction of our empire. The moral evil to us does not thus stand alone. It carries with it its Nemesis, the seeds of the destruction of the empire itself."

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## PRESSURE OF TAXATION.

In Lord Mayo's speech of the 3rd March, 1871 (*Times of India* Summary of 8th April, 1871), he endeavours to refute the assertion that Indian taxation is "crushing." His Lordship on this point has made several assumptions which require examination. I shall therefore first consider whether the conclusion drawn is legitimate, and whether all necessary elements of comparison have been taken into account.

### LORD MAYO'S DENIAL.

I have already shown that the production of India is hardly 40s. a head, and that Lord Mayo has adopted that estimate as being based on good reasons by Mr. Grant Duff. After admitting this fact, Lord Mayo compares the taxation of India with that of some other countries. In doing this, he deducts as land-revenue (whether rightly or wrongly will be seen hereafter) the opium, tributes, and other small receipts from Indian taxation, and then compares the balance with the taxation of other countries. I do not know whether he has made similar deductions from the taxation of the latter. The result of his comparison would appear to be that, while India pays only 1s. 10d. per head of taxation per annum, Turkey pays 7s. 9d., Russia 12s. 2d., Spain 18s. 5d., Austria 19s. 7d., and Italy 17s. per head per annum. The conclusion

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\* Malcolm's "Government of India," Page 174.

drawn is that the taxation of India is not "crushing." What idea his lordship attaches to the word "crushing" I cannot say, but he seems to forget the very first premise that the total production of the country is admitted to be 40s. per head. Now, this amount is hardly enough for the bare necessities of life, much less can it supply any comforts, or provide any reserve for bad times; so that living from hand to mouth, and that on "scanty subsistence" (in the words of Lord Lawrence), the very touch of famine carries away hundreds of thousands. Is not this in itself as "crushing" to any people as it can possibly be? And yet out of this wretched income they have to pay taxation!

His Lordship has, moreover, left out a very important element from account. He is well aware that whatever revenue is raised by other countries—for instance, the £70,000,000 by England—the whole of it returns back to the people, and remains *in* the country; and, therefore, the *national capital, upon which* the production of a country depends, does not suffer diminution; while with India, as I have already shown, the case is quite different. Out of its poor production of 40s. a head, some £25,000,000 go clean out of the country, thereby diminishing its capital and labour for reproduction every year, and rendering the taxation more and more crushing.

#### A FAIR COMPARISON WITH OTHER NATIONS.

I shall now consider what would have been the fairest way of making the comparison of taxation. Every nation has a certain amount of income from various sources, such as production of cultivation, minerals, farming, manufactures, profits of trade, &c. From such total income all its wants are to be supplied. A fair comparison as to the incidence of taxation, will be to see the proportion of the amount which the Government of the country takes for its administration, public debts, &c., to the total income. You may call this amount taxation, revenue, or anything you like; and Government may take it in any shape or way whatsoever. It is so much taken from the income of the country for the purposes of Government. In the case of India, whether Government takes this amount as land-tax or opium revenue, or in whatever other form, does not matter, the fact remains that out of the total income of the country, Government raises so much revenue for its purposes which otherwise would have remained with the people.

Taking, therefore, this fair test of the incidence of taxation, the result will be that England raises £70,000,000 out of the national income of some £800,000,000, that is about 8 per cent., or about £2 10s. per head from an income of about £30 per head; whereas the Indian Government raises £50,000,000

out of the national income of £340,000,000, that is, about 15 per cent., or 6s. per head out of an income of 40s. per head.

Had his Lordship stated the national income and population of the countries with which he has made the comparison, we would have then seen what the percentage of their revenue to their income was, and from how much income per head the people have to pay their 7s. to 19s. 7d. per head of taxation, as quoted by his Lordship.

Further, if, in consequence of a constant drain from India from its poor production, the income of the country continues to diminish, the percentage of taxation to income will be still greater, even though the amount of taxation may not increase. But, as we know the tendency of taxation in India has, during several years, been to go on increasing every year, the pressure will generally become more and more oppressive and crushing, unless our rulers, by proper means, restore India to at least a healthy, if not a wealthy, condition. It must, moreover, be particularly borne in mind that, while a ton may not be any burden to an elephant, a few pounds will crush a child; that the English nation may, from its average income of £30 a head, be able to pay £2 10s. per head, while, to the Indian nation, 6s. out of 40s. may be quite unbearable and crushing. The capacity to bear a burden with ease, or to be crushed by it, is not to be measured by the percentage of taxation, but by the abundance, or otherwise, of the means or income to pay it from. From abundance you may give a large percentage with ease; from sufficiency, the same burden may just be bearable, or some diminution may make it so; but from insufficiency, any burden is so much privation.

But as matters stand, poor India has to pay not the same percentage of taxation to its income as in England, but nearly double; *i.e.*, while England pays only about 8½ per cent. of its national income for the wants of its Government, India has to pay some 15 per cent. of its income for the same purpose; though here that income per head of population is some thirteenth part of that of England, and insufficient in itself for even its ordinary wants, leaving alone the extraordinary political necessity to pay a foreign country for its rule.

Every single ounce of rice, therefore, taken from the "scanty subsistence" of the masses of India, is to them so much starvation, so much more crushing.

Lord Mayo calls the light taxation of the country, which he calculates at 1s. 10d. a head, as a happy state of affairs. But that, in so lightly-taxed a country, to get a 6d. more per head without oppression should tax the highest statesmanship and intelligence without success, is in itself a clear demonstration that there must be something very rotten in the state of India, and that the pressure of taxation must have already

arrived short of the proverbial last straw that breaks the camel's back.

The United Kingdom pay a total revenue of about £2 10s. per head. India's whole production is hardly £2 a head. It pays a total revenue (less net opium) of hardly 5s. a head, and is unable to pay a shilling more. Why so? Short of only representation, India is governed on the same principles and system as the United Kingdom, and why such extraordinarily different results? Why should one prosper and the other perish, though similarly governed?

#### NOT TRUE FREE TRADE.

I take this opportunity of saying a few words about the recent telegram that Lord Salisbury had instructed the Indian Government to abolish the duties on cottons, as the matter is closely connected with the subject of my paper. The real object, says to-day's *Times of India*, is to "nip in the bud" the rising factories in India—the ostensible reason assigned is free trade. Now, I do not want to say anything about the real selfish objects of the Manchesterians, or what the political necessities of a Conservative Government may be under Manchester pressure. I give credit to the Secretary of State for honesty of purpose, and take the reason itself that is given on this question, viz.—free trade. I like free trade, but after what I have said to-night, you will easily see that free trade between England and India in a matter like this is something like a race between a starving, exhausting invalid, and a strong man with a horse to ride on. Free trade between countries which have equal command over their own resources is one thing, but even then the Colonies snapped their fingers at all such talk. But what can India do? Before powerful English interests, India must and does go to the wall. Young colonies, says Mill, may need protection. India needs it in a far larger degree, independent of the needs of revenue, which alone have compelled the retention of the present duties. Let India have its present drain brought within reasonable limits, and India will be quite prepared for any free trade. With a pressure of taxation nearly double in proportion to that of England, from an income of one-fifteenth, and an exhaustive drain besides, we are asked to compete with England in free trade? I pray our great statesmen to pause and consider these circumstances.

## PRICES.

We hear much about the general enormous rise of prices, and conclusions drawn therefrom that India is prosperous. My figures about the total production of the country are alone enough to show that there is no such thing as that India is a prosperous country. It does not produce enough for mere existence even, and the equilibrium is kept up by scanty subsistence, by gradual deterioration of physique, and destruction. No examination, therefore, of the import of bullion, or of rise of prices and wages, is necessary to prove the insufficiency of production for the maintenance of the whole population. When we have such direct positive proof of the poverty of the country, it should be useless to resort to, or depend upon, any indirect evidence or conclusions. But as there appears to me much misapprehension and hasty conclusion from a superficial examination of the phenomena of prices, wages, and bullion, I deem it necessary to say something upon these subjects. I shall consider each subject separately. High prices may occur from one of the three following causes :—

1st.—From a natural healthy development of foreign commerce, which brings to the country fair profits upon the exports of the country; or, in other words, the imports exceed the exports by a fair percentage of profits, and thus add to the wealth and capital of the country.

2nd.—From a quantity of money thrown into the country, not as the natural profits of foreign commerce, but for some special purpose independent of commercial profits, such as the railway and other loans of India expended in certain parts where the works are carried on, and where, therefore, a large collection of labour takes place requiring food that is not produced there; and on account of bad or imperfect communications occasioning a local and temporary rise in prices.

3rd.—From scarcity of food or other necessities, either on account of bad season or bad communications, or both; in other words, either there is not enough of food produced, or, the plenty of one district cannot supply the deficiency of another, or both.

### CAUSES OF HIGH PRICES.

We may now see how each of these causes has operated.

As to the first cause, it is clear that so far from India adding any profits to its wealth from foreign commerce, not only does an amount equal to the whole profits of foreign commerce including the whole of the opium revenue, go elsewhere, but even from the very produce of the country some £7,000,000 more annually. This shows, then, that there is no increase of capital or wealth in the country, and consequently no such general rise in prices as to indicate any increase of prosperity. From want of proper communications, produce in provinces near the seaports is exported to foreign countries, not because the foreign countries give better prices than can be obtained in this country, but because, if not exported, the produce would simply perish. For instance, Bengal and Madras export rice at any reasonable prospect of profits, even though in some of the interior parts there may be scarcity, or even famine, as in the case of the North-West Provinces, Orissa, and Rajpootana.

The first cause, therefore, is not at all operative in India in raising prices; on the contrary, the constant drain diminishes capital, and thereby gradually and continuously diminishes the capability of the country even to keep up its absolutely necessary production. Besides the necessity of seeking foreign commerce on account of bad communications, there is a portion of the exports which is simply compulsory—I mean that portion which goes to England to pay for the political drain. So far, therefore, the alleged increase of prices in India does not arise from any natural addition to its wealth by means of a healthy and profitable foreign commerce. Then, the next thing to be examined is whether the different kinds of produce exported from British India are so exported because foreign countries offer more profitable markets for them, that is to say, offer greater prices than can be obtained in the country itself; thus indicating that, though prices have risen in the country itself, still higher prices are got from foreign countries. Suppose we find that Indian produce has been selling in foreign countries at about the same prices for the last fifteen years, what will be the inevitable conclusion? Either that, in the country itself, there is no great rise of prices, or that the people of India are such fools that, though there is an “enormous” rise in prices in their own country, they send their produce thousands of miles away—to get what? Not *higher* prices than can be got in the country itself, but sometimes much less! We may take the principal articles of export from India. The exceptional and temporary rise in the price of cotton, and its temporary effect on some other produce, was owing to the American War; but that is gradually coming down to its former level, and when America once makes up its four or five million bales, India will have a hard struggle. The opening of the

Suez Canal has been a great good fortune, or Indian cotton would in all likelihood have been driven out of the English market particularly, and perhaps from European markets also.

#### FLUCTUATION IN PRICE OF COTTON.

The following table will show how near the prices are returning to their old level before the American War (Parliamentary Return [c. 145] of 1870):—

| Average price<br>per cwt. |    |      | Average price<br>per cwt. |    |      | Average price<br>per cwt. |    |       | Average price<br>per cwt. |    |      |
|---------------------------|----|------|---------------------------|----|------|---------------------------|----|-------|---------------------------|----|------|
| 1857                      | £2 | 8 8  | 1858                      | £2 | 10 7 | 1859                      | £2 | 5 10  | *1860                     | £1 | 17 0 |
| 1861                      | 2  | 17 5 | 1862                      | 6  | 5 9  | 1863                      | 8  | 18 11 | 1864                      | 8  | 9 0  |
| 1865                      | 6  | 5 7  | 1866                      | 4  | 12 0 | 1867                      | 3  | 2 10  | 1868                      | 3  | 12 8 |
| 1869                      | 4  | 5 8  | 1870                      | 3  | 5 6  |                           |    |       |                           |    |      |

So far the rise in cotton is going; but great as this rise has been, it has hardly reached the prices of former years, as will be seen hereafter. Leaving the exceptional prices of cotton during the cotton famine out of consideration, let us examine the most important articles of export; and if we find that these articles have fetched about the same price for nearly fifteen years past, there could not have been any normal general rise in the country itself of which the exporters could take advantage, and thereby prefer earning more profits by selling in the country itself, than getting less by exporting to foreign parts.

#### PRICE OF COFFEE.

Take *Coffee*.—The average prices in the United Kingdom (Parliamentary Return [c. 145] of 1870) are per cwt.:—

| Years. | £ | s. | d. | Years. | £ | s. | d. | Years. | £ | s. | d. |
|--------|---|----|----|--------|---|----|----|--------|---|----|----|
| 1855   | 3 | 3  | 0  | 1860   | 3 | 18 | 2  | 1865   | 3 | 16 | 2  |
| 1856   | 3 | 11 | 8  | 1861   | 3 | 16 | 2  | 1866   | 3 | 16 | 4  |
| 1857   | 3 | 15 | 3  | 1862   | 3 | 18 | 8  | 1867   | 3 | 19 | 1  |
| 1858   | 3 | 11 | 7  | 1863   | 4 | 0  | 6  | 1868   | 3 | 6  | 1  |
| 1859   | 3 | 13 | 6  | 1864   | 3 | 9  | 8  | 1869   | 3 | 7  | 11 |
|        |   |    |    |        |   |    |    | 1870   | 3 | 6  | 6  |

Average 3 11 0

Average 3 16 7

Average 3 12

This does not show any rise.

#### PRICE OF INDIGO.

Take *Indigo*.—

| Years. | Average price<br>per cwt. |    |    | Years. | Average price<br>per cwt. |    |    | Years. | Average price<br>per cwt. |    |    |
|--------|---------------------------|----|----|--------|---------------------------|----|----|--------|---------------------------|----|----|
|        | £                         | s. | d. |        | £                         | s. | d. |        | £                         | s. | d. |
| 1855   | 27                        | 8  | 0  | 1860   | 33                        | 13 | 11 | 1865   | 31                        | 7  | 2  |
| 1856   | 30                        | 11 | 4  | 1861   | 37                        | 8  | 7  | 1866   | 31                        | 5  | 1  |
| 1857   | 33                        | 1  | 0  | 1862   | 36                        | 11 | 3  | 1867   | 35                        | 17 | 6  |
| 1858   | 35                        | 18 | 0  | 1863   | 28                        | 4  | 7  | 1868   | 40                        | 4  | 2  |
| 1859   | 31                        | 8  | 9  | 1864   | 30                        | 10 | 0  | 1869   | 38                        | 2  | 6  |
|        |                           |    |    |        |                           |    |    | 1870   | 35                        | 4  | 8  |

\* This year there was a large American crop.

The average of first five years, 1855-59, is £31 13s. 5d., of 1860-64, £33 5s. 8d., of 1865-70, £35 6s. 10d.—making a rise of 12 per cent. over the first five years. Now, this is an article in which India may be said to have a sort of monopoly, and yet there is virtually no rise from any increased demand. The average of the last six years is raised by the year 1868, but the quantity imported into the United Kingdom was in that year 2,000 cwts. less than in the previous year, and the scarcity gave a temporary high price.

#### PRICE OF RICE.

Now take *Rice*.—This is the most important article; rise or fall in its price requires careful consideration. It is the alleged rise of price in this article which is held up as proving the prosperity of the country.

The average price of rice in the United Kingdom, after paying all charges and profits from India to arrival in England, is per cwt.:—

| Years.    | s. | d. | Years.    | s. | d. | Years.    | s. | d. | Years.    | s. | d. |
|-----------|----|----|-----------|----|----|-----------|----|----|-----------|----|----|
| 1855..... | 14 | 6  | 1859..... | 10 | 9  | 1863..... | 11 | 11 | 1867..... | 14 | 3  |
| 1856..... | 10 | 6  | 1860..... | 13 | 0  | 1864..... | 11 | 2  | 1868..... | 12 | 2  |
| 1857..... | 11 | 3  | 1861..... | 12 | 8  | 1865..... | 12 | 4  | 1869..... | 10 | 8  |
| 1858..... | 8  | 10 | 1862..... | 11 | 10 | 1866..... | 13 | 1  | 1870..... | 10 | 11 |

Averages of five years, 1855-59, 11s. 2d.; 1860-64, 12s. 1½d.; 1865-70, 12s. 3d.

This does not show that there is any material rise any more than the varying wants of the country and the average fluctuations of all ordinary articles of commerce, taking also into consideration the effect of the American War during some of these years. Such are the prices paid in England for Indian rice during the past fifteen years, and yet India had three or four famines, and in the famine districts food could not be got to save life at any price. If the United Kingdom got Indian rice at the above steady prices, how could there have been any real natural “enormous” rise of prices in India proving its prosperity? This simple fact is enough to show conclusively that, if the United Kingdom could get its thousands of tons of Indian rice at such steady prices during the past fifteen years, there is no such thing as an enormous general healthy rise of prices throughout the country. Whatever partial local and temporary rise there has been in certain localities, has arisen, as will be seen hereafter, from partial local and temporary causes, and not from any increase of prosperity.

## PRICE OF SILK.

Take *Silk*.—The prices of silk are as follows:—

| Years.         | Price per lb. | Years.         | Price per lb. | Years.          | Price per lb. |
|----------------|---------------|----------------|---------------|-----------------|---------------|
|                | s. d.         |                | s. d.         |                 | s. d.         |
| 1855.....      | 12 9          | 1860.....      | 20 2          | 1865.....       | 23 6          |
| 1856.....      | 18 10         | 1861.....      | 16 10         | 1866.....       | 22 0          |
| 1857.....      | 19 8          | 1862.....      | 18 8          | 1867.....       | 21 2          |
| 1858.....      | 17 8          | 1863.....      | 18 8          | 1868.....       | 23 8          |
| 1859.....      | 19 1          | 1864.....      | 18 5          | 1869.....       | 23 0          |
|                |               |                |               | 1870.....       | 22 4          |
| Average...17 7 |               | Average...18 7 |               | Average...22 7½ |               |

This shows an apparent rise of 28 per cent. over the first five years, but the quantities imported in the years 1867, 1868, and 1869 were very small, being in 1867, 2,469 lbs., in 1868, 32,103 lbs., in 1869, 17,845 lbs. Whereas in 1865 it is 183,224 lbs., in 1866, 123,561 lbs., and in 1870, 123,600 lbs. There is then a rise in the price of this article, only a scarcity rise. Besides, its fate hangs upon the China market, and its produce in India yet is too small to have any important effect on general prices in ordinary economic conditions, much less when all such little or large profit is not retained by the country at all. The total quantity of waste as well as raw silk exported from India to all foreign parts is about £1,500,000 worth.

## PRICE OF SUGAR.

*Sugar*.—There are three or four qualities of sugar imported into the United Kingdom from India. I give below the price of middling as a fair representative of the bulk:—

| Years.   | Price per cwt. | Years.   | Price per cwt. | Years.   | Price per cwt. | Years.   | Price per cwt. |
|----------|----------------|----------|----------------|----------|----------------|----------|----------------|
|          | £ s. d.        |          | £ s. d.        |          | £ s. d.        |          | £ s. d.        |
| 1855...1 | 9 8            | 1859...1 | 7 9            | 1863...1 | 6 5            | 1867...1 | 3 3            |
| 1856...1 | 12 6           | 1860...1 | 7 1            | 1864...1 | 5 11           | 1868...1 | 3 6            |
| 1857...1 | 17 6           | 1861...1 | 8 5            | 1865...1 | 3 6            | 1869...1 | 7 2            |
| 1858...1 | 10 3           | 1862...1 | 6 9            | 1866...1 | 3 4            | 1870...1 | 5 7            |

The averages are from 1855-59, £1 11s. 6d., 1860-64 £1 6s. 11d., and 1865-70, £1 4s. 5d. There is, then, an actual decline, and it cannot, therefore, be expected that there was a rise in India notwithstanding.

## PRICE OF LINSEED.

*Linseed*.—Average prices as follows per quarter:—

| Years.           | £ s. d. | Years.           | £ s. d. | Years.          | £ s. d. |
|------------------|---------|------------------|---------|-----------------|---------|
| 1855.....        | 3 11 6  | 1860.....        | 2 12 9  | 1865.....       | 3 0 5   |
| 1856.....        | 2 18 0  | 1861.....        | 2 15 10 | 1866.....       | 3 8 11  |
| 1857.....        | 3 2 0   | 1862.....        | 3 4 7   | 1867.....       | 3 6 9   |
| 1858.....        | 2 15 1  | 1863.....        | 3 4 7   | 1868.....       | 3 1 8   |
| 1859.....        | 2 9 9   | 1864.....        | 2 19 7  | 1869.....       | 2 18 9  |
|                  |         |                  |         | 1870.....       | 2 19 7  |
| Average...2 19 3 |         | Average...2 19 6 |         | Average...3 2 8 |         |

This shows a rise of about 5 per cent., which is nothing when allowance is made for the temporary effect of the American War from 1861, and the prices have latterly gone down again to the level of the average, 1855-59.

*Rapeseed* per quarter :—

#### PRICE OF RAPESEED.

| Years.   | £  | s. | d. | Years.   | £  | s. | d. | Years.   | £  | s. | d. | Years.   | £  | s. | d. |
|----------|----|----|----|----------|----|----|----|----------|----|----|----|----------|----|----|----|
| 1855...3 | 9  | 8  |    | 1859...2 | 4  | 8  |    | 1863...2 | 19 | 6  |    | 1867...2 | 12 | 6  |    |
| 1856...2 | 18 | 6  |    | 1860...2 | 16 | 11 |    | 1864...2 | 16 | 11 |    | 1868...2 | 11 | 4  |    |
| 1857...3 | 1  | 0  |    | 1861...2 | 19 | 6  |    | 1865...3 | 5  | 7  |    | 1869...2 | 18 | 11 |    |
| 1858...2 | 13 | 4  |    | 1862...3 | 7  | 4  |    | 1866...2 | 17 | 11 |    | 1870...3 | 4  | 11 |    |

This also shows the temporary effect of the American War, and hardly any rise, the averages being—1855-59, £2 17s. 5d. ; 1860-64, £3 ; and 1865-70, £2 18s. 6d.

#### PRICE OF WOOL.

*Wool*.—Average price per lb.—

| Years.     | d. | Years.     | d. | Years.     | d.  | Years.     | d. |
|------------|----|------------|----|------------|-----|------------|----|
| 1855 ..... | 8½ | 1859 ..... | 7½ | 1863 ..... | 11½ | 1867 ..... | 7½ |
| 1856 ..... | 9  | 1860 ..... | 8½ | 1864 ..... | 11½ | 1868 ..... | 7½ |
| 1857 ..... | 8½ | 1861 ..... | 7½ | 1865 ..... | 11½ | 1869 ..... | 7½ |
| 1858 ..... | 6½ | 1862 ..... | 10 | 1866 ..... | 9½  | 1870 ..... | 7½ |

The temporary effect of the American War is clearly to be seen in the above prices, and latterly they are getting down again to their old level.

#### PRICE OF INDIAN TEA.

*Indian Tea*.—Average price per lb.—

| Years.     | s. | d. | Years.     | s. | d. | Years.     | s. | d. | Years.     | s. | d. |
|------------|----|----|------------|----|----|------------|----|----|------------|----|----|
| 1856.....2 | 4  | ¾  | 1860.....1 | 9  |    | 1864.....2 | 3  |    | 1868.....1 | 9  | ¾  |
| 1857.....2 | 1  | ¼  | 1861.....1 | 9  | ½  | 1865.....2 | 3  | ¼  | 1869.....1 | 8  | ½  |
| 1858.....2 | 0  |    | 1862.....1 | 9  |    | 1866.....1 | 11 | ⅞  | 1870.....1 | 9  |    |
| 1859.....2 | 0  |    | 1863.....1 | 11 | ⅞  | 1867.....1 | 9  | ½  |            |    |    |

Here again is a decline.

#### CAUSES OF LOCAL RISE IN PRICES.

I have given above the most important articles of export, and it cannot be concluded from the above figures that prices have increased in India to any material extent, much less “enormously.” The necessary causes for a healthy rise do not exist ; the effect, therefore, is only a dream. On the contrary, the causes to diminish capital and labour are unceasingly at work, and the consequence can only be increased poverty instead of prosperity.

Cause No. 2 stated by me at the commencement of this paper, will partly account for such rise as has actually taken place in some parts of India, and has misled many persons to the conclusion of a general rise and increased prosperity.

During the last twenty years, something like £82,000,000

(Railway report, 1869) have been sent to India for railway works, out of which some £26,000,000 are spent in England for stores, &c., and about £55,000,000 remitted to India to be spent here. This amount has been spent in certain parts, with the effect of raising prices there in two ways. Large numbers of labourers are collected in such places, and to a great extent agricultural labour is diminished in their neighbourhood, the want of good communication preventing other parts from supplying the demand.

The result is, that less food is produced and more mouths to feed, and, with the labourers well paid, a temporary and local rise of prices is the inevitable consequence. On looking over the maps, and examining the prices given in the tables of administration reports, it will be easily seen that, in every presidency in good seasons, the localities of high prices have been those only where there have been large public works going on. For instance, in the Central Provinces in the year 1867-68, when there was an average good season, the districts in which the price of rice was highest were—Hoshungabad Rs. 5 per maund, Baitool Rs. 4 per maund. Nursingpore Rs. 3-12 per maund, Jubbulpore Rs. 3-12 per maund, Nagpore Rs. 3-8 per maund, and Saugur Rs. 3-9 per maund. While the lowest prices were—Raipore and Belaspore Rs. 1 per maund, Sumbulpore Rs. 1-2, Balaghaut Rs. 2, Bhandara Rs. 2, Chindwara Rs. 1-8. Now, the places having the highest prices are almost all those along, or in the neighbourhood of, railway lines, or carrying on some public works; and those with the lowest prices are away from the lines, &c. In 1868-69, the range of prices is about the same, though higher on account of bad season, Hoshungabad being Rs. 8 and Raipore Rs. 2; and through the season being unequal in different parts, there is some corresponding divergence from the preceding year.

Take the *Madras Presidency*. The districts with highest prices in 1867-68 are.—

|                                |                                 |
|--------------------------------|---------------------------------|
| Cuddapah... Rs. 492 per garce* | Coimbatore... Rs. 474 per garce |
| Madura..... „ 477 „            | Bellary..... „ 469 „            |

The districts with the lowest prices are—

|                               |                               |
|-------------------------------|-------------------------------|
| Vizagapatam Rs. 203 per garce | Ganjam..... Rs. 232 per garce |
| Godavery ... „ 222 „          | South Canara „ 308 „          |

Almost all the high-price districts are on the railway line, or have some public works. The districts of the lowest prices are away from the line. In the Godavery district I do not know how far irrigation has helped to produce abundance.

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\* Garce = 9,256 lbs. (Parliamentary Return 362 of 1853).

Take the *Punjab* for June, 1868-9.—The report gives prices for the following districts only:—

|                |       |             |         |           |
|----------------|-------|-------------|---------|-----------|
| Delhi.....     | Wheat | 26 seers or | 52 lbs. | per Re. 1 |
| Umballa .....  | "     |             | 48      | " "       |
| Sealkote ..... | "     |             | 38      | " "       |
| Lahore .....   | "     |             | 34      | " "       |
| Multan .....   | "     |             | 34      | " "       |
| Peshawur.....  | "     |             | 30      | " "       |

Now, the first three are those where railways are finished, the last three are those where new lines are being constructed.

In the *North-West Provinces*.—For the month of June, 1868 (I have taken this month in which there was no scarcity; the months after, prices gradually rose to famine prices)—

|                  |          |                |         |               |
|------------------|----------|----------------|---------|---------------|
| Meerut .....     | 27 seers | 8 chittacks or | 55 lbs. | per Re. 1     |
| Saharunpore..... | 25       | " 14           | "       | 50 " nearly " |
| Bareilly .....   | 25       | "              |         | 50 " "        |
| Moradabad.....   | 24       | "              | 48      | " " "         |
| Muttra .....     |          |                |         |               |
| Agra .....       | 22       | "              | 44      | " " "         |
| Cawnpore .....   |          |                |         |               |
| Benares .....    | 18       | " 4            | "       | 36½ " " "     |
| Allahabad .....  | 17       | "              |         | 34 " " "      |
| Mirzapore .....  | 17       | "              |         | 34 " " "      |
| Ajmere .....     | 16       | "              |         | 32 " " "      |

The East Indian Railway being finished, the irrigation-works now going on are beginning to tell; the Agra Canal raising prices at Agra and Muttra.

Cawnpore and the places mentioned after it have had railway works in progress about them. In these Provinces, besides railways, there is public works expenditure from Imperial funds close upon a crore of rupees during 1868-69, greater part of which is spent in places where prices are high.

In the *Bombay Presidency*.—What with cotton money lately poured in, and perhaps not quite re-drained yet, and large railway works going on for some time past, prices are comparatively higher than in all the other parts of India, but most so only where railway works and cotton combined, such as all such places on the Bombay, Baroda, and Central India line as Surat, Broach, Kaira, Ahmedabad, &c., or on the G.I.P. line, either northward or southward. Belgaum and Dharwar, not being on a line, have not high prices.

All the very high prices in the Bombay Presidency in the year 1863 (the year of the inquiry of the Price Commission) are things of the past. For instance, in the report of the Commission, the prices given for the town of Belgaum for November, 1863, are (page 32):—

*Seers (of 80 tolas or 2 lbs.) per Rupee.*

|                   | 14th Nov.<br>Seers. | 21st Nov.<br>Seers. |
|-------------------|---------------------|---------------------|
| Coarse Rice ..... | 8                   | 6                   |
| Bajri.....        | 10                  | 7                   |
| Jowari .....      | 9½                  | 7                   |

Contrast these with the prices in 1867-68 :—

|                    | Nov. 1867.<br>Seers. | Nov. 1868.<br>Seers. |
|--------------------|----------------------|----------------------|
| 2nd Sort Rice..... | 14'40                | 13'9                 |
| Bajri.....         | 24                   | 26                   |
| Jowari .....       | 28                   | 35                   |

In *Bengal*.—All places which are cheapest in 1868 are distant from the rail lines,—Tipperah, Purneah, Cuttack, Puri, Dacca, Maunbhum. Even in some places where the railway line has passed, the prices are not so high—as they are, I think, rice-producing districts—such as Rajmahal and Bankurah. As in other parts of India, it will be found that in Bengal also prices rose for a time where railway and other public works were building. These facts show that railway capital, and money for other public works, raised prices temporarily in certain localities.

I must not be misunderstood, however. I do not mean to complain of any such temporary effect produced during the prosecution of such public works as railways, roads, canals, or irrigation-works, or any work of reproduction or saving. My object is only to show that the statement often made, that India is prosperous and happy because prices have risen, is a conclusion not warranted by actual facts; and that any partial, local, or temporary rise in prices is attributable to the temporary and local expenditure of railway and other loans, or of imperial and local funds on public works.

#### NORMAL DECREASE IN PRICES UNDER BRITISH RULE.

So far I have shown that any rise that has taken place has been only local and temporary, as long as railways or public works were building there. I shall now show more directly how, in every province as it came under British rule, prices went down, as the natural consequence of the drain setting in under the new system, and that there has not been a general rise of prices.

Take *Madras*.—Return 362 of 1853 gives “the average price per cwt. of Munghi, 2nd sort, in the month of January, 1813” as 7s. 6½d. to 9s. 8d., and Bengal table-rice 14s. 0½d. After this, Madras kept sinking, till, in 1852, there is 3s. to 3s. 6¾d. per cwt., and the Board of Revenue felt it necessary to inquire into “the general decline of prices, and to find out any general measures of relief” to meet falling prices.—(Madras Selections No. XXXI. of 1856, page 1.) This selection gives prices from almost all districts of Madras, and the general result is that there is a continuous fall in prices (excepting scarcity years) from the commencement of the century to 1852, the year of the reports. Then further on, what are the prices now in the first half of March, 1873?

*Rice 1st sort*

|                                  |                             |  |
|----------------------------------|-----------------------------|--|
| Present fortnight ...            | Seers 12'4 or lbs. 27'28    | { So that best sort is<br>about 8s. 2½d. per<br>cwt.; common sort<br>6s. 6½d. to 7s. 4d. per<br>cwt. ( <i>Indian Gazette</i> ,<br>5th April, 1873). 1<br>seer=2'2 lbs. |
| Past                   "       " | 12'4                        |  |
|                                  | <i>Rice Common.</i>         |  |
| Present fortnight ...            | Seers 15'6 or lbs. 34'32    |  |
| Past                   "       " | 13'9                   30'8 |  |

This is the only number of the *Indian Gazette* I have come across. Again, the average price of Madras rice for the year 1868 in the United Kingdom, after paying for freight, insurance, commission, profits, and all other charges from Madras to arrival in that country, was 9s. 8d. per cwt. (trade returns, 1868), while the price for January, 1813, given above is 8s. 2½d. in Madras itself. Or, let us take the export price in the ports of the Madras Presidency. The export price of cargo rice in the ports of the Madras Presidency, according to the price currents of the Madras Chamber of Commerce, in the year 1867, is put down uniformly in the price tables at Rs. 6 per bag of 164 lbs., or two Indian maunds; but in the remarks in which precise quotations are given, the price ranges from Rs. 3-15 to Rs. 6-2. Rs. 6, though a higher price than the average for a bag of 164 lbs., is equal to 8s. 2d. per cwt.; and even this price, though not higher than that of 1813, was owing to bad season and short crop; and certainly prices consequent upon bad seasons are not an indication of prosperity. In the year 1868, the season being average good, the price quoted for cargo rice is R. 3-15 per bag. Now and then, in the remarks, higher prices are quoted, but Rs. 4 will be quite an approximate average. Rs. 4 per bag is nearly 5s. 6d. per cwt. During 1869, the same Rs. 3-15 is the general quotation; but the season of 1869 not being good, prices went up in 1870 to Rs. 5-8, with an average of about Rs. 5, or about 6s. 10d. per cwt. Thus, then, there is no material rise in price in the Madras Presidency compared with the commencement of this century. The subsequent fall made the poor people wretched. Government inquired and reduced the assessment, which, with the expenditure on railways, &c., gave some little relief. But the depression is not yet got over. On the contrary, the Material and Moral Progress (Report for 1869, Parliamentary Return [c. 213 of 1870], page 71) tells us that "prices in Madras have been falling continuously," and my impression is that they so still continue.

*Bengal.*—The Parliamentary Return 362 of 1853 gives the prices at Calcutta from 1792 only (and that is stated to be a year of famine), when there was already about that period much depression by the action of the Company's rule. I cannot get in this return earlier prices of the time of the native rule to make a fair comparison. For 1813 the prices

given in the then depressed condition are from 2s. 8 $\frac{3}{4}$ d. to 3s. 7d. A comparison with this depression of the present prices is, of course, not fair. In 1832, Patna rice is quoted at 7s. 5 $\frac{3}{4}$ d. per cwt., and Patchery at 7s. 1 $\frac{3}{4}$ d. Now, the best sort of rice of Patna in the first half of March, 1873, is quoted 21.50 seers, or 43 lbs. per rupee, or about 5s. 1 $\frac{1}{2}$ d. per cwt. In 1852 the above return quotes Patna at 5s. 4 $\frac{1}{2}$ d. per cwt. Colonel Baird Smith, in his famine report (Parliamentary Return 29 of 1862, page 55) quotes as follows the ordinary prices of grain, &c., "from an official statement prepared from authentic documents by the Fiscal of Chinsura," at that station between the years 1770 and 1813 (as given in "Gleanings in Science," vol. 1, page 369, 1829)—rice best sort 28 seers per rupee, coarse sort 40 seers per rupee. The same statement gives prices for the year 1803 also for ordinary rice at 40 seers per rupee (page 56). And in the *Bengal Government Gazette* for the year 1867-68, it will be found that, in some places in Bengal, the ordinary price of cheapest sort of rice is even then between 40 and 50 seers per rupee (this seer being two lbs.) So we have the same story as Madras. Bengal first sank, and helped by a permanent settlement, by the railway loan, cotton, &c., again got over the depression to a certain extent.

*Bombay.*—The same return, 362 of 1853, gives the average price of rice between the highest and lowest prices of the year 1812-13, as 15s. 4 $\frac{1}{2}$ d. per cwt. This price goes on declining to about 3s. 5d. to 7s. 6 $\frac{3}{4}$ d. in 1852, and what is it now in the first half of March of 1873 (*Indian Gazette*, 5th April, 1873, page 448), after all favourable circumstances of railways and other public works, some of them still going on, cotton-wealth, &c.?

*Rice best sort—*

seers.

|                         |       |                      |               |
|-------------------------|-------|----------------------|---------------|
| Present fortnight ..... | 7.4 = | 16.28 lbs. less than | 14s. per cwt. |
| Previous " .....        | 6.8 = | 15 " "               | 15s. "        |
| Rice, Common .....      | 10 =  | 22 " "               | 10s. "        |

The average between the highest and lowest prices will be about 12s. 6d. per cwt., when in 1812-13 this is 15s. 4 $\frac{1}{2}$ d.

In the report of the Indapore re-settlement (*Bombay Selections*, cvii., new series, pages 118 and 71), the price of jowari is given from 1809 to 1865-66:—

| Years.         | Pucca seers<br>per Rupee. | Years.         | Pucca seers<br>per Rupee. | Years.        | Pucca seers<br>per Rupee. |
|----------------|---------------------------|----------------|---------------------------|---------------|---------------------------|
| Feb. 1809 ...  | 24                        | Feb. 1819 ...  | 17                        | Feb. 1829 ... | 80                        |
| " 1810 ...     | 24                        | " 1820 ...     | 19 $\frac{1}{2}$          | " 1830 ...    | 46                        |
| " 1811 ...     | 22                        | March 1821 ... | 32                        | May 1831 ...  | 40                        |
| " 1812 ...     | 25 $\frac{1}{2}$          | " 1822 ...     | 32                        | Feb. 1832 ... | 60                        |
| " 1813 ...     | 27                        | " 1823 ...     | 32                        | " 1833 ...    | 23                        |
| March 1814 ... | 28                        | April 1824 ... | 36 $\frac{3}{4}$          | " 1834 ...    | 46                        |
| Feb. 1815 ...  | 33 $\frac{1}{2}$          | " 1825 ...     | 12 $\frac{1}{2}$          | " 1835 ...    | 48                        |
| " 1816 ...     | 26                        | Feb. 1826 ...  | 44                        | " 1836 ...    | 38                        |
| April 1817 ... | 48 $\frac{1}{2}$          | " 1827 ...     | 64                        | " 1837 ...    | 66                        |
| Feb. 1818 ...  | 24                        | " 1828 ...     | 32                        |               |                           |

After giving these prices, Lieutenant A. Nash remarks:—"This table is chiefly interesting as showing the gradual diminution in the price of corn from the days of the Peishwas to our own. By comparing the prices at the commencement with those at the end of the table, and then reading the list over, this circumstance will become very apparent."

About the year 1836-37, when prices had gone down very low, the Survey Settlement commenced, and the prices subsequently are given for Indapore as follows:—

| Years.  | Seers per Rupee. | Years.  | Seers per Rupee. | Years.  | Seers per Rupee. |
|---------|------------------|---------|------------------|---------|------------------|
| 1836-37 | ..... 43         | 1846-47 | ..... 15         | 1856-57 | ..... 32         |
| 1837-38 | ..... 36         | 1847-48 | ..... 48         | 1857-58 | ..... 39         |
| 1838-39 | ..... 67         | 1848-49 | ..... 72         | 1858-59 | ..... 32         |
| 1839-40 | ..... 44         | 1849-50 | ..... 72         | 1859-60 | ..... 39         |
| 1840-41 | ..... 64         | 1850-51 | ..... 38         | 1860-61 | ..... 33         |
| 1841-42 | ..... 56         | 1851-52 | ..... 40         | 1861-62 | ..... 27         |
| 1842-43 | ..... 68         | 1852-53 | ..... 56         | 1862-63 | ..... 16         |
| 1843-44 | ..... 72         | 1853-54 | ..... 56         | 1863-64 | ..... 13         |
| 1844-45 | ..... 60         | 1854-55 | ..... 29         | 1864-65 | ..... "          |
| 1845-46 | ..... 36         | 1855-56 | ..... 32         | 1865-66 | ..... 18         |

Now, from the year of the Mutiny, followed by the cotton famine, the times were exceptional, so that the prices in 1856, or about that period, can only be considered normal, and that is about 32 seers, while in 1809-13 about 25 seers. Now, in 1867-68 the average from November, 1867, to September, 1868, for Ahmednuggar (*Bombay Government Gazette* price list) is about 24½ seers.

Thus, then, it is the old story. From the time of the Peishwa, prices kept going down under the British rule till, with the aid of railway loans, cotton windfall, &c., they have laboured up again, with a tendency to relapse.

I take the following figures from the Price Commission Report of Bombay (Finance Committee's Report of 1871, page 617). I take jowari as the chief grain of the presidency:—

*Tolas per Rupee.*

| Years.   | Poona. | Belgaum. | Ahmedabad. | Years.   | Poona. | Belgaum. | Ahmedabad. |
|----------|--------|----------|------------|----------|--------|----------|------------|
| 1824 ... | 1,892  | 2,480    | 2,560      | 1827 ... | 3,268  | 2,800    | 3,600      |
| 1825 ... | 1,548  | 2,600    | 1,840      | 1828 ... | 2,752  | 2,640    | 4,000      |
| 1826 ... | 3,040  | 2,200    | 3,240      | 1829 ... | 3,440  | 4,200    | 4,800      |

Instead of quoting here the whole table, which is already published in the first report of the Finance Committee, page 617, I take six years, from 1850 to 1855:—

*Tolas per Rupee.*

| Years.   | Poona. | Belgaum. | Ahmedabad. | Years.   | Poona. | Belgaum. | Ahmedabad. |
|----------|--------|----------|------------|----------|--------|----------|------------|
| 1850 ... | 3,056  | 4,240    | 3,520      | 1853 ... | 4,128  | 3,200    | 2,800      |
| 1851 ... | 3,440  | 4,560    | 4,320      | 1854 ... | 2,504  | 3,040    | 3,400      |
| 1852 ... | 3,440  | 3,280    | 2,800      | 1855 ... | 2,432  | 2,540    | 4,520      |

Even taking the rough average without consideration of quantities in each year, the latter six years are lower than the former. It is only about and after 1857 that prices rose under exceptional and temporary circumstances—the Mutiny and the American War, aided by the expenditure on railways, &c. After the American War, prices have commenced falling. Contrast the prices in 1863 with those of 1867-68 for the same places—Poona, Belgaum, and Ahmedabad (I take the rough averages from the monthly prices given in the *Bombay Government Gazette* for 1867-68):—

*Tolas per Rupee.*

| Year.    | Poona. | Belgaum. | Ahmedabad. | Years.  | Poona. | Belgaum. | Ahmedabad. |
|----------|--------|----------|------------|---------|--------|----------|------------|
| 1863 ... | 1,120  | 720      | 880        | 1867-68 | 1,786  | 2,633    | 1,180      |

For 1868 and 1869. This year, except in the southern part of the Southern Division, was a bad season, and the Bombay Administration Report says that the distress in two districts, Poona and Ahmednuggar, became “so great that it became necessary to afford relief to the labouring poor by undertaking works of public utility.” In the Northern Division, in Ahmedabad, Kaira, and the Punch Mahals, “the scanty rains of June and July were followed by severe floods in August, which were succeeded by drought. In Khandeish there was an entire failure of the later rains in some talookas.” In some talookas, with no rain, “there were no crops to watch, and no harvest to reap.” In Khandeish, also, relief works had become necessary, as the effects of scarcity were heightened by immigration from Rajpootana. Such was the generally unfavourable character of the season, and yet the rough average of retail prices from the *Bombay Government Gazette* is as follows for the same three places:—

*Tolas of Fowari per Rupee.*

| Nov. to Oct.  | Poona. | Belgaum. | Ahmedabad. |
|---------------|--------|----------|------------|
| 1868-69 ..... | 1,227  | 2,100    | 930        |

(lower than those of 1863).

I may just say a word here about the Price Commission Report of Bombay of 1864 to which I have referred above, and from which Sir Bartle Frere has made up his statement, embodied in the first report of the Finance Committee, that all the tables given in it, as averages either of a number of years or of a number of places, are worthless for any correct and practical conclusions with regard to the actual change in prices or the actual condition of the people. Because, in these averages, as is generally done, no regard, I think, is had for the different quantities of produce in different years or different places. This remark applies, as I have already said before, to all averages taken on the wrong principle of adding up prices and dividing by the number of the prices.

Take Cotton.—I cannot get a list of prices in India, but the prices in Liverpool may be taken as a sufficient index of the changes in India. Dr. J. Forbes Royle, in his "Culture and Commerce of Cotton in India" (1851), gives before the title-page a diagram of the prices and quantity of American and Indian cotton imported into the United Kingdom from the year 1806 to 1848. The price of Indian cotton in Liverpool in 1806 is 16½d., in 1807 15½d. In 1808 it went up to 20d., and then declined, till in 1811 it touched 12d. It rose again, till in 1814 it went up to 21d. It had subsequently various fluctuations, till in 1832 it just touched 4½d., but again continued to be above till 1840 with an average above 6d. It subsequently continued at a low average of about 4d., and would have remained so to this day, or perhaps gone out of the English market altogether, as was very nearly the case in 1860, but for the American War which sent it up. Now, looking at the figures given above, it will be seen that, now, that the temporary impulse of the American War is over, cotton is fast sinking again, and we can no longer expect to see again that high curve of the first quarter of the present century ranging from 7d. to 21d. The Suez Canal opening direct communication with European Ports, has only saved the Indian cotton trade from perishing altogether. The Administration Report of 1871-72 gives a distressing picture of the season over nearly the whole of the presidency, and of the inability of the people to stand it; and are the prices of such years to be glad about, and to be taken in averages of rise?

*The Central Provinces.*—In the Central Provinces the average price of rice, as I have pointed out before, for the year 1867-68—a year of average good season—is Rs. 1-8 per maund of 80 lbs., not a high price certainly; and if these be an "enormous" rise in former prices, what wretched prices must they have been before? I have not materials for comparison with prices before the British rule.

Of the *North-West Provinces* I have not come across sufficient materials to make a fair comparison, but, from what data I have, I feel that the conclusion about these Provinces will be similar to those of other parts of India.

As an imperfect indication, I may refer to the table given in Colonel Baird Smith's report of prices in 1860, and those of 1868-69 given in the administration report. Both years have nearly the same common features,—in 1860, in July and August, scarcity prices; in 1868-69, latter part of the year, of scarcity. On a comparison, the prices of 1868-69 are, if anything, something lower on the whole, except at Allahabad and Cawnpore, where railway works are in progress. I give this comparison on opposite page.

*Prices of fine Wheat at the undermentioned places.*

SEERS PER RUPEE.

|               |       | Saharunpore. | Meerut. | Allyghur. | Cawnpore. | Allahabad. | Muttra. | Agra. |
|---------------|-------|--------------|---------|-----------|-----------|------------|---------|-------|
| At the end of |       |              |         |           |           |            |         |       |
| May           | 1860. | 26-13        | 22-8    | 19        | 25        | 24-1       | 21-12   | 17-8  |
|               | 1868. | 25-14        | 27      |           | 23        | 18         |         | 23    |
| June          | 1860. | 25-12        | 20      | 18        | 23        | 22-8       | 19      | 18    |
|               | 1868. | 25-14        | 27-8    |           | 22        | 17         | 24      | 24    |
| July          | 1860. | (missing)    |         |           |           |            |         |       |
|               | 1868. | 23-11        | 26-8    |           | 21        | 17-8       | 24      | 23    |
| August        | 1860. | 11-12        | 11-8    | 12-4      | 18        | 21-4       | 9-12    | 10    |
|               | 1868. | 18-4         | 22      |           | 17        | 15         | 18      | 19-8  |
| September     | 1860. | 13-2         | 11-8    | 10-8      | 17        | 20         | 9       | 9-12  |
|               | 1868. | 11-13        | 11-4    |           | 16        | 15         | 16-2    | 14    |
| October       | 1860. | 9-9          | 9-8     | 11-4      | 17        | 18-12      | 10-12   | 11    |
|               | 1868. | 12-15        | 17-12   |           |           |            |         |       |

This really does not show any enormous rise during the nine years which of all others are supposed to have raised prices most.

Take the *Punjab*.—The prices of wheat in Lahore are (Report of Punjab, 1850-51, page 74) as follows:—

| Years.     | lbs. per Rupee. | Years.     | lbs. per Rupee. |
|------------|-----------------|------------|-----------------|
| 1844 ..... | 45              | 1848 ..... | 54              |
| 1845 ..... | 46              | 1849 ..... | 38              |
| 1846 ..... | 39½             | 1850 ..... | 43½             |
| 1847 ..... | 46              |            |                 |

Mr. John (now Lord) Lawrence repeats, in his report of 1855-56 (page 28), that, for ten years up to 1850-51, wheat was Rs. 2 per maund of 82 lbs., *i.e.*, during the native rule, ten years previous to annexation, the price was 41 lbs. per rupee. Now, the Administration Report for 1855-56 (Government of India Selection No. XVIII, of 1856) gives the following table:—

AVERAGE PRICES.

| For 10 Years up to 1850-51. |  | Wheat Rs. 2 per maund of 82 lbs. |            |
|-----------------------------|--|----------------------------------|------------|
| 1851-52 .....               |  | Rs. 1                            | per maund. |
| 1852-53 .....               |  | 1 1/8                            | "          |
| 1853-54 .....               |  | 1 1/8                            | "          |
| 1854-55 .....               |  | 1                                | "          |
| 1855-56 .....               |  | 1 1/8                            | "          |

This table shows how prices fell after the annexation. Assessments were revised and lowered, railway and other public works created demand for labour, and another additional very important element operated, which, in the words of Sir R. Temple, is this:—"But within the last year, the native army being Punjabi, all such sums have been paid

to them and have been spent at home. Again, many thousands of Punjabi soldiers are serving abroad. These men not only remit their savings, but also have sent quantities of prize, property, and plunder, the spoils of Hindustan, to their native villages. The effect of all these is already perceptible in an increase of agricultural capital, a freer circulation of money, and a fresh impetus to cultivation."

Now, the prices after all such favourable circumstances, even as late as 1867-68, are about the same as they were in 1844-47—about 34 to 46 lbs. per rupee. In 1868-69 the prices are higher on account of bad season.

I trust I have made it clear that the so-called rise in prices is only a pulling up from the depth they had sunk into under the natural economic effect of British rule, by the temporary help of the railway and other loans, and by the windfall of the high cotton prices for a short period—so that India got back a little of its lost blood, though the greater portion of it is borrowed.

#### HIGHER PRICES DUE TO SCARCITY.

But, among the causes of the occasional rise in prices, and whose effects are indiscriminately mixed up in the averages, there is one which no person who gives the slightest consideration to it will regard as a matter for congratulation. Besides the public works expenditure causing high prices locally, the additional cause to which I allude is scarcity and bad season. Such rise will not certainly be regarded by anybody as a sign of prosperity, but calculation of averages often include these scarcity prices, and their results and conclusions are mischievous, in leading to wrong practical action. For instance, take the Central Provinces. The average price of rice for all the districts is Rs. 1-8 per maund for 1867-68, while in 1868-69 it is Rs. 4-4-9 per maund, and this is entirely owing to a bad season. But there are writers who do not, or would not, see the bad season. They see only the high prices, and clamour prosperity and for increased assessments.

In the North-West Provinces the price of wheat is given, say, in Saharunpore, above 50 lbs. per rupee in June, 1868, and in December, 1868, it rises to as much as 20 lbs. per rupee. I give a few more figures from the Report of 1868-69—

|           |     |     |     | April, 1868. |            | Sept., 1868. |           |
|-----------|-----|-----|-----|--------------|------------|--------------|-----------|
|           |     |     |     | seers.       | chittacks. | seers.       | chittacks |
| Meerut    | ... | ... | ... | 26           | 0          | 11           | 4         |
| Moradabad | ... | ... | ... | 26           | 10         | 13           | 7         |
| Bareilly  | ... | ... | ... | 25           | 10         | 15           | 5         |
| Muttra    | ... | ... | ... | 24           | 0          | 16           | 2         |
| Agra      | ... | ... | ... | 23           | 0          | 14           | 0         |

So, are these places more prosperous in September than in

April, when they are, in fact, suffering from near famine prices?

Again, for 1871-72 (Administration Report for 1871-72, pages 1 and 2), both the *kharif* (autumn crop) and *rabi* (spring crop) had been short, and the consequence was rise in prices. Is such rise a healthy sign of prosperity?

In Madras the price of cargo rice is, all throughout, in 1868-69, about Rs. 3-15 per bag, and by the end of July, 1870, it goes up to Rs. 5-10, owing to bad season.

#### HIGHER PRICES DUE TO FAMINE.

The comparative high prices of 1865 to 1867 were owing to bad season; 1867-68, a good season, brought them down. Bad season again, and a rise and continuous fall since 1870. Return No. 335 of 1867 on the Orissa famine gives a list of prices rising many times, in the time of various famines; and are these prices of prosperity? Leaving extreme cases of past famine alone, let us take present times.

*Punjab*.—The Administration Report for 1868-69 says (page 101)—“Appendix III. EI shows that food was cheaper in June, 1868, than during the preceding year, but in January, 1869, prices had risen to famine rates, in consequence of the drought that prevailed during the intervening months. In January, 1869, wheat was selling at Delhi at  $11\frac{1}{4}$  seers ( $22\frac{1}{2}$  lbs.) per rupee, and in the other districts specified in the return as follows:—

|                |                       |                |                        |
|----------------|-----------------------|----------------|------------------------|
| Umballa .....  | $9\frac{1}{4}$ seers. | Multan .....   | $11\frac{1}{4}$ seers. |
| Lahore .....   | $9\frac{3}{4}$ „      | Peshawur ..... | $14\frac{1}{8}$ „      |
| Sealkote ..... | $10\frac{3}{4}$ „     |                |                        |

Now, the prices in the above places in January and June, 1868, were—

|              | January.          | June.     |          | January.          | June.             |
|--------------|-------------------|-----------|----------|-------------------|-------------------|
| Delhi .....  | 25 seers.         | 26 seers. | Sealkote | 16 seers.         | 19 seers.         |
| Umballa ...  | $20\frac{1}{2}$ „ | 24 „      | Multan   | $13\frac{1}{4}$ „ | 17 „              |
| Lahore ..... | 17 „              | 18 „      | Peshawur | 15 „              | $20\frac{1}{2}$ „ |

So the prices are more than doubled in January, 1869. And this unfortunate state continues, after a little relief.

Here is the summary of the table in the Report for 1869-70 (page 95):—

|             | 1st June, 1868.   | 1st Jan., 1869.        | 1st June, 1869.   | 1st Jan., 1870.   | Prices in<br>seers of 2 lbs.<br>per rupee. |
|-------------|-------------------|------------------------|-------------------|-------------------|--|
| Delhi ..... | 26 seers.         | $11\frac{1}{4}$ seers. | 15 seers.         | 9 seers.          |  |
| Umballa ..  | 24 „              | $9\frac{1}{4}$ „       | $13\frac{1}{4}$ „ | 9 „               |  |
| Lahore ...  | 18 „              | $9\frac{3}{4}$ „       | $13\frac{1}{2}$ „ | $9\frac{1}{2}$ „  |  |
| Sealkote .. | 19 „              | $10\frac{3}{4}$ „      | $13\frac{1}{4}$ „ | $10\frac{1}{2}$ „ |  |
| Multan ...  | 17 „              | $11\frac{1}{4}$ „      | $12\frac{1}{2}$ „ | $9\frac{3}{4}$ „  |  |
| Peshawur    | $20\frac{1}{2}$ „ | $14\frac{1}{8}$ „      | $17\frac{7}{8}$ „ | $17\frac{7}{8}$ „ |  |

To sum up,—the course of prices during the last two years has been, if anything, downward, except in places of drought or famine, or new public works; and all my remarks based



rate is as above, and it is the rates paid by the Public Works Department. So the general average rate of a cooly on the zemindari estates, I think, cannot be much above two annas a day—just what it was 40 years ago. I have obtained the above figures from the Public Works Department through a friend in Calcutta.

#### IN BOMBAY.

*Bombay.*—Sir Bartle Frere has given a table from the Price Commission Report of 1864 of Bombay, of the monthly wages of a cooly or common labourer (Finance Committee, first report, page 616). On examining this table (which I do not repeat here), it will be seen that there is hardly a rise in wages worth mentioning between the average of 1824-29 and 1850-59, the intervening period having some depression. It is after 1859, as in the case of prices and from same causes (Mutiny, railways, and cotton), wages rose suddenly. But that they are falling again will be evident from what is passing in Bombay itself, as the centre of the greatest activity, and as where large public works are still going on, one would hardly expect a fall. I obtained the following figures from one of the Executive Engineers' office for wages paid by the Public Works Department. The following rates were current during the last six years in Bombay (the letter is dated 11th June, 1872):—

| Years        | Wages<br>of Biggari<br>per diem |    | Wages<br>of Women |    | Wages<br>of Boys |    |
|--------------|---------------------------------|----|-------------------|----|------------------|----|
|              | a.                              | p. | a.                | p. | a.               | p. |
| 1867-68..... | 6                               | 0  | 4                 | 0  | 3                | 0  |
| 1868-69..... | 6                               | 0  | 4                 | 0  | 3                | 0  |
| 1869-70..... | 5                               | 0  | 3                 | 6  | 2                | 4  |
| 1870-71..... | 5                               | 0  | 3                 | 0  | 2                | 4  |
| 1871-72..... | 5                               | 0  | 3                 | 0  | 2                | 4  |

This is a fall from 1863, when in Bombay the maximum was Rs. 13-8 per month, and minimum Rs. 7-12 per month, or 7 annas and  $2\frac{1}{2}$  pies per diem, and 4 annas and  $1\frac{2}{3}$  pies per diem respectively. Now, had large public buildings not been building in Bombay, these wages would have gone much lower than given in the tables above. I am not aware how the wages are during 1872 and 1873, but my impression is that they are lower, and will be again down, after the present buildings are finished, to the old levels shown in the table to which I have already referred (page 616 of Finance Committee's first report).

#### IN PUNJAB.

In Punjab the highest rate in 1867-68 is 5 annas and 4 annas per day, chiefly in those parts where public works are going on, such as Sealkote, Multan, Lahore, &c. But even in these the lowest and in most of the other districts the rate

generally is 2 annas. The average given of wages of unskilled labour in the Report for 1868-69 is—

Highest, 3 annas 3 pies, or  $4\frac{3}{4}$ d.

Lowest 2 annas 5 pies, or  $3\frac{1}{2}$ d.

This average is taken without any reference to the number of persons earning the different wages. Were this element considered, the average would come down to the old famous 3d. a day. There is the further element to consider how many days of the year are the different wages earned! However, even with regard to any high rate, that is, in some districts, the Punjab Government says what is applicable to other parts of India under similar circumstances. The Administration Report for 1867-68 (page 83) says—"The rates of unskilled labour range from 2 annas (3d.) to 5 annas ( $7\frac{1}{2}$ d.) per diem. There has been a considerable rise in rates in places affected by the railway and other public works, and labour in any shape commands higher remuneration than formerly; but as prices of the necessities of life have risen in even a higher ratio, owing chiefly to the increase of facility of export, it may be doubted whether the position of the unskilled labouring classes has materially improved." Leaving the cause to be what it may, this is apparent, that higher wages in some places have not done much good to the poor labourer. The general rate of wages is, however, about two annas.

#### IN THE CENTRAL PROVINCES.

In the Central Provinces (excepting those parts where railway works have been going on), in Raipore, Belaspore, Sumbulpore, Balaghat, Bhundara and Chindwara, the rate of wages for unskilled labour is generally two annas only, both for the years 1867-68 and 1868-69. On the other hand, where railway works are going on and the price of food is high, wages are also high—as in Hoshungabad three annas; Baitool four annas; Nursingpore, three annas; Jubbulpore, five annas; Nagpore, three annas, &c. Thus, only locally and temporarily are there high wages in some parts. The general rate of wages is not improved. Even with all such high wages for a few, the average all over the Provinces in 1868-69, as well as in 1870-71, is put down as 3 annas, or  $4\frac{1}{2}$ d.; but if the number of those earning the different wages, and the number of days when such wages are earned, were considered, as well as the temporary effect of the buildings of public works, we shall again come to our old friend 3d. per day, or perhaps less. Except, therefore, all over India where railway or public works have congested labour temporarily, without good facility of communication of bringing food, the general rate of wages is scarcely above 2 annas a day. The notion of a general rise of wages, and of the vastly improved condition of the labourer is a delusion. Here is the latest summary of wages in the highest authority (Material and Moral Progress of India

for 1871-72, pages 100, 101). In Punjab, wages are 6d. to 2d. a day for unskilled labour. In Oudh 1½d. for unskilled labour a day. In Central Provinces, unskilled labour is 3d. to 1½d. per day. In the Bombay Presidency unskilled labour is 6d. to 3d. a day. The rates of other provinces are not given. It must be remembered that the lower figure is the rate earned by the majority; and are these present rates of 1½d. to 3d. an enormous rise on the former ones?

### BULLION.

It is often alleged that India has imported large quantities of bullion, and is very much enriched thereby. Let us see what the facts are!

First of all, India has not got its imports of silver as so much profits on its exports, or making up so much deficit of imports against exports and profits. As far as exports go, I have already shown that the imports (including all bullion) are short of exports *plus* profits, to the extent of not only the whole profits, but the whole opium revenue, and a good deal from the produce itself besides. The import of bullion has been chiefly from commercial and financial necessities, as will be seen further on, except during the few years of the American War, when some portion was sent in because the people could not suddenly create a large demand for English goods in payment of profits. The total balance of the imports and exports of bullion from the year 1801 to 1863, according to Parliamentary Return 133 of 1864, is £234,353,686; and from 1864 to 1869, according to Return c. 184 of 1870, is £101,123,448 (which includes, mark! the years of the great cotton windfall, and large remittances for railway loans), making altogether £335,477,134 from 1801 to 1869. The British rulers introduced universally the system of collecting all revenue in money instead of in kind. This circumstance produced a demand for coin. The foreign trade of the country having increased (though without any benefit to India), increased the demand for coin. The coinage of India from 1801 to 1869, according to the same returns, amount to £265,652,749, exclusive of coinage in Madras for the years 1801 to 1807, and for Bombay for the years 1821-22, 1824 to 1831, and 1833 (particulars of which are not given), leaving a balance of about £70,000,000 of bullion for all other wants of the country. It may be said that some of the coinage must have been re-melted. This cannot be to a large extent, as specie is 2 per cent. cheaper than coin, as the mint charge is 2 per cent. for coining. Mr. Harrison, in reply to question 3993 of the Finance Committee, confirms this—that the coinage “is burdened with a charge of 2 per cent., which is a clear loss to all persons wishing to use it for any other purpose than that of coin.”

Then there is the wear and tear to consider. The wear and tear of shillings and sixpences given by the return (24 of 1817) is 28 per cent. on shillings, and 47 per cent. on sixpences. The period of the wear is not given in the return. In India, this wear, from the necessity of moving large quantity of coin for Government purposes, and a much rougher and more widespread use of the coin by the people generally, the percentage per annum must be a large one indeed.

Mr. Harrison again says on the subject—" *Question 3992.*—But do you, then, think that a million fresh coinage a year is sufficient to supply the wants of India? *Mr. Harrison.*—More than sufficient, I suppose, to supply the waste of coin or metal." This, I cannot help thinking, is under the mark, but it shows that nearly a million a year must be imported for simply making up waste of coin or metal.

The coinage of India as per return is, from 1801 to 1869, about £266,000,000 (not including the coinage in Native States). Deducting only £66,000,000 for wastage for the sixty-nine years, there should be in circulation £200,000,000. Taking the wide extent of the country (equal to all Europe, except Russia, it is said), this amount for revenue, commercial, and social purposes is not an extravagant one. Strike off even £50,000,000 for re-melting, though at the loss of 2 per cent. value; I take the coin as only £150,000,000. Deducting this amount and wastage of £66,000,000—or say even £50,000,000 only (to be under the mark)—making a total of £200,000,000, there will remain for all other social and industrial wants, besides coinage, about £135,000,000. This, distributed over a population of above 200,000,000, hardly gives 13s. 6d. per head, that is to say, during altogether sixty-nine years, India imported only 13s. 6d. per head of bullion for all its various purposes, except coin. What an insignificant sum!! Take even the whole import altogether of £335,000,000 during the long period of sixty-nine years, and what is it? Simply about 33s. 6d. per head for all possible purposes, and without making any allowance for wear and tear. Just see what the United Kingdom has retained for its purposes. I cannot get any returns of import of silver and gold before 1858. I take only, then, 1858 to 1869 (both inclusive). The total imports are £322,628,000, and the total exports £268,319,000, leaving a balance of about £54,300,000. Deducting about £10,000,000 for the excess of the quantity in the Bank of England at the end of 1869 over 1857, there remain about £44,000,000 for the social and trade use of the country, allowing equal amounts for coin in 1858 and 1869. This, therefore, is about 30s. a head retained by the United Kingdom within a period of twelve years, independent of its circulating coin, while India retained only

33s. 6d. a head during a period of sixty-nine years for *all* its purposes. Much is said about the hoarding by the natives, but how little is the share for each to hoard, and what amounts are in a shape hoardings, in all plate, jewellery, watches, &c., the people use in England! I do not suppose that any Englishman would say that the natives of India ought to have no taste and no ornaments or articles of use, and must only live like animals; but, after all, how little there is for each, if every one had its share to hoard or to use. The fact is, that, far from hoarding, millions who are living on "scanty subsistence" do not know what it is to have a silver piece in their possession. It cannot be otherwise. To talk of oriental wealth now, as far as British India is concerned, is only a figure of speech, a dream! When we talk of all the silver having a purchasing power, we forget how minutely and widely a large portion of it must be distributed in India to be of no use for national purposes. The notion that the import of silver has made India rich, is another strange delusion! There is one important circumstance which is not borne in mind. The silver imported is *not* for making up the balance of exports and profits over imports, or for what is called balance of trade. Far from it; as I have already explained. It is imported as a simple necessity, but it therefore no more makes India richer, because so much *silver* is imported. If I give out £20 worth of goods to anybody, and in return get £5 in other goods and £5 in silver, and yet if by so doing, though I have received only £10 worth in all for the £20 I have parted with, I am richer by £5, because I have received £5 in silver, then my richness will be very unenviable indeed. The phenomenon in fact has a delusive effect. Besides not giving due consideration to the above circumstances, the bewilderment of many people at what are called enormous imports of silver in India is like that of a child which, because it can itself be satisfied with a small piece of bread, wonders at a big man eating up a whole loaf, though that loaf may be but a very "scanty subsistence" for the poor big man.

The little England can have, £1 a head out of £30,000,000, the big India must have £200,000,000 to give this share per head to its population. Yet this 33s. 6d. per head in sixty-nine years appears to the bewildered Englishmen something enormously larger than 30s. a head in twelve years they themselves have got, and that as a portion of the profits of trade—while India has it for sheer necessity, and at the highest price, as silver is its last destination, and paying that price by the actual produce of the country, not from any profits of trade, thereby diminishing to that extent its own means of subsistence.

## EXPORT OF BULLION.

There is one more point to be borne in mind. How much did the East India Company first drain away from India, before it, as a matter of necessity, began to re-import bullion for its wants? What are the statistics of the imports and exports of bullion before 1801?

Where can we find an account of the fortunes which the Company's servants made, by foul means or fair, in spite of their masters' orders, and which they may have taken over to their country in various ways independently of the custom-house, with themselves in their own boxes?

Sir John Shore (afterwards Lord Teynmouth) says in his minute of 1787 (Report of Select Committee of 1812, appendix, page 183) in reference to Bengal—

“137. The exports of specie from the country for the last twenty-five years have been great, and particularly during the last ten of that period. It is well understood, although the remittances to China are by the Government, provided by bills, that specie to a large amount has been exported to answer them . . . Silver bullion is also remitted by individuals to Europe; the amount cannot be calculated, but must, since the Company's accession to the Dewany, have have been very considerable.

“140. Upon the whole, I have no hesitation in concluding that, since the Company's acquisition of the Dewany, the current specie of the country has been *greatly diminished* in quantity; that the old channels of importation by which the drains were formerly replenished are now in a great measure closed; and that the necessity of supplying China, Madras, and Bombay with money, as well as the exportation of it by the Europeans to England, will continue still further to exhaust the country of its silver . . .

“142. It is obvious to any observation that the specie of the country is much diminished; and I consider this as a radical evil.”

In a quotation I have given before, Lord Cornwallis mentions “the great diminution of the current specie,” in pointing out the result of the drain.

Such was the exhaustion of British territory in India of its specie before it began to re-import. The East India Company and their servants carried away *via* China or direct to England, the former the surplus of revenue, the latter their savings and their bribes, in specie. The country was exhausted, and was compelled to re-import specie for its absolute wants, and it is from the time of such re-importations after exhaustion that we have the return of bullion from the year 1801, and which, after all, is only 34s. a head for all possible wants, commercial, social, religious, revenue, indus-

trial, trade, railway and other public works, or any other, in a period of sixty-nine years. And having no specie left to pay for the heavy English drain, it began to pay in its produce and manufactures, diminishing thereby the share of its children year by year, and their capacity for production. Be it remembered also that this import of specie includes all imported for building railways, and which is a debt on the country to be repaid. This debt to the end of 1869 was some £82,000,000.

As far as I could, I have now placed before you a series of facts and figures directly bearing upon the question of the poverty of India. I now place before you a few further notes as to the moral effect which the chief causes of the poverty of India has produced on our British rulers.

### NON-FULFILMENT OF SOLEMN PROMISES.

"We have not fulfilled our duty, or the promises and engagements which we have made," are the words of the highest Indian authority, His Grace the Duke of Argyll. The evil which is the cause of the excessive drain from India, and its consequent poverty, and which consists in the excessive employment of Europeans in every possible way, leads the British Government into the false and immoral position and policy of not fulfilling "their duty, or the promises and engagements made by them." I shall now illustrate this phase of the condition of the natives in some of the various departments of the State. Here is a bold and solemn promise made forty years ago. Parliament enacted in 1833 (Chapter LXXXV., Section LXXXVII.)—"And be it enacted that no native of the said territories, nor any natural-born subject of His Majesty resident therein, shall, by reason only of his religion, place of birth, descent, colour, or any of them, be disabled from holding any place, office, or employment under the said Company."

#### MACAULAY ON EMPLOYMENT OF NATIVE INDIANS.

At the enactment of this clause, Mr. Macaulay, on July 10, 1833, in defending the East India Company's Charter Bill on behalf of Government, said as follows—on this part of the Bill, in words worthy of an English gentleman:—

"There is, however, one part of the Bill on which, after what has recently passed elsewhere, I feel myself irresistibly impelled to say a few words. I allude to that wise, that benevolent, that noble clause which enacts that no native of our Indian Empire shall, by reason of his colour, his descent, or his religion, be incapable of holding office. At the risk of being called by that nickname which is regarded as the most opprobrious of all nicknames by men of selfish hearts and contracted minds—at the risk of being called a philosopher—I

must say that, to the last day of my life, I shall be proud of having been one of those who assisted in the framing of the Bill which contains that clause. We are told that the time can never come when the natives of India can be admitted to high civil, and military office. We are told that this is the condition on which we hold our power. We are told that we are bound to confer on our subjects—every benefit which they are capable of enjoying?—No. Which it is in our power to confer on them?—No. But which we can confer on them without hazard to our own dominion. Against that proposition I solemnly protest, as inconsistent alike with sound policy and sound morality.

“I am far, very far, from wishing to proceed hastily in this delicate matter. I feel that, for the good of India itself, the admission of natives to high offices must be effected by slow degrees. But that when the fulness of time is come, when the interest of India requires the change, we ought to refuse to make that change lest we should endanger our own power—this is a doctrine which I cannot think of without indignation. Governments, like men, may buy existence too dear.

“*Propter vitam vivendi perdere causas* is a despicable policy either in individuals or in states. In the present case, such a policy would be not only despicable but absurd. The mere extent of empire is not necessarily an advantage. To many Governments it has been cumbersome, to some it has been fatal. It will be allowed by every statesman of our time that the prosperity of a community is made up of the prosperity of those who compose the community, and that it is the most childish ambition to covet dominion which adds to no man's comfort or security. To the great trading nation, to the great manufacturing nation, no progress which any portion of the human race can make in knowledge, in taste for the conveniences of life, or in the wealth by which those conveniences are produced, can be matter of indifference. It is scarcely possible to calculate the benefits which we might derive from the diffusion of European civilisation among the vast population of the East. It would be on the most selfish view of the case, far better for us that the people of India were well-governed and independent of us, than ill-governed and subject to us—that they were ruled by their own kings, but wearing our broadcloth and working with our cutlery, than that they were performing their *salams* to English collectors and English magistrates, but were too ignorant to value, or too poor to buy, English manufactures. To trade with civilised men is infinitely more profitable than to govern savages. That would, indeed, be a doting wisdom which, in order that India might remain a dependency, would make it an useless and costly dependency—which would keep a hundred millions of men from being our customers in order that they might continue

to be our slaves. It was, as Bernier tells us, the practice of the miserable tyrants whom he found in India, when they dreaded the capacity and spirit of some distinguished subject, and yet could not venture to murder him, to administer to him a daily dose of the *pousta*—a preparation of opium, the effect of which was in a few months to destroy all the bodily and mental powers of the wretch who was drugged with it, and to turn him into an helpless idiot. That detestable artifice, more horrible than assassination itself, was worthy of those who employed it. It is no model for the English nation. We shall never consent to administer the *pousta* to a whole community, to stupify and paralyse a great people whom God has committed to our charge, for the wretched purpose of rendering them more amenable to our control. What is that power worth which is founded on vice, on ignorance, and on misery—which we can hold only by violating the most sacred duties which, as governors, we owe to the governed—which, as a people blessed with far more than an ordinary measure of political liberty, and of intellectual light, we owe to a race debased by three thousand years of despotism and priestcraft? We are free, we are civilised to little purpose, if we grudge to any portion of the human race an equal measure of freedom and civilisation. Are we to keep the people of India ignorant in order that we may keep them submissive? or do we think that we can give them knowledge without awaking ambition, or do we mean to awaken ambition, and to provide it with no legitimate vent? Who will answer any of these questions in the affirmative? Yet one of them must be answered in the affirmative by every person who maintains that we ought permanently to exclude the natives from high office. I have no fears. The path of duty is plain before us; and it is also the path of wisdom, of national prosperity, of national honour.

“The destinies of our Indian Empire are covered with thick darkness. It is difficult to form any conjectures as to the fate reserved for a State which resembles no other in history, and which forms by itself a separate class of political phenomena; the laws which regulate its growth and its decay are still unknown to us. It may be that the public mind of India may expand under our system, till it has outgrown the system; that, by good government, we may educate our subjects into a capacity for better government, that, having become instructed in European knowledge, they may in some future age demand European institutions. Whether such a day will ever come I know not. But never will I attempt to avert or to retard it. Whenever it comes, it will be the proudest day in English History. To have found a great people sunk in the lowest depths of slavery and superstition, to have so ruled them as to have made them desirous and

capable of all the privileges of citizens, would indeed be a title to glory all our own. The sceptre may pass away from us. Unforeseen accidents may derange our most profound schemes of policy. Victory may be inconstant to our arms. But there are triumphs which are followed by no reverses. There is an empire exempt from all natural causes of decay. Those triumphs are the pacific triumphs of reason over barbarism; that empire is the imperishable empire of our arts and our morals, our literature and our laws."

I should not add one word of any other speeches, though others also had spoken at the time, and with general approbation, of the sentiments expressed; I would only say, that had these pledges and policy been faithfully followed, now, after forty years' great blessing would have been the result both to England and India. Once more I appeal to the British to revive the memory of those noble sentiments, follow the "plain path of duty that is before you." That unfortunate plea—unfortunate both for England and India—of political danger was fully considered and deliberately cast aside, by the statesmen who enacted "that wise, that benevolent, that noble clause," as unworthy of the British nation, and they as deliberately adopted the policy of plain duty and true glory.

In such language and with such noble declaration was this clause proclaimed to the world. I have made a copy of all the speeches delivered in Parliament on this subject since 1830; but as I cannot insert them all here, I content myself with one of the early ones which I have read to you, and the latest delivered by the highest Indian authority which I give further on.

Again, in 1858, our Gracious Majesty, in solemn, honest, and distinct terms, gave the following pledge in her gracious proclamation:—"We hold ourselves bound to the natives of our Indian territories by the same obligations of duty which bind us to all our other subjects, and these obligations, by the blessing of Almighty God, we shall faithfully and conscientiously fulfil. It is our further will that, so far as may be, our subjects, of whatever race or creed, be freely and impartially admitted to offices in our service, the duties of which they may be qualified, by their education, ability, and integrity, duly to discharge." Such were the great solemn pledges given by the Queen and Parliament.

#### THE DUKE OF ARGYLL'S PROMISES.

We may now see what the present (1873) highest authority, His Grace the Secretary of State for India, says as to the due fulfilment of these pledges, when the East India Association were making efforts in respect of the admission of natives in the Covenanted Civil Service.

The following is the correspondence between the East India Association and Mr. Grant Duff in 1873, giving His Grace's speech, and a brief account of the events from 1867 to 1873 :—

EAST INDIA ASSOCIATION,  
20, Great George Street, Westminster,

London, September, 1873.

TO M. E. GRANT DUFF, Esq., M.P.,

Under-Secretary of State for India, India Office.

SIR,—By the direction of the Council of the East India Association, I have to request you to submit this letter for the kind consideration of His Grace the Secretary of State for India.

On the 21st August, 1867, this Association applied to Sir Stafford Northcote, the then Secretary of State for India, asking that the competitive examination for a portion of the appointments to the Indian Civil Service should be held in India, under such rules and arrangements as he might think proper, and expressing an opinion that, after the selection had been made in India by the first Examination, it was essential that the selected candidates should be required to come to England to pass their further examinations with the selected candidates for this country.

Sir Stafford Northcote soon after introduced a clause in the Bill he submitted to Parliament, entitled "The Governor-General of India Bill."

The enactment of this Bill continued in abeyance, until, under the auspices of His Grace the present Secretary of State, it became law on the 25th March, 1870, as "East India (Laws and Regulations) Act." Moving the second reading of the Bill on the 11th March, 1869, His Grace, in commenting upon Clause 6, in a candid and generous manner made an unreserved acknowledgment of past failures of promises, non-fulfilment of duty, and held out hopes of the future complete fulfilment to an adequate extent, as follows :—

"I now come to a clause—the 6th—which is one of very great importance, involving some modification in our practice, and in the principles of our legislation as regards the Civil Service in India. Its object is to set free the hands of the Governor-General, under such restrictions and regulations as may be agreed to by the Government at home, to select, for the Covenanted Service of India, natives of that country, although they may not have gone through the competitive examination in this country. It may be asked how far this provision is consistent with the measures adopted by Parliament for securing efficiency in that service; but there is a previous and, in my opinion, a much more important question which I trust will be considered—

“how far this provision is essential to enable us to perform  
 “our duties and fulfil our pledges and professions towards the  
 “people of India? . . .

“With regard, however, to the employment of natives in  
 “the Government of their country, in the Covenanted Service  
 “formerly of the Company and now of the Crown, I must say  
 “that we have not fulfilled our duty, or the promises and  
 “engagements which we have made.

“In the Act of 1833 this declaration was solemnly put forth  
 “by the Parliament of England :—‘ And be it enacted that no  
 “‘native of the said territories, nor any natural-born subject  
 “‘of His Majesty resident therein, shall, by reason only of  
 “‘his religion, place of birth, descent, colour, or any of them,  
 “‘be disabled from holding any place, office, or employment  
 “‘under the said Company.’

“Now, I well remember that in the debates in this House  
 “in 1853, when the renewal of the charter was under the con-  
 “sideration of Lord Aberdeen's Government, my late noble  
 “friend Lord Monteagle complained, and I think with great  
 “force, that, while professing to open every office of profit and  
 “employment under the Company or the Crown to the natives  
 “of India, we practically excluded them by laying down  
 “regulations as to fitness which we knew natives could never  
 “fulfil. If the only door of admission to the Civil Service of  
 “India is a competitive examination carried on in London,  
 “what chance or what possibility is there of natives of India  
 “acquiring that fair share in the administration of their own  
 “country which their education and abilities would enable  
 “them to fulfil, and therefore entitle them to possess? I have  
 “always felt that the regulations laid down for the competi-  
 “tive examination rendered nugatory the declaration of the  
 “Act of 1833; and so strongly has this been felt of late years  
 “by the Government of India, that various suggestions have  
 “been made to remedy the evil. One of the very last—which,  
 “however, has not yet been finally sanctioned at home, and  
 “respecting which I must say there are serious doubts—has  
 “been suggested by Sir John Lawrence, who is now about to  
 “approach our shores, and who is certainly one of the most  
 “distinguished men who have ever wielded the destinies of  
 “our Indian Empire. The palliative which he proposes is  
 “that nine scholarships—nine scholarships for a Government  
 “of upwards of 180,000,000 of people!—should be annually at  
 “the disposal for certain natives, selected partly by competi-  
 “tion, and partly with reference to their social rank and posi-  
 “tion, and that these nine scholars should be sent home with  
 “a salary of £200 a year each, to compete with the whole  
 “force of the British population seeking admission through  
 “the competitive examinations. Now, in the first place, I  
 “would point out the utter inadequacy of the scheme to the

“ends of the case. To speak of nine scholarships distributed over the whole of India as any fulfilment of our pledges or obligations to the natives, would be a farce. I will not go into details of the scheme, as they are still under consideration; but I think it is by no means expedient to lay down as a principle that it is wholly useless to require natives seeking employment in our Civil Service to see something of English society and manners. It is true that, in the new schools and colleges, they pass most distinguished examinations, and, as far as books can teach them, are familiar with the history and constitution of this country; but there are some offices with regard to which it would be a most important, if not an essential, qualification that the young men appointed to them should have seen something of the actual working of the English constitution, and should have been impressed by its working, as any one must be who resides for any time in this great political society. Under any new regulations which may be made under this clause, it will, therefore, be expedient to provide that natives appointed to certain places shall have some personal knowledge of the working of English institutions. I would, however, by no means make this a general condition, for there are many places in the Covenanted Service of India for which natives are perfectly competent, without the necessity of visiting this country; and I believe that by competitive examinations conducted at Calcutta, or even by pure selection, it will be quite possible for the Indian Government to secure able, excellent, and efficient administrators.”

The clause thus introduced, in a manner worthy of an English generous-minded nobleman, and passed into law, is as follows:—

“6. Whereas it is expedient that additional facilities should be given for the employment of natives of India, of proved merit and ability, in the Civil Service of Her Majesty in India, be it enacted that nothing in the ‘Act for the Government of India,’ twenty-one and twenty-two Victoria, chapter one hundred and six, or in the ‘Act to confirm certain appointments in India, and to amend the law concerning the Civil Service there,’ twenty-four and twenty-five Victoria, chapter fifty-four, or in any other Act of Parliament, or other law now in force in India, shall restrain the authorities in India, by whom appointments are or may be made to offices, places, and employments in the Civil Service of Her Majesty in India, from appointing any native of India to any such office, place, or employment, although such native shall not have been admitted to the said Civil Service of India in manner in section thirty-two of the first-mentioned Act provided, but

“ subject to such rules as may be from time to time prescribed  
 “ by the Governor-General in Council, and sanctioned by the  
 “ Secretary of State in Council, with the concurrence of a  
 “ majority of members present ; and that, for the purpose of  
 “ this Act, the words ‘ natives of India ’ shall include any  
 “ person born and domiciled within the dominions of Her  
 “ Majesty in India, of parents habitually resident in India,  
 “ and not established there for temporary purposes only ; and  
 “ that it shall be lawful for the Governor-General in Council  
 “ to define and limit from time to time the qualification of  
 “ natives of India thus expressed ; provided that every resolu-  
 “ tion made by him for such purpose shall be subject to the  
 “ sanction of the Secretary of State in Council, and shall not  
 “ have force until it has been laid for thirty days before both  
 “ Houses of Parliament.”

It is now more than three years since this clause has been passed, but the Council regret to find that no steps have apparently yet been taken by His Excellency the Viceroy to frame the rules required by it, so that the natives may obtain the due fulfilment of the liberal promise made by His Grace.

The natives complain that, had the enactment referred to the interests of the English community, no such long and unreasonable delay would have taken place, but effect would have been given to the Act as quickly as possible ; and they further express a fear that this promise may also be a dead-letter.

The Council, however, fully hope that further loss of time will not be allowed to take place in promulgating the rules required by the Act. The natives, after the noble and generous language used by His Grace, naturally expect that they will not be again doomed to disappointment, and most anxiously look forward to the promulgation of the rules—to give them, in some systematic manner, “ that fair share in the administration of their own country which their education and abilities would enable them to fulfil, and therefore entitle them to possess,” not only as a political justice, but also as a national necessity, for the advancement of the material and moral condition of the country.

I remain, Sir,

Your obedient Servant,

W. C. PALMER, Capt.

*Acting Honorary Secretary of the East India Association.*

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INDIA OFFICE, LONDON,

10th October, 1873.

SIR,—I am directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 2nd October, relative to the provisions of the 33rd Victoria cap.

3., section 6; and to inform you that the subject is understood to be under the consideration of the Government of India, the attention of which has been twice called to it.

2. The Duke of Argyll in Council will send a copy of your letter to the Government of India, and again request the early attention of that authority to that subject.

I am, Sir,

Your obedient Servant,

(Sd.) M. E. GRANT DUFF.

*The Acting Honorary Secretary, East India Association.*

Such is the candid confession of non-performance of duty and non-fulfilment of solemn pledges for thirty-six years, and the renewed pledge to make amends for past failures and provide adequate admission for the future for a fair share in the administration of our own country. The inadequacy is clearly shown by the ridicule of nine scholarships for 180,000,000 souls, and the proposal to adopt means "for the abolition of the monopoly of Europeans." When was this confession and this new pledge made? It was to pass the 6th clause of Act 33 Vic. cap. 3. The clause was passed on 25th March, 1870, one year after the above speech was made, and nearly three years after it was first proposed. Next March (1874) it will be four years since this clause has been passed. Twice did Sir C. Wingfield ask questions in the House of Commons, and no satisfactory reply was given. At last the East India Association addressed the letter which I have read to you, to the India Office, and from the reply you have seen how slow our Indian authorities had been, so as to draw three reminders from the Secretary of State.

With regard to the remark in the letter as to the complaint of the natives that, "had the enactment referred to the interests of the English community, no such long and unreasonable delay would have taken place," I need simply point to the fact of the manner in which the Coopers' Hill College was proposed and carried out in spite of all difficulties.

#### SUSPENSION OF THE NINE SCHOLARSHIPS.

Now about the scholarships to which His Grace alluded in his speech. These scholarships had nothing to do with the provision for affording facilities to natives to enter the Covenanted Service. They were something for a quite different purpose. The following correspondence of the East India Association of 3rd March, 1870 with Mr. Grant Duff, gives briefly the real state of the case :—

EAST INDIA ASSOCIATION,  
20, Great George Street,  
Westminster, S.W., 3rd March, 1870.

SIR,—I am directed by the Council of the East India Association to request you to submit, for the kind consideration of His Grace the Duke of Argyll, the following resolutions passed at a large meeting of the Bombay Branch of the East India Association.

*Resolutions.*

That the Managing Committee, Bombay Branch, be requested to bring to the notice of the head body in London, the recent suspension of the Government of India scholarships, and at the same time to lay before it the following representations on the subject:—

1. That the Bombay Branch has learnt with great regret that the Government scholarships, lately established to enable Indian youths to proceed to England for educational purposes, are not to be awarded this year.

2. That the Bombay Branch are aware that the Right Hon'ble the Secretary of State for India considers these scholarships as quite an inadequate provision for a government of 180,000,000 souls, and they look forward with hopeful confidence to the day when His Grace will unfold before the British Legislature a measure suggested by his long experience and study of Indian affairs, elaborated and matured by the generous and large-minded sympathy and interest which he has always evinced towards the natives of India, and worthy at once of his own high name and intellect, and those of the country which has entrusted him with his present high post.

3. That, while thus far from being unmindful of the good intentions which have most probably prompted the suspension of these scholarships, the Bombay Branch feel bound to submit that, even as a temporary and inadequate measure, these scholarships were calculated to do an amount of good which the preparation of a larger and more comprehensive scheme did not by any means in the meantime render it imperative to forego.

4. That the suddenness of the suspension of these scholarships has given it a sort of retrospective effect with regard to those youths who framed their course of study in the expectation of obtaining the benefits of the notifications issued by the several Indian Governments in respect of these scholarships, thus entailing great disappointment on particular individuals.

5. That the East India Association will have the kindness to carry the above representations to the Right Hon'ble the

Secretary of State for India, in the manner it may deem most proper and effective.

In submitting these resolutions, the Council respectfully urge that the object of the proposer, the late lamented Sir H. Edwards, of this prayer for scholarships in the memorial presented the 21st August, 1867, to the late Secretary of State, Sir S. Northcote, was "to aid the natives not merely to enable them to compete for the Civil Service, but to return in various professions to India, so that by degrees they might form an enlightened and unprejudiced class, exercising a great and beneficial influence on native society, and constituting a link between the masses of the people and the rulers." It is evident that Lord Lawrence, the then Governor-General of India, also understood and declared the objects of these scholarships to be as above; for, in the resolution No. 360, the object is stated to be "of encouraging natives of India to resort more freely to England for the purpose of perfecting their education, and of studying the various learned professions, or for the civil and other services in this country;" and also, in another part of the same resolution, it is declared to be "not only to afford to the students facilities for obtaining a University degree, and for passing the competitive examinations for admission into the Indian Civil Service, but also to enable them to pursue the study of Law, Medicine, or Civil Engineering, and otherwise prepare themselves for the exercise of a liberal profession."

The Council, therefore, venture to submit that, considering the important objects pointed out by Sir H. E. Edwards, it is very desirable that the scholarships be continued.

The Council are glad to find, from your speech in the House of Commons, that the question of these scholarships has not yet been settled, and they therefore trust that His Grace will accede to the request so urgently made in the above resolutions.

The Council have every reason to believe that the natives of the other Presidencies also share similar feelings, and confidently leave the matter in the hands of His Grace.

I have the honour to be,

Your obedient Servant,

DADABHAI NAOROJI.

*Hon. Secretary.*

MOUNTSTUART E. GRANT DUFF, Esq. M.P.,

*Under-Secretary of State for India.*

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INDIA OFFICE, *March 18, 1870.*

SIR,—I am directed by the Secretary of State for India in Council to acknowledge the receipt of your letter of the 3rd

instant, on the subject of the Government of India scholarships.

In reply, I am instructed to inform you that the Secretary of State in Council has very fully considered the whole subject, and does not deem it expedient to proceed further with the scheme of scholarships.

You are aware that a Bill is now before Parliament which will enable the Government to give to the natives of India more extensive and important employment in the public service.

I am, Sir, Your obedient Servant,

HERMAN MERIVALE.

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It is now (1873) nearly four years, and this "employment" is still under consideration; but the scholarships which had nothing to do with this matter, after being proclaimed to the world in the *Indian Gazette*, and after a brief life of one year, are gone. I next examine how far the great pledges of 1833 and 1858 have been carried out in the uncovenanted and other services.

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#### THE UNCOVENANTED SERVICE.

Sir S. Northcote, in his dispatch of 8th February, 1868, wrote to the Indian Government—"The Legislature has determined that the more important and responsible appointments in those provinces shall be administered exclusively by those who are now admitted to the public service solely by competition, but there is a large class of appointments in the regulation, as well as in the non-regulation provinces, some of them scarcely less honourable and lucrative than those reserved by law for the Covenanted Civil Service, to which the natives of India have certainly a preferential claim, but which, as you seem to admit, have up to this time been too exclusively conferred upon Europeans. These persons, however competent, not having entered the service by the prescribed channel, can have no claim upon the patronage of the Government—none, at least, that ought to be allowed to override the inherent rights of the natives of the country; and therefore, while all due consideration should be shown to well-deserving incumbents, both as regards their present position and their promotion, there can be no valid reason why the class of appointments which they now hold, should not be filled, in future, by natives of ability and high character." Now, is this done? I have not been able to get a complete return of the higher Uncovenanted Servants. I shall use what I have got. The Government of India, in their dispatch in the Financial Department, to the Secretary of State for India, No. 227, dated 4th October, 1870, gives two tables;

the first headed—"Abstract of Appendix A referred to in the 6th paragraph of the above dispatch, being a statement of the number of offices in India which were filled in 1869 by Uncovenanted Servants, but *which might have been filled by Covenanted Servants or Military Officers.*" Now, this list gives of such Uncovenanted Servants 1,302 Europeans and 221 natives.

I am sorry I cannot get a return of the salaries of these 1,302 European Uncovenanted Servants; but, with regard to natives, the second table of the same dispatch shows that out of these 221

Only 1 gets a salary of Rs. 1,500 to 1,600 per month,

|     |   |   |                |   |
|-----|---|---|----------------|---|
| 1   | " | " | 1,200 to 1,300 | " |
| 1   | " | " | 1,100 to 1,200 | " |
| 11  | " | " | 1,000 to 1,100 | " |
| 5   | " | " | 800 to 900     | " |
| 14  | " | " | 700 to 800     | " |
| 47  | " | " | 600 to 700     | " |
| 60  | " | " | 500 to 600     | " |
| 125 | " | " | 400 to 500     | " |

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"One Native Judge of the Bengal High Court at Rs. 4,160-10-8 per mensem."

Out of the last 125 there must be about 44 which the Government of India did not think fit for the Covenanted Servants or Military Officers. And it must also be borne in mind that the 1,302 do not include all those uncovenanted appointments which are filled by military officers already. If we can get a return of all uncovenanted appointments from Rs. 400 upwards, we shall then see how "the inherent right" possessors, the children of the soil, have fared, even in the Uncovenanted Service, before and since the dispatch.

If anything, the tendency and language of the Indian Government is such, in the very correspondence from which I have given the table, that even the small number of natives may be squeezed out. All appointments that are worth anything are to pass to the Covenanted Servants and the military officers, and to the rest the natives are welcome! Here and there, perhaps, a few better crumbs will be thrown to them. I sincerely hope I may prove a false prophet. An annual return is necessary to show whether Sir S. Northcote's dispatch has not been also one more dead-letter.

#### THE ENGINEERING SERVICE.

When Cooper's Hill Engineering College was in contemplation, some correspondence passed between me and His Grace the Secretary of State. In this I gave detailed particulars of the cases of Messrs. Daji Nilkunt, Lallubhoy

Kheshowlal, Chambas Appa, Gungadhur Venaek, and Bomanji Sorabji. Now, the first four had duly qualified themselves, and were entitled to be promoted to the Engineering Department as far back as 1861, and the fifth in 1867, and yet they never got admission into the Engineering Department as far as I was then (1873) aware, though a large number of appointments had been made during the period. I said, in connection with this part of my letter, that such treatment and bitter disappointments produced much mischief, that the Public Works Department rules were a mere farce, &c., &c., and requested inquiry. This His Grace promised to do, but I do not know what has been done. But Mr. Grant Duff, in his speech on 3rd March, 1871, in Parliament, said—"Then we are told that we were asking too much money, that the Engineering College would be merely a college for the rich. We replied that we asked £150 a year for three years, in return for which we gave to those young men who passed through the college £420 in their very first year of service. It is said, too, that we are excluding the natives from competing. So far from this being the case, young Englishmen are obliged to pay for being educated for the Public Works Department, while young natives of India are actually paid for allowing themselves to be educated for that service, and the scholarships available for that purpose are not taken up." Now, somehow or other, it did not please Mr. G. Duff to tell the whole truth. He omitted the most essential part of the whole story. He did not tell the honourable members that what he said about the encouragement with regard to the English youths, only a minute before, did not at all exist with regard to the natives. He did not tell that, in return for any natives who duly qualify themselves in India, we do not give £420 in their very first year of service, or allow them fair and equal promotion with the English. The native, on the contrary, has every possible discouragement thrown in his way, as will be seen subsequently. And, lastly, in his peroration, what great things done by the "we" of the India Office, Mr. Duff points out—"We claim to have done, first, an imperative duty to India in getting for her the trained engineering ability which she wanted." From whom, gentlemen? Not from her own children, but from *English* youths, as if India was simply a howling desert and had no people in it at all, or was peopled by mere savages and had no national wants. But after this clever way of benefitting India, Mr. Duff proceeds to point out what the "we" have done for England—"We have created a new profession. We have widened the area of competition. We have offered a first-rate education cheaper than a third-rate education can now be got. We have done service even to those institutions which growl most at us. . . . We have done service to practical

men. . . . Lastly, we have done good service to English scientific education." It would appear as if India and Indians existed only to give England the above advantages. Now, here is His Grace giving the first intimation of his intention for establishing a college, on 28th July, 1870, before the House of Lords. And on what ground does he recommend it? Among others, the following:—"It would afford an opening to young men in THIS country, which they would, he thought, be anxious to seize, because it would enable them to secure a very considerable position almost immediately on their arrival in India, where they would start with a salary of about £400 a year, and rise in their profession by selection and ability. They would be entirely at the disposal of the Governor-General of India, and they would have the prospect of retiring with a pension larger than in former times." It would appear that while saying this, His Grace altogether forgets that, besides these "anxious" young gentlemen of England, there were India's own children also, who had the first claim to be provided for in their own country, if India's good were the real policy of England; and that there were solemn pledges to be fulfilled, and the national wants of India to be considered. Why did it not occur to him that similar provision should be made for the natives?

The case of the five natives referred to before, is enough to show how the code and rules were a mere farce. But this is not all. The following will show how even when a positive pledge for one appointment was given in Bombay, in addition to the rules of the code already referred to—how even that was trifled with, and how only under strong protest of the Principal of the College and the Director of Public Instruction that it is restored this year (1873). In 1869, Sir Seymour Fitzgerald, at the Convocation, exhorted the students to emulate their forefathers in their engineering skill, &c. I immediately complained, in a letter to the *Times of India*, of the uselessness of such exhortations, when every care was taken that the natives shall *not* get into the service. Soon after, it was some consolation to find a little encouragement held out, and the first Licentiate of Engineering every year was guaranteed an Assistant Engineership, and the first year Government became liberal and gave three instead of one. But the fates again pursue us, and that guarantee of *one* Assistant Engineership soon virtually vanished. Let the authorities themselves speak on this subject.

In the report of 1869-70, the Director of Public Instruction said (page 65)—"In the University Examination three candidates passed the examination for the degree of L. C. E. The best of these received the appointment in the Engineering Branch of the Public Works Department, which Government

guarantees yearly. Eight such appointments are guaranteed to the Thomason College at Roorkee, where the first Department on 1st April, 1870, contained 31 students, while the University Department of the Poona College contained 38 on the same date. But the Poona College has no cause to complain of want of encouragement, as Government has since been pleased to appoint the remaining two Licentiates also to be Assistant Engineers. All the graduates of the year have thus been admitted to a high position in the public service, and I hope that they will justify the liberality of Government." So far so good. But the effort of liberality soon passed off; and we have a different tale the very next year, which is the very second year after the guarantee.

The Principal of the Poona College says (Report 1870-71, para. 8, Public Instruction Report, page 365)—"The three students who obtained the degree of L. C. E. in 1869 have all been provided with appointments by Government. Up to the present, however, the first student at the L. C. E. examination in 1870 has not been appointed, though it is now more than six months since he passed. This delay on the part of the Public Works Department, in conferring an appointment guaranteed by Government, will, I fear, affect injuriously our next year's attendance."

Upon this the Director of Public Instruction says—"In 1870 two students of the University class passed the examination for the degree of Licentiate, and eight passed the first examination in Civil Engineering. The great attraction to the University department of the College is the appointment in the Engineering branch of the Public Works Department, guaranteed by Government yearly to the student who passed the L. C. E. examination with highest marks. This guarantee has failed on this occasion" (the usual fate of everything promised to natives), "as neither of the Licentiates of 1870 has yet received an appointment. For whatever reason the Public Works Department delays to fulfil its engagement, it is much to be regretted that any doubt should be thrown on the stability of the Government's support."

Such is the struggle for the guarantee of *one* appointment—I repeat, *one single appointment*—to the natives of the Bombay Presidency, and the following is the way in which Government gets out of its guarantee, and replies to the just complaint for the precious great boon:—"The complaint made in para. 657, the Report for 1870-71, that Government had withdrawn the Engineering appointment promised to the graduate in C. E. who shall pass with the highest marks, appears to be without sufficient foundation. All that Government has done is to limit the bestowal of this appointment to those who pass in the first class, while three appointments in the upper subordinate establishments (of the Public Works Department)

are reserved for those who pass the final examination of the College. This would seem at present sufficient encouragement to the pupils of the institution, and the confinement of the highest prize to those who pass in the first class, will probably act as a stimulus to increased exertion on the part of candidates for degrees."

We may now see what the Principal of the College says on this. (Extract from Report of Principal of Poona Engineering College, 1871-72, Director of Public Instruction's Report, page 500.) The Principal says—"Government have, however, I regret to say, during the past year withdrawn the guarantee of one appointment annually to the first student in order of merit at the L. C. E. examination, and have ordered that in future, to gain the single appointment, a *first-class degree* is to be considered necessary. This condition practically removes the guarantee altogether; for, with the present high standard laid down for the University test, it will not be possible for a student to obtain 66½ per cent. more frequently than once perhaps in five or six years. I have proposed that 50 per cent., which is the standard for a first-class B.A., be also adopted as the standard for the first-class degree in Civil Engineering. . . . The offer of an appointment to the student who obtains a first-class degree only, is, as I have already said, equivalent to a withdrawal of the guarantee altogether. The University calendar shows that a first-class at the B.A. examination has only been gained by 11 students out of 129 who have been admitted to the degree, and I do not suppose that any larger proportion will obtain a first-class at the Engineering examination. In what condition, then, do the graduates in Civil Engineering at present stand? One man, Abraham Samuel Nagarkar, who passed the L. C. E. examination in 1870, was offered a *third grade overseership* at Rs. 60 per mensem—a post which he could have obtained by simply passing successfully the final examination of the second department of the College. The case of another Licentiate, Mr. Narayen Babaji Joshi, is a still harder one. This youth passed the final examination of the second department of this College (taking second place) in October, 1867. He subsequently served as an overseer in the Public Works Department for two years, during which time he conducted himself to the entire satisfaction of his superiors. He resigned his appointment, and joined the University class in this College in November, 1869; and now that he has obtained the University degree, for which he has sacrificed a permanent appointment, he is without any employment, and is obliged to hold a post in the College on Rs. 50 per mensem—a much lower salary than he had when he was an overseer in the Public Works Department two and a half years ago . . . But the Engineering graduates have absolutely no future to look for-

ward to, and it cannot be expected that candidates will be found to go up for the University degree if there be absolutely no likelihood of subsequent employment. At present almost all the engineering employment in the country is in the hands of Government. The work of the old Railway Companies in this presidency is completed, and the new railways are being undertaken under Government supervision. Except in the presidency towns, there is little scope for private engineering enterprise, and if Government does not come to the assistance of the College and its University graduates, the University degree will, three or four years hence, be entirely unsought for, and the University department of the College will be numbered among the things of the past." I understand from Mr. Nowroji Furdoonji's evidence that Government has yielded, and re-guaranteed one appointment as before. Such is the story of the grand guarantee of one appointment in our presidency. Now with regard to promotions.

In 1847, after a regular course of three years under Professor Pole, nine natives passed a severe examination, and were admitted into the Public works Department, but, to their great disappointment, not in the Engineering department. The little batch gradually dispersed—some leaving the service, seeing poor prospects before them. After a long eleven years, three of them had the good fortune of being admitted in the Engineering department in 1858, but one only now continues in the service. What is Mr. Kahandas's position later on? In the list of 1st October 1868, I find him an Executive Engineer of the 3rd class, while the following is the position of others in the same list, for reasons I do not know:—Three Executive Engineers of the 2nd Grade whose date of appointment in the Department is 1859—and of one in 1860. Of the five Executive Engineers of the 3rd Grade above Mr. Kahandas, the date of appointment of three is 1860, of one is 1862, and of another 1864. How Mr. Kanandas is placed at present relatively with others, I have not yet ascertained. Mr. Naservanji Chandabhoj, after all sorts of praises, is much less fortunate, and leaves the service, as he calls it, in disgust. Now, we may see how our neighbours are faring.

#### MADRAS.

The following is the cry from Madras. In the Report on Public Instruction for the year 1870-71, at page 242, Captain Rogers, the Acting Principal of the Civil Engineering College, says—"In the case of natives, it is evidently the difficulty of obtaining employment, after completing the course, which deters them from entering the institution." The Director of Public Instruction, Mr. E. B. Powell, says (page 21)—"It is

to be remarked with regret that, owing to the absence of encouragement, the first department exists rather in name than in reality. It is clearly most important that educated natives of the country should be led to take up Civil Engineering as a profession; but in the present state of things, when almost all works are executed by Government, Hindus of the higher classes cannot be expected to study Civil Engineering without having a fair prospect of being employed in the superior grades of the Public Works Department."

### ROORKEE ENGINEERING COLLEGE.

In its first institution in 1848, the natives were not admitted in the upper subordinate class at all—till the year 1862. In the Engineering Department I work out from the College Calendar of 1871-72 the natives passed, and their present appointment, as follows:—

|     | Year. | Names of Natives passed.    | Their present Appointments. |
|-----|-------|-----------------------------|-----------------------------|
| 1.  | 1851  | Ameerkhan.                  |                             |
| 2.  | 1852  | Huree Charan.               |                             |
| 3.  | "     | Kanyalal .....              | Exc. Engr. 2nd Grade.       |
| 4.  | 1853  | Nilmoner Mitra.             |                             |
| 5.  | 1854  | Azmutoollah.                |                             |
| 6.  | 1855  | Rampursad.                  |                             |
| 7.  | "     | Madhosadan Chatterji .....  | Asst. Engr. 1st Grade.      |
| 8.  | 1858  | Soondarlal.                 |                             |
| 9.  | 1859  | Narandas.                   |                             |
| 10. | "     | Ghasuram.                   |                             |
| 11. | "     | Sheoprasad.                 |                             |
| 12. | 1860  | Khetternath Chatterji ..... | Asst. Engr. 1st Grade.      |
| 13. | 1862  | Isser Chandar Sircar .....  | " " "                       |
| 14. | "     | Beharilal .....             | " " "                       |
| 15. | 1870  | Rhadhilal .....             | Engineer Apprentice.        |
| 16. | "     | Bujputroy .....             | " "                         |
| 17. | 1871  | Bhajat Sing.                |                             |
| 18. | "     | Sher Nath.                  |                             |

Out of the total number of 112 that passed from 1851 to 1870, there are 16 natives, and seven only have appointments at present. Why the others have not, I am not able to ascertain. About the first Bengalee that passed, the *Hindu Patriot* says he was so ill-treated that he resigned Government service in disgust, and alludes to another having done the same. From the falling-off from the year 1862 to 1870, I infer that there was no encouragement to natives. Out of the 96 Europeans passed during the same time, 10 only have no "present appointments" put after their name, and two are with their regiments. Again, Kanyalal, who passed in 1852, is an Executive Engineer of the 2nd Grade, while one European who passed a year after, two Europeans who passed two years after, and three Europeans who passed three years after, are Executive Engineers 1st Grade; and two passed two years

after, one passed three years after, one passed five years after, and one passed six years after, are also Executive Engineers 2nd Grade; and these lucky persons have superseded some European seniors also. Madhosadan Chatterji, passed in 1855, is now an Assistant Engineer of the 1st Grade, while two Europeans passed a year after him are *Executive Engineers* of 1st Grade, one passed two years after him is in "Survey Department" (and I cannot say whether this is higher or not), one passed three years after is an Executive Engineer of the 2nd Grade; and of those passed four years after him, two are Executive Engineers of 3rd Grade; one Executive Engineer of 4th Grade, and one Deputy Conservator of Forests (I do not know whether this is higher); and two Assistant Engineers of the 1st Grade, *i.e.*, in the same footing with him; of those passed five years after, one is Executive Engineer of 3rd Grade, two Executive Engineers of 4th Grade, and one Assistant Engineer of 1st Grade; of those passed six years after, one is Executive Engineer 3rd Grade, and one Executive Engineer 4th Grade; of those passed seven years after, two are Executive Engineers 4th Grade, one Assistant Superintendent 1st Grade Revenue Survey, and one Assistant Engineer 1st Grade; of those passed eight years after, one is Executive Engineer 4th Grade, and one Assistant Superintendent 1st Grade Survey Department; of those passed nine years after, four are Executive Engineers of 4th Grade, one is Assistant Superintendent 1st Grade Survey Department, and two are Assistant Engineers 1st Grade; of those passed 10 years after, one is Executive Engineer 4th Grade, one Deputy Assistant Superintendent (?) Revenue Survey, and one Assistant Engineer of 1st Grade; of those passed 11 years after, one is Assistant Engineer 1st Grade; of those passed 12 years after, one is Executive Engineer 4th Grade, one is Assistant Engineer 1st Grade, and one is Deputy Conservator of Forests. As to the natives, the abovementioned one passed in 1855, one passed in 1860, and two in 1862—are all only Assistant Engineers of the 1st Grade, so that the very few who have been fortunate enough to get appointments are all at a stand at the 1st Grade of Assistant Engineers, except one who is Executive Engineer of the 2nd Grade. What may be the reason of such unequal treatment? And yet Mr. Grant Duff coolly tells Parliament "that the scholarships available for that purpose are not taken up," as if these scholarships for two or three years were the end and aim of their life-career. The upper subordinate department was entirely closed to natives till 1862; the lower subordinate was only open to them. Under such circumstances, is it any wonder that the natives do not go in for the higher Engineering Department. I cannot do better than let the Principal of the College himself speak to show how he

struggles to get a guarantee for the natives which he thinks will not commit Government to more than one or two appointments annually, and what he thinks of the fitness of natives and their first claims (Principal Lang's Report for 1870-71, College Calendar for 1871-72, page 269)—“Nor can I hope to see many natives join it, although I consider that they have perhaps the first claims upon the College, and should be more encouraged to enter the higher grades of the P. W. Department. . . . A sub-overseer as turned out of this College is in many particulars a more highly-trained subordinate, after his two years' curriculum, than the overseer who leaves after one session in the College; and I am by no means prepared to assent that he is not, on 35 rupees a month, quite as useful a man in most cases as the European overseer on Rs. 100. . . . But few, however, comparatively of the higher or wealthier families have furnished candidates for the superior grades of the Engineering profession. . . . That the natives of this country under favourable conditions are capable of excellence both as architects and builders, the beauty and solidity of many of the historical monuments of the country fully testify; and that they could compete with European skill in the choice and composition of building materials, may be proved by comparing an old terrace-roof at Delhi or Lahore with an Allahabad gun-shed, or many a recent barrack.”

After referring to the encouragement given to one native, the Principal proceeds—“But I consider that yet more encouragement should be given. I do not think that the natives have yet made sufficient way in the profession to feel confidence in themselves, or to command the confidence of the public. Such we may hope to see effected ere long, but the time has not yet come for State aid and encouragement to be withdrawn; and it is with this view that I have urged that, for the *present*, Government should guarantee appointments to all passed native students in the Engineering classes, whether they stand amongst the first eight on the lists at the final examinations or not, especially as such a guarantee would commit them to but very few—one or two—appointments annually. When the guarantee did commit Government to a larger number of appointments, it would be time to withdraw it; its object would have been gained, the stream would have set in in the required direction, and might be expected to flow on.”

“18. Although this proposition has not yet received the approval of the Government of India, I hope that it may be found possible to sanction it, as such a guarantee, published in the calendar and circulars of the College, will be a thoroughly satisfactory assurance to a candidate or student

that it rests only with himself to command an entrance into the P. W. Department."

Such is the struggle, and such are the reasons which Mr. Duff might have told Parliament why the scholarships were not taken up.

#### BENGAL.

Bengal appears to have been liberal about 1867-68, but, with the usual misfortune of natives, seems to be falling off. The Administration Report of 1871-72 speaks in somewhat hopeful language, but we must wait and see. I gave the extracts from the reports of the College since 1867-68 to explain what I mean (Educational Report of 1867-68, p. 522, Presidency College)—"The six Licentiates of 1867-68 have received appointments in the grade of Assistant Engineers in the Public Works Department on probation." I understand all the six to be natives.

(1868-69, page 437)—"Three out of the four final students of the Session of 1867-68 went up to the University examination for a license, and two were passed—one in the first class, and one in the second." (Page 438)—"The two Licentiates were awarded scholarships. . . . But after being attached for a short time to some of the works in progress in Calcutta, they applied for and obtained appointments as Engineer apprentices in the Public Works Department." Why they applied for the apprenticeship, and did not get the Assistant Engineership, I cannot ascertain. It looks as if this were the first step towards the cessation of former liberality, for we see afterwards as follows (Report 1869-70, page 302)—"There were eight students in the final class of the Session who went up to the University examination. One was a B.C.E., and he passed in the second class. The other seven went in for the license, and four passed in the second." Whether these have obtained appointments I cannot say; there is complete silence on this matter—as if this were the second step towards the discouragement. We do not read even of the apprenticeship now. (Report 1870-71, page 305) "Nine of the students in the third year class went up to the University examination for a license, and three were passed, one being placed in the first class, and two in the second." I could not find out whether appointments were given to these: the report is again silent. The following is the hopeful, but unfortunately not very clear, language of His Honor the Lieutenant-Governor (Bengal Administration Report, 1871-72, page 237)—"Students who obtain a Licentiate's certificates are, after a short probation, eligible for the grade of Assistant Engineer." Now, what this expression "eligible" means, it is difficult to say. Were not the five men of

Bombay, about whom I have already spoken, eligible to be Assistant Engineers? And there they were with the precious eligibility, and that only in their possession for years, and I do not know whether this eligibility of some of the previous Bengal successful Licentiates has ripened into appointment.

"The several branches of the Public Works Department have hitherto been able to provide employment for all, or nearly all, the students who pass the several Civil Engineering examinations, and adopt Engineering as a profession." The word "nearly" is again a very suspicious one. That the subordinates may be all employed is a necessity—for Europeans cannot be got for inferior work, but if the word "nearly" is applied to the Licentiates, then we have the same story as in the other presidencies. In 1872, seven have passed the Licentiate and one the degree of Bachelor. It would be very interesting and gratifying to know whether these eight have obtained appointments as Assistant Engineers, or will get them. Altogether, I think some 45 passed the Licentiate since 1861—a return of how these men have fared in their appointments and promotion will be a welcome one. The following sentence is an encouraging one, and makes me think that Bengal has not been so unjust as the other presidencies:—"Some Bengalees who graduated in the Civil Engineering College have already obtained lucrative and responsible posts in the Engineering Departments of Government, and a few years' experience will show whether Bengalees are, or are not, unsuited for, and whether the best Bengalee students will continue to keep aloof from the profession of Civil Engineering." Are these appointments like those of the passed natives of Roorkee, to a certain point and no further; or have the natives fared, and will they fare, equally with the Europeans in their promotion? The only pity is that the word "some" commences this sentence instead of *all*, unless it means all who have graduated, or who liked to enter Government service. We shall have not only to know whether the Bengalee is or is not unsuited, &c., but also what treatment he receives at the hands of the P. W. Department in his future career. Unless both these matters are taken together, the conclusion about suitability or otherwise will be simply absurd and worthless.

### THE NATIVE MEDICAL SERVICE.

In this also the natives are put at great disadvantage, in having to go to England to find admission. But apart from this, the treatment in India is as follows:—I give on next page a statement of the difference between the treatment of the European and native divisions.

## SUB-ASSISTANT SURGEONS.

## SUB-ASSISTANT SURGEONS.

## (1) Preliminary Education—

Individuals, natives of Bombay, who ultimately wish to become sub-assistant surgeons, must enter the Medical College by first producing the University certificate of having passed the Matriculation or First Examination in Arts. When admitted, they have to pay an entrance fee of Rs. 25, and a monthly fee of Rs. five throughout the college course of five years.

## APOTHECARY CLASS.

## (1) Preliminary Education.

The members of the apothecary class enter the service as hospital apprentices, and candidates who enter the service pass a most elementary examination, consisting of reading an ordinary school-book, some knowledge of explaining sentences, dictation, and arithmetic as far as Rule of Three and fractions. A candidate satisfying the examiners on these points is admitted into the Medical Service as a hospital apprentice, and draws from Rs. 16 to Rs. 20 a month, with an additional allowance of Rs. 10 for rations or batta. It will thus be seen that the members of the apothecary class enter the Medical Service in the first place, and this gives them the privilege of acquiring a *free* medical education at the Medical College, that is, *without any cost*, and while in the receipt of Government pay.

## COURSE OF STUDY.

(2) A *full and thorough* college course on the following subjects:—Anatomy, physiology, chemistry, materia medica, comparative anatomy, pharmacy, medicine, surgery, medical jurisprudence, midwifery, ophthalmic surgery, hygiene, practical chemistry, practical toxicology, dissections, hospital practice, and surgical operations. This course extends over *five* long years—in so thorough and complete a manner as to be equal, and in some cases superior to the College courses given in Great Britain. These constitute the *students' classes*. They are composed of students from the Hindoo, Parsee, Mussalman, and Portuguese communities.

(3) At the end of three years the students proper have to pass what is called the First L. M. Examination at the University of Bombay. At the end of the fifth year, the second or final L. M. Examination has to be passed, and, if successful, the students receive the degree of L. M. Before the Bombay University came into existence, there

(2) Hospital apprentices, after enlisting into the Medical Service, serve at some regimental hospital for two years, during which time they are transferred to Sir Jamsetji Jijibhoy Hospital, and, whilst serving there as medical apprentices, draw Government pay; they are also admitted into the College as medical apprentices to acquire medical knowledge. These apprentices, then, are made to attend the same lectures which are given to the students proper to whose classes they are attached, but the standard of their acquirements and final examinations is altogether different; it is greatly inferior to that of the students proper. The apprentices are called upon to attend the College, for *three* years only.

(3) At the end of the three years they are examined by the College Professors in the College itself, and if they pass *their* standard of examination, they are made "passed hospital apprentices." They now leave the College to serve again a some regimental hospital and draw Rs. 50 a month.

N.B.—In the last two paras. it is

were two corresponding examinations, then called A and B Examinations, and at the end of five years' course the successful students received the diplomas and were called G. G. M. C. It is from these successful students that the sub-assistant surgeons were made, but within the last two years they are also made (very unjustly) from the apothecary and hospital assistant classes, as will be seen further on, on very different and comparatively trifling examinations.

(4) There are three classes of sub-assistant surgeons, as under:—

|   | Pay     | Allowance | Total   |
|---|---------|-----------|---------|
| 3rd Class Sub-Assistant Surgeon during the first 7 years' service                         | Rs. 100 | Rs. 100   | Rs. 200 |
| 2nd Class Sub-Assistant Surgeon, between 7 and 14 years' service                          | " 150   | " 150     | " 300   |
| 1st Class Sub-Assistant Surgeon after 14 years' service till the end of his service ..... | " 200   | " 150     | " 350   |

(5) A sub-assistant surgeon cannot become an honorary assistant surgeon. During the course of the last 23 years, during which the class of sub-assistant surgeons is in existence, no medical charge ever given to him has brought him more pay than Rs. 350 a month.

(6) No provision of this sort for sub-assistant surgeon.

stated that the apprentices attend the same class-lectures for three years as the students proper. This arrangement is adopted in the College as the Professors cannot give separate course to the students and to the apprentices. But the amount of knowledge required at the final examination of the apprentices at the end of three years is much smaller than the knowledge required at the final examination of the students proper at the end of five years.

(4) The "passed hospital apprentices" then go on with their regimental duties, and are promoted in the following order, till they reach the grade of senior apothecary:—

|  | Rs. |
|--|-----|
| Passed Hospital Apprentice ..            | 50  |
| Assistant Apothecary under 5 years ..... | 75  |
| Assistant Apothecary after 5 years ..... | 100 |
| Apothecary under 5 years ....            | 150 |
| Apothecary after 5 years .....           | 200 |
| Senior Apothecary .....                  | 400 |

#### *Education of the Apothecaries.*

Soon after the opening of the G. M. College, Government ordered that the members of the apothecary class should receive medical education in the College; they then attended the same lectures as are given to the students' classes for three years, at the end of which period they are examined. The standard of the examination is the same easy one which is now adopted for the apprentices, also at the end of three years' course. These examinations are taken at the College, not by the Bombay University.

(5) The members of the apothecary class can be made honorary assistant surgeons. An honorary assistant surgeon, or an assistant apothecary, or apothecary draws Rs. 450 a month if placed in temporary medical charge of a native regiment.

(6) When an honorary assistant surgeon, or an apothecary, or an assistant apothecary is allowed to retain medical charge of a native corps for upwards of five years, his salary is increased to Rs. 600 a month.

(7) The following is the Financial Resolution No. 2,295 of April, 1867:—

"Governor-General of India in Council is pleased to lay down the following revised scale of consolidated salaries for uncovenanted medical officers, other than sub-assistant surgeons, when in medical charge of civil stations." From this it is clear that sub-assistant surgeons are particularly debarred from receiving the advantages of this Financial Resolution; they cannot become uncovenanted medical officers.

(8) The following two sub-assistant surgeons hold medical charge of the stations opposite their names, with their pay:—

|  | Rs.      |
|--|----------|
| Burjorjee Ardesir, Savuntwaree   | 350      |
| Abdool Rahim Hakim, Bassa-   |          |
| dore .....   | 200      |
| These are the only two sub-assistant surgeons who hold charge of civil stations. There are now 34 sub-assistant surgeons on the Bombay Medical Establishment; not one of them receives more than Rs. 350 a month; 34 sub-assistant surgeons receive pay as follows:— |          |
|  | Monthly  |
|  | Rs.      |
| 8 Sub-Assistants, .....  | each 350 |
| 9       "       .....  | " 300    |
| 12       "       .....   | " 200    |
| 5       "       .....  | " 100    |

#### RANK OR POSITION.

(9) The rank of sub-assistant surgeons is that of "*native commissioned officers* of the army," whose designations and pay are as follows:

|                |         |
|----------------|---------|
|                | Monthly |
| Subadar .....  | Rs. 100 |
| Jemadar .....  | " 35    |
| Havildar ..... | " 16    |

Sub-assistant surgeons must remain sub-assistant surgeons all their lifetime, with such low rank as native commissioned officers, whose education is next to nothing. It is also understood that when in civil employ (which is not often the case), the sub-assistant surgeons hold the relative ranks of mamlatdars, deputy collectors, and subordinate judges.

(7) Honorary assistant surgeons and other members of the apothecary class, when employed in independent medical charge of civil stations, will receive pay according to the scale laid down in Financial Department's Notification No. 2,295, dated the 25th April, 1867, namely—

|   | Rs. |
|---|-----|
| Under 5 years' service in independent civil charge..... | 350 |
| From 5 to 10 years .....                                | 450 |
| From 10 to 15 years.....                                | 550 |
| Above 15 years .....                                    | 700 |

(8) The following apothecaries are in medical charge of the stations placed opposite to their names, with their pay:—

|  | Rs. |
|--|-----|
| B. Burn, Nassick .....   | 700 |
| A. Pollard, Dapoollee .....  | 450 |
| D. Munday, Vingorla .....  | 350 |
| E. H. Cook, Shewan .....   | 350 |
| J. Leahy, Sukkur .....   | 450 |
| L. George, Gogo .....  | 480 |
| J. Sinclair, Kolapore .....  | 450 |
| J. Anderson, House-Surgeon to J. J. Hospital.....  | 450 |
| W. Conway, Sada Political Agency .....   | 350 |
| W. Waite, Khandeish Bheel Corps .....  | 450 |
| T. MacGuire, Honorary Assistant Surgeon .....  | 450 |
| And there are others also, but they are omitted here, as their salaries cannot be made out just now. |     |

(9) Apothecaries generally are *warrant medical officers* (Rule 8 of 1st July, 1868)—5 apothecaries now hold the rank of *honorary assistant surgeon*, or that of lieutenant; junior assistant apothecaries can reach the rank of sub-assistant surgeons by a College study of two years, and the same privilege is allowed to hospital assistants. This is being done within the last two years. Now, contrast the rules for the sub-assistant surgeons with those of the apothecary class, so very different and favourable in every respect for the favoured class.

These rules can be seen in the supplement to the *Indian Medical*

Their relative ranks were mentioned in the first set of rules published some 24 years ago. They are omitted in the rules of "Sub-Assistant Surgeons and Charitable Dispensaries," published by Government under date 25th March, 1861. Rule 8 says—"In official intercourse it is the wish of Government that sub-assistant surgeons should be treated with the same degree of respect which is paid to native commissioned officers of the army, &c." What this "&c." means I do not know.

*Gazette* of 1st July, 1868. They are too long for insertion here.

#### SUB-ASSISTANT SURGEONS.

#### ASSISTANT APOTHECARIES AND APOTHECARIES.

#### PROMOTION.

(10) For the students who form the College classes proper.

For the graduates of the Grant Medical College there was first an entrance examination in the College. Then the A examination (medical) at the end of three years' College course, and a final examination at the end of five years' course. After the opening of the Bombay University, the Entrance Examination is the present Matriculation Examination. Then, at the end of the third year, there is the First L. M. Examination taken at the University, and at the end of the fifth year there is the Second L. M. Examination.

After this the student becomes a sub-assistant surgeon, and is admitted into the 3rd class. After seven years' service he is *again examined* in the College, and, if successful, is promoted to the 2nd class of sub-assistant surgeon. Then, at the end of 14 years' service, he is *examined again*, and, if successful, is promoted to the 1st class of sub-assistant surgeon. After this there is no promotion till the sub-assistant surgeon is either pensioned or dies.

(11) Thus for the graduates or licentiates becoming sub-assistant surgeons, and during 30 years' service, there are *five* examinations—one Entrance, and four Medical, viz.—

1st.—The First Entrance or the Matriculation Examination on entering the College.

(10) The only examinations which the members of the apothecary class are required to undergo are two—namely, one (of English knowledge) on the apprentices entering the Medical Service, that is, the same as mentioned in par. 1 under the head of "Preliminary Education;" the second is the medical examination, which is taken at the end of three years' College course, as mentioned in par. 3 and N.B. There are no more examinations than these two, although the apothecary may serve the State for full 30 years, and although he may rise from the rank of apprentice (Rs. 16 pay) to that of uncovenanted medical officer on Rs. 700 monthly.

(11) During 30 years' service there are only two examinations—one in English, the entrance examination; and the other the medical, at the end of three years' course—and the man may rise up to Rs. 700 per month. For further encouragement, Rule 46 of the Rules of 1868 provides for the

2nd.—First L. M. Examination.

3rd.—Second L. M. Examination.

Then, after joining the Medical Service as sub-assistant surgeon—

4th.—First promotion examination at the end of 7 years' service.

5th.—Second promotion examination at the end of 14 years' service.

N.B.—The two last examinations are taken with a view to find out whether the sub-assistant surgeon has kept up to the advances made by the Medical Service.

further advancement of the junior members of the apothecary class, when well recommended, to rise to the position of sub-assistant surgeon, and allowed after 5 years' service to attend the Medical College for a period not exceeding two years, to qualify themselves for the grade of sub-assistant surgeon. Now, the rule does not state whether after these two years' study, the person has to pass any such examination as the 2nd L. M. before he is appointed to the post. But I think it is merely a much simpler examination at the College—and not the University examination of 2nd L. M., or anything like it. N.B.—An assistant apothecary is promoted to the grade of full apothecary, and this again to that of senior apothecary, and the latter again to that of uncovenanted medical officer or honorary assistant surgeon *without any examination whatever.*

(12) Sub-assistant surgeons are pensioned agreeably to the rules of the Uncovenanted Service generally. Widows of this service are refused any pension. This subject is brought forward to show how well the apothecaries are cared for.

(12) Special provisions are made for the apothecary class for retiring, invalid, and wound pensions, as from paras. 22 to 26 of General Order No. 550 of 1868. Para. 27 provides pensions to the *widows* of the apothecary class.

What can be a better test of the comparative merits of these two classes of servants than the following, and how different is their treatment in spite of all professions of equality of all British subjects, without reference to colour or creed !—

#### GRADUATES AND L. M.S.

During the last sixteen years the following graduates of G. M. College, and licentiates of medicine of the University of Bombay, have passed the examination of assistant surgeon in England, without a single failure, and they are all now in the Medical Service. Many more would prove their competence but for the unfair disadvantage at which they are placed in having to go to England at much expense and inconvenience.

G. G. M. C. I.—Rustomji Byramji, M.D. He passed in 1856; so he is now full surgeon. He is now serving at Jacobabad.

L. M. 2.—Atmaram S. Jayaker, assistant surgeon, passed in 1867,

#### APOTHECARIES.

This class of subordinate medical servants are in existence fully for half-a-century at least. Their number has always been large, and they are now 105 in all.

*Not a single apothecary or assistant apothecary* has up to this day ventured to appear for the examination of an assistant surgeon.

It is true that five apothecaries now hold the *honorary* rank of assistant surgeon, but this honorary rank is only given to them in India by the Indian Government, in consequence of that strange order of the Government of India No. 550 of 1868.

Before the publication of this order, the two most senior apothecaries

acting civil surgeon at Muscat.

L. M. 3.—A. J. Howell, assistant surgeon, passed in 1869.

L. M. 4.—Ruttonlal Girdhurlal, M.D., an assistant surgeon, passed in 1872. He is now serving in the Bengal Presidency. Although he was a candidate from Bombay, he preferred to go to the Bengal Presidency.

Besides all these—

G. G. M. C.—Dr. Muncherji Byramji Cohola, M.D., should be mentioned. This gentleman is now in the Bombay Medical Service as an uncovenanted medical officer, and superintendent of vaccination, Northern Division. He had gone to England to pass for an assistant surgeon, but unfortunately for him he had gone there soon after the Indian Mutiny, when all natives of India were prohibited admission into the Indian Medical Service, and therefore he had to return disappointed to Bombay without the examination. He, however, passed a successful examination in England for M.D.

Even an honorary assistant surgeonship is not accorded to the sub-assistant surgeon, no matter what his merits.

This comparison shows how natives, far better educated, are put very much inferior in rank, position, and emoluments to Europeans very much inferior in acquirements. The class of natives from which alone some have gone over and successfully passed the examination in England, is put below a class of Europeans from which not one has even ventured, as far as I can ascertain, to stand the ordeal of the same examination.

#### TELEGRAPH AND FOREST SERVICES.

In the Telegraph and Forest service it is the same; natives are virtually debarred by being required to go to England to enter the higher departments, as far as I am aware. So here we are after forty years, as if the great enactment, of which great statesmen were proud, had never taken place, and all pledges, even such as that of Her Most Gracious Majesty, were idle words.

Now I conclude my notes on the Poverty of India. As I told you before, these notes were written more than two to three years ago. It remains to be seen what modification should be made in these views by the light of the events of the subsequent years. For the present the inevitable conclusion is that there is a heavy and exhausting annual drain, both material and moral, from India caused by the excessive

caries used to be made honorary sub-assistant surgeons, beyond which grade they could not aspire. Nowadays the same senior apothecaries laugh at the idea of being called sub-assistant surgeons, as Government could accord them the higher rank of honorary assistant surgeon. The attainment of this rank does not involve the idea of any examination whatever. All promotions take place in this class of servants by length of service only.

employment of Europeans; and to remedy this unnatural and serious evil, such employment needs to be limited to some reasonable extent, so that India may be able to retain to itself some portion of the profits of its trade, and, by thus increasing its capital and prosperity, may be strengthened and confirmed in its loyalty and gratitude to the British nation. I hoped to be able to speak more definitely on this point, but though it is now nearly three years since Sir D. Wedderburn moved for a return of the number, salaries, allowances, &c., of all Europeans and natives, employed in all the departments of the State, drawing a salary of above Rs. 100, it is not forthcoming yet.

I expected that such a return would enable us to consider more carefully the extent and remedy of the serious evil I am complaining of. I would have closed my paper here, but as I have seen what appears to be a confirmation of the remedy I ask for, of the necessity of clipping European service, from a most unexpected quarter, I desire to say a few more words. The quarter I mean is the *Bombay Gazette*, or Mr. Maclean. If I understand him rightly, we do not appear to be far from each other, except what difference may arise from his interpretation of his own words. In his paper of 23rd March last, in commenting upon the causes of "the debased rupee," he considers home remittances to have some effect in that direction. And he proposes the remedy. I give his own words. He says—"To decrease these (home remittances) by clipping establishments, or rather re-framing them on an economical basis, *by never employing other than natives of this country*,"\* except where good policy and public convenience demand it, and if possible, by establishing some check on the extravagant follies of the Secretary of State, should be the task of the Indian Government." This is just what I ask now, and what I asked before the Select Committee. Not only that the native services will be economical in themselves, but that, even if they were as highly paid as the European services were at present, the economical result to India will be pure gain, as all such payments will continue and remain as the wealth and capital of the country. The only thing to be ascertained is, what Mr. Maclean's ideas are as to the extent of the employment of Europeans that "good policy and public convenience may demand."

The demoralising effect upon our rulers of this fundamental and serious evil shows itself in various ways, besides the most prominent one of the open non-performance of engagements, &c., which I have already pointed out. Take, for instance, the revenue legislation for the Presidency of Bombay. This legislation, instead of maintaining the height

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\* The italics are mine.

of English justice, in which it commenced in the earlier Regulations of 1827, and in which English prestige took its foundation, gradually degenerated into a legalised Asiatic despotism, till the new Revenue Jurisdiction Bill crowned the edifice, and by which the Collector, who was hitherto the "king," now becomes the emperor, and whose will generally will be the law of "the land."

The drain of India's wealth on the one hand, and the exigencies of the State expenditure increasing daily on the other, set all the ordinary laws of political economy and justice at naught, and lead the rulers to all sorts of ingenious and oppressive devices to make the two ends meet, and to descend more and more every day to the principles of Asiatic despotism, so contrary to English grain and genius. Owing to this one unnatural policy of the British rule of ignoring India's interests, and making it the drudge for the benefit of England, the whole rule moves in a wrong, unnatural, and suicidal groove.

As much as our rulers swerve from "the path of duty that is plain before them," so much do they depart from "the path of wisdom, of national prosperity, and of national honour."

Nature's laws cannot be trifled with, and so long as they are immutable, every violation of them carries with it its own Nemesis as sure as night follows day.

## MR. DADABHAI NAOROJI'S REPLY TO CRITICISMS ON "THE POVERTY OF INDIA."

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I begin with Mr. Maclean. His remarks consist of violent declamation and criticism proper. With the former I have nothing to do.

He has very much misunderstood my papers. As a first instance:—when he asks me to deduct the exports of India (less the exports from Native States) from my estimate of the production of India, he does not see that my estimate is for the *total production* in India, and that what is exported is not to be deducted therefrom. Besides my estimate is for British India, and is not affected in any way by the exports from the Native States.

As a second instance—he asks me to add £15,000,000 for Cotton manufactures. My estimate of production *includes* all *raw* Cotton of British India. The only thing to be added (which is already included in my estimate) is the additional value the raw Cotton acquires by the application of industry in its conversion into cloth. Coal and foreign stores that are used in the mills are paid for from and are therefore *included* in the production I have estimated. The only additional value is that of the labour employed. But even if we allowed the *whole* additional value acquired by raw cotton in its conversion into cloth, what will it be? Mr. Maclean's Guide to Bombay (1875) gives the number of the then working spindles (which is much later than the time of my notes) as about six lacs in the whole of the Bombay Presidency. Taking five ozs. per day per spindle, and 340 working days in the year, the total quantity of raw cotton consumed will be about 81,300 Candies, which, at Rs. 150 per Candy amounts to about £1,220,000. The price of cloth is generally about double the price of raw cotton as I have ascertained from the details of two or three mills of Bombay, so that the whole addition caused by the Mills to the value of raw cotton is only nearly £1¼ millions, say 1½ millions sterling to leave a

wide margin. Then, again, there are about the time of my notes, yarn imports into India worth about £2,500,000 per annum. This, of course, is paid for from the production of the Country. The value added to it is its conversion into cloth. Now the cost of weaving is about 25 per cent. of the value of yarn, so that the value thus added is about £600,000; say a million to include any contingency, making the total value to be added to the raw production of about £2,500,000. If deduction is made for coal and foreign stores, this amount will be much lessened. Again we know that hand spinning is much broken down, and there can be but a little quantity of cloth woven out of hand-spun yarn in India. Giving even £500,000 more for that industry, the outside total of addition to the raw produce would come to, as a high estimate, £3,000,000 instead of the £15,000,000 which Mr. Maclean asks me to add without giving a single figure for his data. Let him give any reasonable data, and I shall gladly modify my figures so far. As a third instance of his misunderstanding my paper—when he asks me to take £5,000,000 for gold and silver ornaments made in this country, he forgets that gold and silver are not produced in this country. All bullion is *imported* and is paid for from the produce of India. It, therefore, can add nothing to my estimate of production. The only addition is the industry employed on it to convert it into ornaments. This industry for the ordinary Native ornaments will be amply covered by taking on an average an eighth of the value of the metal, which will give about £625,000, or, say, three quarters of a million sterling, or even a million while Mr. Maclean wants me to take £5,000,000.

As a fourth instance:—while Mr. Maclean tells me erroneously to add £15,000,000 and £5,000,000 when there should be hardly one fifth of these amounts, he does not see that I have actually allowed in my paper for all manufacturing industrial value, to be added to that of raw produce as £17,000,000. And further for any omissions £30,000,000 more (E. I. Association Journal Vol. IX., No. 4 page 257).

These four instances, I think, would be enough to show the character of Mr. Maclean's criticism, and I pass over several other similar and other mistakes and mis-statements. I come to what is considered as his most pointed and most powerful argument, but which, in reality, is all moonshine. After contradicting flatly in my paper, his assertion that the exports of the United States were in excess of imports, I had said that I had no reliable figures for the Years after 1869. To this he replies:—"here they are," and he gives them as follows. I quote his own words.

"Mr. Dadabhai says he cannot get "authentic figures" of

American trade for a later year than 1869—Here they are for him :—

| Imports.  | Merchandise<br>and bullion.<br>£ | Exports.  | Merchandise<br>and bullion.<br>£ |
|-----------|----------------------------------|-----------|----------------------------------|
| 1869..... | 87,627,917                       | 1869..... | 99,330,735                       |
| 1870..... | 97,779,351                       | 1870..... | 117,534,993                      |
| 1871..... | 112,552,770                      | 1871..... | 138,084,908                      |
| 1872..... | 117,250,899                      | 1872..... | 128,337,183                      |
| 1873..... | 132,709,295                      | 1873..... | 142,240,730                      |
| 1874..... | 119,172,249                      | 1874..... | 130,582,689                      |
|           | <u>£667,085,481</u>              |           | <u>£756,111,238</u>              |

The excess of exports over imports for the six years is, therefore, 89 millions sterling, giving a yearly average of nearly 15 millions against only 11½ for India. The explanation of the deficit in imports in the case of the United States is, of course, similar to that which accounts for so much of the Indian deficit. The United States form a favourite field for investment of English Capital, the interest of which is paid by America in the form of exports of produce. Yet we never heard an American citizen complain that his country was being drained of its wealth for the benefit of foreigners. He is only anxious to borrow as much English Capital as he can, knowing that invested in reproductive works, it will repay him a hundred-fold the paltry rate of interest he has to send abroad."

To these remarks of Mr. Maclean I reply that he is as utterly wrong *now* as he was *before*. When he first made the mistake which I have pointed out in my paper, there was some excuse for him,—that he was misled by what was supposed to be a book made up from authoritative statements.—but after I flatly contradicted him once, it was his duty to ascertain whether my contradiction was correct, and if so not to follow the same blind guide again. He did nothing of the kind, and his conduct now was quite inexcusable in dealing recklessly with such important matters. He has taken his figures from the Statesman's Year Book. This book has made curious mistakes. It has *included* bullion in the figures for exports of "Merchandise," and *again* given bullion separately; and it has *not* converted the "*currency*" value of exports of "domestic produce" from the Atlantic ports, into *gold*. These two and some such other mistakes render this book's figures for the years taken by Mr. Maclean, utterly wrong. I give the following illustration of these mistakes in the figures for the year ending 30th June. 1871.

The correct official\* figures are:—

| RE-EXPORTS.          |                     |                      |                     |                      |
|----------------------|---------------------|----------------------|---------------------|----------------------|
|                      |                     | (gold value.)        |                     |                      |
| Merchandise          |                     | Gold and Silver.     |                     | Total.               |
| \$14,421,270         |                     | \$14,038,629         |                     | \$28,459,899         |
| EXPORTS.             |                     |                      |                     |                      |
| Merchandise.         |                     | Specie and bullion   |                     | Total.               |
|                      |                     | Gold Value.          |                     |                      |
| from Atlantic ports. | from Pacific Ports. | from Atlantic Ports. | from Pacific Ports. | Mixed Value.         |
| Currency Value.      | Gold Value.         |                      |                     |                      |
| \$                   | \$                  | \$                   | \$                  | \$                   |
| 464,300,771          | 13,712,624          | 76,187,027           | 8,318,229           | 562,518,651          |
| equal to gold Value. |                     | Total                |                     | equal to Gold Value. |
| \$                   |                     |                      |                     | \$                   |
| 414,826,393          | 13,712,624          | 84,505,256           |                     | 513,044,273          |
| TOTAL EXPORTS.       |                     |                      |                     |                      |
| Domestic exports.    |                     | Re-exports.          |                     | Total                |
| (Gold Value)         |                     | (Gold Value)         |                     | (Gold Value).        |
| \$                   |                     | \$                   |                     | \$                   |
| 513,044,273          |                     | 28,459,899           |                     | 541,504,172          |

Now instead of the above correct official figure of \$541,504,172 as the *total* exports from the United States (including bullion), the Statesman's book makes "Merchandise" \$590,978,550 and bullion \$98,441,989, which I find to be made up as follows:—It takes from the official returns *total mixed* value of domestic Exports, \$562,518,651 and then adds to it the *total* re-exports \$28,459,899 and makes the addition of the two figures as the total for "Merchandise" *viz.*, \$590,978,550. It will be now seen by a comparison of these figures with the official ones, that the "Currency" value of the domestic Exports from the Atlantic ports is *not* converted into gold, and that though in the two official totals of \$562,518,651 and \$28,459,899, bullion is *already included*, the total of these in the Statesman's book is given for "Merchandise" alone and a further statement is given for bullion as \$98,441,989 made up nearly of \$84,505,256 of domestic exports, and \$14,038,629 of re-exports.

Mr. Maclean takes the total \$590,978,550 of "Merchandise" (which *already includes* bullion) and bullion *over again* \$98,543,885 and makes the exports \$689,420,539 or £138,084,908. It will thus be seen that Mr. Maclean's figure for 1871 contains bullion to the extent of \$98,543,885, or £19,889,198 taken *twice*, and the "currency" value of

\* Monthly Reports on the Commerce and Navigation of the United States by the Chief of the Bureau of Statistics for the year ending 30th June, 1871, page 386.

domestic produce exported from the Atlantic ports, is *not* converted into gold value, making a further error of \$49,474,378; or the total error in Mr. Maclean's figure for exports for 1871 alone is \$98,543,885 + 49,474,378 = \$148,018,263, or nearly £31,000,000 sterling @ 50d. per \$.

I take 50d. per \$, as the Parliamentary Returns for foreign States No. XII. has taken this rate of Exchange.

Mr. Maclean has given the figures for six years. I am not able to verify the figures for 1874, so I give a comparison of the *official correct* figures and Mr. Maclean's figures for the years ending June, 1869 to 1873.

The Statesman's book's wrong figures.

| Years<br>ending<br>June. | Imports.               |             | Exports.                       |             |
|--------------------------|------------------------|-------------|--------------------------------|-------------|
|                          | Mer.                   | Bullion.    | Merchandise                    | Bullion.    |
|                          | \$                     | \$          | \$                             | \$          |
| 1869 ...                 | 417,506,379            | 19,807,876  | 439,134,529                    | 57,138,380  |
| 1870 ...                 | 462,377,587            | 26,419,179  | 529,519,302                    | 58,155,666  |
| 1871 ...                 | 541,493,774            | 21,270,024  | 590,978,550                    | 98,441,989  |
| 1872 ...                 | 572,510,304            | 13,743,689  | 561,808,381                    | 79,877,534  |
| 1873 ...                 | 642,030,539            | 21,480,937  | 626,595,077                    | 84,608,574  |
|                          | 2,635,918,583          | 102,721,705 | 2,748,035,839                  | 378,222,143 |
| Add ...                  | 102,721,705            |             | 378,222,143                    |             |
| Total                    | 2,738,640,288 Imports. |             | 3,126,257,982 Total Exports.   |             |
|                          |                        |             | 2,738,640,288 Deduct Imports.  |             |
|                          |                        |             | 387,617,694 Excess of Exports. |             |

Official correct figures.\*

| Years<br>ending<br>June. | Imports                           |  | Exports.                          |             | Total.        |
|--------------------------|-----------------------------------|--|-----------------------------------|-------------|---------------|
|                          | Including bullion,<br>gold value. |  | Including bullion.<br>gold value. |             |               |
|                          |                                   |  | Domestic.                         | Foreign.    |               |
|                          | \$                                |  | \$                                | \$          | \$            |
| 1869 .....               | 437,314,255                       |  | 318,082,663                       | 25,173,414  |               |
| 1870 .....               | 462,377,587                       |  | 420,500,275                       | 30,427,159  |               |
| 1871 .....               | 541,493,708                       |  | 512,802,267                       | 28,459,899  |               |
| 1872 .....               | 640,338,706                       |  | 501,285,371                       | 22,769,749  |               |
| 1873 .....               | 663,617,147                       |  | 578,938,985                       | 28,149,511  |               |
| Total Imports...         | 2,745,141,403                     |  | 2,331,609,561                     | 134,979,732 | 2,466,589,293 |
| Deduct Exports.          | 2,466,589,293                     |  |                                   |             |               |
| Excess of Imports        | 278,552,110                       |  |                                   |             |               |

Mr. Maclean's total error for the 5 years 1869 to 1873 is therefore \$278,552,110 + 387,617,694 = \$666,169,804 = £138,785,000 @ 50d. per \$; or \$133,233,961 = £27,757,000 per annum.

\* Monthly Reports on Commerce and Navigation of the United States, by Edward Young, Ph. D., Chief of the Bureau of Statistics for the year ending 30th June, 1874. page 177.

In making, however, a comparison between the trade returns of India and the United States, there is one important matter to be considered, and which, when taken into account, as it ought to be, the Imports of the United States will be some 16 per cent. more than they are above shown to be. In India the exports are declared at the value at the ports of export. It is the same with the United States. The imports in India are declared at the "*wholesale cash price less trade discount*"\* at the *Port of Import*, which means the value at the foreign port of export, plus freight, insurance and other charges to the Indian port of import, and also plus 10 per cent. for profits. This is the principle on which the imports are declared in the Custom Houses in India, when the Tariff value is not already fixed, or the Market price not agreed upon by the importer and the Custom House. But in the case of the United States the declared value† of imports is only the value declared at the *foreign port* from which the Merchandise was *exported*, which means, *without* adding the cost of freight, insurance and other charges and 10% profits. Now Mr. Edward Young, the "Chief of the Bureau of Statistics, Treasury Department" of the United States calculates 6%‡ as representing the freight from foreign ports to America.

This 6% for freight (without taking the further additional charges for insurance, commission, &c., into account) together with the 10% as calculated in India for declaration for Imports, makes it necessary to add 16% to the Imports of the United States, before the actual excess of Imports of the United States on the principle adopted in India, can be ascertained and compared with that of India. In that case the actual excess of imports over exports in the United States will be \$717,774,734 = £149,536,403|| for

\* Customs Act (6) of 1863, Section 180, also inquiry at the Customs House gave 10 per cent. to be added on the Importer's Invoice, or 20 per cent. on the Manufacturer's Invoice.

† Annual Report of Commerce and Navigation, 1873, says, page 3. "Import entries : sworn specie values at foreign places of export,"

‡ Monthly reports for the year ending 30th June, 1874, page 352. "The value of the imports of Merchandise, as presented in the first table being those at the ports of shipment, it will be proper to add thereto the amount of freights to the several ports of the United States.

\* \* \* It is believed that 6 per cent. on the total value of imports is an estimate of approximate accuracy."

|| Total imports..\$2,745,141,403  
add 16 p. c..... 439,222,624

3,184,364.027  
deduct exports..2,466,589,293

excess of imports \$717,774,734 @ 50d. for 5 years = £149,536,403  
average per annum, \$143,554,947 @ 50d = £29,907,280.

the five years 1869 to 1873 or \$143,554,947 = £29,907,280 per annum. Thus the correct result about the United States (on the principle of the Indian Custom House) is that, instead of there being an excess of *exports* of 15 millions sterling per annum, there is actually an excess of *imports* of *double* that amount or nearly 30 millions sterling, thus making a difference between Mr. Maclean's and the correct figures of nearly 45 millions sterling per annum.

Now after all Mr. Maclean's recklessness what does he come to. He clearly admits my most important statements. He says:—

"It has been estimated that the amount of the annual earnings of Englishmen connected with India, which are thus transmitted home, cannot be less than £20,000,000 and we should be inclined to place it at a *very much higher figure*.\*

Again:—"To decrease these (home remittances) by clipping establishments or, rather, reframing on an economical basis *by never employing other than natives of this Country*,\* except when good policy and public convenience demand it, and if possible by establishing some check on the extravagant tollies of the Secretary of State, should be the task of the Indian Government."

This is just what I say, that there is an enormous transfer of the wealth of this country to England, and the remedy is the employment of natives only, beyond the exigencies of the British rule. But for this single circumstance, his remarks about the United States would apply to India perfectly well, *viz*:—"He (the American) is only anxious to borrow as much English capital as he can, knowing that invested in reproductive works, it will repay him a hundred-fold the paltry rate of interest he has to send abroad."

The Indian will do *just the same*, but Mr. Maclean, blinded by his blind patriotism, does not see that that is just the difficulty; that while the American derives *the full benefit* of what he borrows, the Indian borrowing with one hand, has to give the money away to England with the other hand in these "home remittances" of Englishmen and "home charges," getting for himself the *burden* only of the debt. The very idea of comparing the circumstances and condition of the United States and India as being similar, is simply absurd, for which another reason will be given further on. When Mr. Maclean has digested the figures I have given above, there will be time enough to discuss whether even if the United States exported more than it imported for any particular period or periods, there will be anything at all similar to India's case. The fact is there is no such similarity except the interest paid on loans for reproductive works.

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\* Italics are mine.

Next Mr. Shapoorjee says I have discarded official figures and substituted my own. I have done nothing of the kind. I have requested him to point out, but he has not done so. Mr. Shapoorjee says India is in the same boat with the United States. From the remarks I have already made, it may be seen that no weight can be given to this statement. In support of his assertion he says the United States have foreign debts of about £1625 millions. I requested him to show me any official or sufficiently reliable authority for these figures and he shows me none.

From what I have already shown about the imperfections of even such a book as the Statesman's Year Book, and the reckless reliance of Mr. Maclean upon it, I cannot but be careful in accepting such off-hand assertions of Mr. Shapoorjee. He is kind enough to advise me to adhere to official figures, and I need simply request him to do the same himself. Like Mr. Maclean, Mr. Shapoorjee also does not read my paper carefully; or he would not have said a word about America's public debt. He would have seen that I have excluded from my total of imports and exports those very years in which the United States contracted nearly the whole of its public debt (1863 to 1866). Again, Mr. Shapoorjee tells us that the Railways of the United States "could not have cost less than £20,000 a mile," while the Railway Manual for 1873-4, which Mr. Shapoorjee has kindly lent me, gives the average cost at \$55,116, and Mr. Maclean's guide, the Statesman's Book, gives \$50,000 a mile. This is about £10,000 to £11,000 or nearly half of Mr. Shapoorjee's figure; and thus nearly half of his "£850 millions if not more" of foreign Capital for Railways disappears. Now I give one more reason why Mr. Shapoorjee's figure of 1625 millions sterling as the present foreign debts of the United States cannot be accepted. Mr. Edward Young, whom I have already mentioned, the highest official and authority on the treasury statistics of the United States, calculates and gives (in his official "monthly reports on the Commerce and Navigation of the United States for the year ending June 30th, 1874, page 352) his own personal and unofficial estimate of the "Aggregate foreign debts" of the United States. He says, "Although there were no national securities held abroad at the commencement of our late war, yet some of the bonds of the commonwealth of Pennsylvania, and, probably, of Massachusetts and other States, as well as railroad shares and securities, were owned in Europe. In the absence of accurate data on the subject, it is believed that fifty millions is an ample estimate for these *ante bellum* securities. With this addition, our aggregate foreign debt amounts to nearly TWELVE HUNDRED MILLION DOLLARS." Such is Mr. Young's estimate of the aggregate debts, "national,

State, Municipal and Corporation—held in foreign countries.”  
*i.e.* \$1,200,000,000, when Mr. Shapoorjee asks us to take the figure nearly seven times larger,—£1,625,000,000 equal to \$7,800,000,000. Mr. Shapoorjee will, I trust, therefore excuse me for not accepting his figures and his conclusions based thereon. Again, Mr. Shapoorjee has been good enough to give me an extract from the Westminster Review of January, 1876. This extract gives (in 1875) the national production of the United Kingdom as £28 per head of population; of the United States as £25 per head, and of Russia as £7-10 per head, France £22, Austria £18, and Italy £15; while India hardly produces £2 a head. The simple fact then, that the United States is the second richest country in the world, and its people have *all* their revenues and resources at *their own* command and for *their own* benefit only, is enough to shew that it is simply absurd and idle to compare it, in its circumstances and condition, as being in the same boat with the half starving and ever-draining India. Mr. Shapoorjee’s and Mr. Maclean’s wonder that the Americans are not lachrymal is a great wonder in itself. When the Americans are subjected to a “home remittance” to a foreign country of some “very much higher figure” than twenty millions sterling a year, and “Home charges,” and when a large number of foreigners engross all official and important positions to their own exclusion, causing thereby such heavy drain, *then* will be the proper time to make a comparison between America and India.

Mr. Shapoorjee’s comparison with Russia and other European States is equally unreasonable. In spite of the inferior administration of Russia and the great Military expenditure, its national income is nearly four times as much as that of India, and that of the other European states is much larger still; and they have no “home remittances and charges” to remit, which India has to do from its wretched income of hardly £2 per head per annum.

Mr. Schrottky misunderstands me when he thinks that in the present discussion about the *Material Condition* of India, I mention the necessity of the employment of natives as any thing more than the only remedy, by which the capital of the country can be saved to itself to enable the agricultural as well as all other industries to get the necessary life-blood for their maintenance and progress. If it be possible that every European coming to India would make it his home, so that the item of the “home remittance and charges” is nearly eliminated, it would not matter at all, so far as the present question of the material prosperity of the country is concerned, whether the European or the Native is in office. The only remedy is that either the European must like the Mahomadan conquerors become natives and *remain* in the country, or

remain *out* of office beyond the exigency of the British rule. If not, then it is idle to hope that India can rise in material prosperity, or be anything else but a wretched drudge for England's benefit. On the other hand a natural and just policy will make India with its teeming population one of the, if not the best customer for England and the best field for England's enterprise, and its agriculture will derive all the aid which Mr. Schrottky could desire in the goodness of his heart. Under the present unnatural policy England takes from India's scanty; under a natural and just policy, it will gain from India's *plenty*, and Manchester may have its free trade to its heart's utmost content.

To Mr. Trant I have to say only this, that mere assertions are not worth much and that all his political economy may be all right, in a Native Governed Country, but when he takes the element of the "home remittances and charges" into account, he will not differ much from me.

In reply to Mr. Collet's remarks, I have to request him to take several elements into account which he appears to have forgotten.

1. To add 15 per cent.\* profits to exports (during the American War, the percentage of profits on the exported produce was very much larger).

2. To deduct from Import nearly £140,000,000 of foreign debt (public and railway) incurred during the 18 years he has taken.

3. To remember that the profits of opium as well as of all India's Commerce are as much India's property and resources as the profits in Coal, iron and all other exported produce and manufactures of England are England's property and resources, though all such profits are derived from foreign nations, and that all the profits of opium and general commerce of India are included in my total production of India.

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\* For the following countries the profits, or excess of imports over exports, are as under, subject to modification for foreign debts or loans.

The United Kingdom .. .. 25% (1858 to 1870)

Australia .. .. 15% (1858 to 1868)

British North America .. .. 29% (do. to do.)

(E. I. Association Journal Vol. IX. No. 4, page 263)

United States .. .. 18% (1869 to 1873)

as under:—

|   |                 |
|---|-----------------|
| Imports .. .. .   | \$2,745,141,403 |
| Add 6% freight (leaving other charges,—Commission )     | 164,708,484     |
| Insurance, &c., alone) .. .. .                          |                 |
|   | <hr/>           |
|   | \$2,909,849,887 |
| Deduct Exports .. .. .                                  | \$2,466,589,293 |
|   | <hr/>           |
| Excess of Imports, or profits—say 18%, above exports .. | \$443,260,594   |

4. To remember that notwithstanding that opium and the profits of commerce are legitimate property and resources of India, that even after deducting these amounts, or that in addition to these amounts being sent away to England, there is the further amount of about £200,000,000 in principal alone gone to England during the 38 years I have taken; and that Mr. Collet has not pointed out any mistake in my calculations.

For his 18 years also, if he will take the items he has forgotten, his result will not differ from mine.

|  |     |               |
|--|-----|---------------|
| For 1858 to 1875 his figures for exports are ... | ... | £910,995,000  |
| Add 15 % profits ...                             | ... | 136,649,250   |
| Total proceeds of exports...                     | ... | 1,047,644,250 |
| His imports are ...                              | ... | £764,310,000  |
| Deduct loans imported about ...                  | ... | 140,000,000   |
| Actual commercial Imports ...                    | ... | 624,310,000   |
| (including Government stores)                    |     |               |
| Excess of proceeds of Exports ...                | ... | 423,334,250   |
| Deduct Railway interest ...                      | ... | 51,133,987    |
| Transfer to England from India's resources ...   | ... | 372,200,263   |
| (excluding interest in railway loans)            |     |               |
| This transfer is equal to the whole of           |     |               |
| the opium revenue ...                            | ... | £108,156,107  |
| The whole of profits on exports...               | ... | £136,649,250  |
| And furthermore from India's resources           | ... | £127,394,906  |

or nearly £130,000,000 in addition to the Railway interest. The actual transfer is even larger than this, as will be seen further on.

Mark then, during Mr. Collet's 18 years *all* opium revenue, *all* profits of Commerce and guaranteed interest on railways are transferred to England, and £130,000,000 besides, making a total in principal alone of £424 millions, or £372 millions excluding railway interest. Moreover it must be remembered that during the American War great profits were made, and this having to be added to the exports is so much more transferred to England.

Thus as Mr. Collet's figures are imperfect I need not trouble the meeting with any comments on the confusion into which he has fallen on account thereof. I have taken his own figures and shown what they lead to as the best way of pointing out his mistake. He seems to have also a somewhat confused notion of a balance sheet. But this is not the time or place for me to go into that matter.

Thanks to my critics, they have led me into a closer examination of some points, and I find the case of India worse than

what I have already made out. I have to modify some of my figures\* which I now do.

I have shown that the imports into India (*including* bullion) from 1835 to 1872 are £943,000,000. Now in making out a nation's balance sheet with foreign countries, the balance of profit should be taken between the price of exports at the port of export, and the price of imports, as *laid down* or costing at the port of import, and not the *Market* price at the place of import, which include the profit on the import obtained in the importing country itself.

I may illustrate thus. I laid out Rs. 1,000 in cotton and sent it to England. There it realised proceeds say Rs. 1,150. This may be remitted to me in silver, so that when the transaction is completed, I receive in my hands Rs. 1,150 in the place of Rs. 1,000 which I had first laid out, so that the country has added Rs. 150 thereby to its capital. But suppose instead of getting silver I imported say 10 bales of piece goods which laid down in Bombay for Rs. 1,150. The gain to the country so far, is the same in both cases—an addition of Rs. 150. But any gain to me *after* that, in the sale of these piece goods in India itself is *no* gain to India. Suppose I sold these goods for Rs. 1,300. That simply means that I had these goods and another person had Rs. 1,300, and we simply exchanged. The country has no addition made to its already existing property. It is the same, viz., the ten bales of piece goods and Rs. 1,300; only they have changed hands. Bearing this in mind, and also that the declared value of imports into India is not the *laying down* price, but the *Market*† price which means the *laying down* price plus 10 % profit, it is necessary for ascertaining the *real* profits from the *foreign commerce* of India to deduct 10 % from the declared value of imports (merchandise). Doing this, the total imports from 1835 to 1872 should be taken £943,000,000 minus £62,000,000‡ which will be equal to £881,000,000. In that case the real deficit of imports under what the imports ought to have been (£1,438,000,000) will be £557,000,000 in place of the nearly £500,000,000 I have given in my paper.

The figure of the amount, after deducting opium and profits of commerce will be £248,000,000, instead of nearly £200,000,000; or the total transfer of wealth to England in addition to the Railway interest (£40,000,000) will be £517,000,000 instead of £453,000,000 given in my paper, and

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\* E. I. Association Journal, Vol. IX, No. 4, page 264.

† See the first note at page 115.

‡ Imports-merchandise 1834-5 to 1872 £618,000,000, 10% of which is nearly £62,000,000.

the yearly average of every five years of this amount of £517,000,000 will be proportionately larger, about 13 % :—

Averages will be about

|                   |            |                    |            |
|-------------------|------------|--------------------|------------|
| 1835 @ 1839 ..... | £6,000,000 | 1855 @ 1859 .....  | £8,700,000 |
| 1840 @ 1844 ..... | 6,600,000  | *1860 @ 1864 ..... | 19,000,000 |
| 1845 @ 1849 ..... | 8,700,000  | 1865 @ 1869 .....  | 27,500,000 |
| 1850 @ 1854 ..... | 8,400,000  | 1870 @ 1872 .....  | 31,000,000 |

This average during the American War would be much increased, if the whole profits on the exported produce of the time could be ascertained.

In preparing this reply I have had to work out all the figures hurriedly, but I hope they will be found correct.

I have not seen the late Administration reports, but I trust they give fuller details than the previous ones with which I had to deal, and if so, more precise results could be attained as to the actual annual production of the country, which is the most important point to be settled to give us an accurate knowledge of the actual poverty or otherwise of this country.

Since I wrote the above I purchased a copy of the latest Administration Report of Bengal (1874-5) to see if I can at present give some more definite statistics about production than I have already done in my paper. Fancy my disappointment when I read Sir R. Temple saying :—

“Again the survey embraced only the exterior boundaries of each village or parish, and afforded no details of cultivation and waste, culturable or unculturable.”

To the latter part of Mr. Collet's paper, I have simply to reply: any amount of mere assertion or assumption can do no good. The question is a simple matter of facts and science. Is there so much cultivated land or not; is there so much produce or not; and are such and such the prices or not? And then common arithmetic gives you certain results. No amount of indirect reasoning or assumption can falsify facts and arithmetic and make 2 and 2 equal 5. So far as the official statistics are imperfect, it is the duty of the Government to give to the public full details. We know the national production of other countries and there is no reason why the Indian Government should not be able to give us such most important similar information. That will be the best and surest guide and test of the actual condition of the people of India, and our rulers will see their way clearly to the most proper and effectual remedies. I have not the least doubt in my mind about the conscience of England and Englishmen,

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\* I could not find the amount of enfaced paper given for every year before 1860. I have therefore taken the whole amount in 1860, which increases the average for 1860-64 and correspondingly diminishes the average of the previous years, but not to a large extent.

that if they once clearly see the evil, they will *not shrink* to apply the proper remedies. My estimate of 40s. a head has been accepted and argued upon by an Under Secretary of State (Mr. G. Duff), and a Viceroy (Lord Mayo), and another Viceroy (Lord Lawrence), has told us that the mass of the people are half fed. It is not the question of the ordinary proportion of the poor in every country. Mr. Grant Duff in his reply to Mr. Lawson asked whether the "already poor population of India" was to be ground down "to the very dust," by the removal of the opium duty. So the margin between the present condition of India and of being ground down "to the very dust," is only the opium revenue. This is prosperity with a vengeance. I would not take up more of your time. Mr. Collet's remarks about the United States are already disposed of in the reply to Mr. Maclean. I have been lately reading the expression "balance in favour of India." The writers evidently suppose that what they call the balance of trade in favour of India was something that India had to receive sometime or other. They do not seem to understand that of all the *deficit* of import under the proceeds of export, not a single pie *in cash or goods* is to be received by India. That similarly, that of all the *excess* of imports in all the other parts of the British Empire to the extent of 15 to 25 per cent. over exports, or 18 per cent. in the United States, not a single farthing has to be paid to any country. It is in fact the profit of their exports, and the deficit of India, is so much transfer of its wealth to England. If I sent £100 worth of goods and get back only £80 worth, with no chance of getting the remaining £20, as well as the profits of my venture, *in cash or goods*, and then to call this "balance in my favour," is indeed a very unenviable condition. On this subject I can only request attention to my papers instead of detaining you any longer.

Mr. Dadabhai concluded by saying that he was very much obliged to the meeting extending so much indulgence to him, and at the same time to many gentlemen who had come forward for discussion. When they first met in that hall, their fear was that they would have none to oppose as there would be none to criticise the paper. But he was much and very agreeably surprised that he had been criticised by many, and he was sure that this would bring out the real truth, and he hoped that from this day hence Mr. Maclean and his party would leave the United States alone and exert their influence to make India something like the United States. (Hear, hear, and cheers.)

#### THE REMEDY.

When I wrote these notes in 1873, or read them in 1876, I little dreamt that they would so soon obtain such terrible confirmation as the present deplorable famines have given them.

The chief cause of India's poverty, misery, and all material evils, is the exhaustion of its previous wealth, the continuously increasing exhausting and weakening drain from its annual production by the very excessive expenditure on the European portion of all its services, and the burden of a large amount a year to be paid to *foreign* countries for interest on the public debt, which is chiefly caused by the British rule.

The obvious remedy is to allow India to keep what it produces, and to help it as much as it lies in the power of the British nation to reduce her burden of the interest on the public debt; with a reasonable provision for the means absolutely necessary for the maintenance of the British rule.

For this purpose it is necessary, on the one hand to *limit, within a certain amount*, the total of *every* kind of expenditure (pay, pensions, and every possible kind of allowance) for the *European* portion of *all* the services both in England and India, directly or indirectly connected with or under the control of Government (including, therefore, guaranteed railways or other works, manufactures, local funds, &c.), and to guarantee the public debt; and, on the other hand, for the important political object of maintaining the British rule, to reserve by law for *Europeans alone*, such places of power as may be absolutely necessary for the purpose, with a fair proportion of the army, within the limited amount of expenditure for the European portion of all the services.

Under some judicious arrangement of the kind I propose, the people of India, being allowed to keep most of what they produced, will rise in material prosperity under what is, upon the whole, a good system of administration, blessing the hand that gave such prosperity, and *increasing the benefit to the English people also manifold*, by the extensive commercial relations that must necessarily be then developed between England and India; and all fears of any danger to the British rule will be dispelled, both from the gratitude, loyalty, and *self-interest* of the people of India, and from the possession of important posts of power and a fair portion of the army by Europeans alone. Then will Macaulay's words be verified to the *glory of England*, as also to her *benefit* :—

“We shall never consent to administer the *pousta* to a whole community, to stupefy and paralyse a great people whom God has committed to our charge,” and we shall not “keep a hundred millions (two hundred millions), of men from being our customers, in order that they might continue to be our slaves.”

JOURNAL  
OF THE  
EAST INDIA ASSOCIATION.  
JANUARY, 1883.

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PREFATORY NOTE.

IN reprinting the following documents as an extra number of the *Journal*, the Council of the Association desire to point out that, while the author's (Mr. Dadabhai Naoroji) statements and conclusions must be taken on his personal responsibility, the facts set forth and the arguments advanced are entitled to most careful consideration alike by statisticians, economists, and politicians. Readers will readily perceive the nature of each paper or table, and its place in the whole review here presented of the great question of what is really the Condition of the People of India. Substantially, the series consists of —(a) Mr. Dadabhai's elaborate analysis and summary of statistics of production in use of the large province of India—the Punjab; (b) three memoranda, the first of which, being in full rejoinder to a reply on the Punjab paper, issued with the authority of the India Office, relates to the economic and industrial condition of India as a whole. Of the others, No. 2 treats of the "Moral Poverty of India," deepened, as the author seeks to show, by the people of the country being so largely excluded from the higher walks of administrative work and responsibility. This essay is well worthy of close examination by any thoughtful politician into whose hands these papers may fall. The No. 3 Memorandum offers searching criticism on certain of the conclusions recorded by the Famine Commissioners of 1880, more especially those relating to the actual incidence of taxation, and the very grave difficulties caused by the inevitable withdrawal of India's resources consequent on its being a dependency. Mr. Dadabhai's arguments under this head are put forward with all the earnestness of a sincere patriot, but in

such form that both skilled economists and practical politicians are bound to take account of them. The Council believe that it will be for the true advantage, both of England and India—of the ruling and dependent country—that these essays, by a native of India, should be widely disseminated and dispassionately examined.

The Council would wish to take this opportunity of expressing their high estimation of the ability, zeal, and labour which Mr. Dadabhai Naoroji has devoted to the composition of his valuable and important treatise.

EDWARD B. EASTWICK.

*December 16th, 1882.*

*Chairman of Council.*

## THE CONDITION OF INDIA.

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CORRESPONDENCE WITH THE SECRETARY OF STATE FOR  
INDIA, BY DADABHAI NAOROJI, ESQ.

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32, Great St. Helens, London,  
24th May, 1880.

TO THE RIGHT HON. THE MARQUIS OF HARTINGTON, THE  
SECRETARY OF STATE FOR INDIA, INDIA OFFICE.

MY LORD,—I beg to submit a series of tables, working out in detail the total production of the Punjab for the year 1876-7.

My objects in troubling your Lordship are as follows:—

In 1876 I read some papers on the "Poverty of India" before the Bombay Branch of the East India Association. These papers are published in the *Journals* of the Association, and I send herewith a copy (Vol. IX., pages 236 and 352; Vol. X., pages 83 and 133). At pages 237-9 I have explained how the mode of taking the averages adopted in the various Administration Reports of India was quite wrong. When preparing my papers on the "Poverty of India," I had not sufficient time to work out all the averages for all the provinces in detail. I have now worked out in detail the averages of all the production tables of the Administration Report of the Punjab for 1876-7. I request now that the different Governments in India may be directed to supply their tables of production as fully as are prescribed by the Statistical Committee of Calcutta, that the averages may be correctly taken, as I have done in the enclosed tables, and that, in addition to the tables prescribed, may also be given a summary of the total agricultural production, like the one given at page 146 of my tables, a summary of the whole production (agricultural, manufactures, and mines), like that at page 148, and a table of the absolute necessities of life for an agricultural labourer, like that at pages 151, 152.

It is only when such complete information is furnished by the Indian authorities that any true conception can be formed

of the actual material condition of India from year to year, and our British rulers can only then clearly see, and grapple with effectually, the important problem of the material condition of India, and the best means of improving it.

I have also to solicit your Lordship to submit my tables to the Statistical Department of the India Office, and to direct it to oblige me by pointing out any mistakes of facts or figures there may be in them.

In troubling your Lordship with these requests, I have no other object than to help, as far as my humble opportunities go, to arrive at the real truth of the actual material condition of India ; for it is only natural that without the knowledge of the whole truth on this most important subject, all efforts, however well and benevolently intentioned, must generally result in disappointment and failures.

I also earnestly desire and solicit that your Lordship will kindly take into your consideration the representations I have urged in my papers on the "Poverty of India."

I remain, my Lord,

Your Lordship's most obedient servant,

DADABHAI NAOROJI.

#### ADMINISTRATION REPORT OF PUNJAB, 1876-7.

Page 77.—"Upon the whole, the character of the weather during the year 1876-7 was favourable for agriculture."

I have taken one seer, equal to 2·057 lbs., from the compilation entitled "Prices of Food Grains throughout India, 1861-76," compiled in the Financial Department of the Government of India, Calcutta, 1878.

The prices I have adopted are the average of the prices given in the report for 1st January, 1876, 1st June, 1876, and 1st January, 1877 ; the last being the latest price that is given in the Report,

For all such particulars or figures as are *not* given in the Report, I have consulted a Punjab farmer, and adopted such information as he has given me.

There are some figures in the Report which are evidently mistakes, and are much in excess of probability ; but I have not altered them ; though by retaining them as given in the Report, the quantity and value of some of the articles become much higher than what they must most probably really be.

Excepting such mistakes, the farmer thinks the tables of the Report give a fair representation of the produce of Punjab ; the averages being worked out in the right way they should be, and not as they are given in the Report, worked on a wrong principle.

## RICE.

| Districts.         | Acres.  | Per Acre.      | Total Quantity. | Price per Re. 1. | Total Value. |
|--------------------|---------|----------------|-----------------|------------------|--------------|
|                    |         | lbs.           | lbs.            | lbs.             | Rs.          |
| 1 Delhi.....       | 27,900  | 920            | 25,668,000      | 13'71            | 18,72,210    |
| 2 Gurgaon .....    | 1,591   | 720            | 1,145,520       | 19'2             | 59,662       |
| 3 Karnál .....     | 53,113  | 1,152          | 61,186,176      | 21'94            | 27,88,795    |
| 4 Hissar .....     | 10,506  | 745            | 7,826,970       | 23'31            | 3,35,777     |
| 5 Rohtak .....     | 5,326   | 670            | 3,568,420       | 25'37            | 1,40,655     |
| 6 Sirsa .....      | 8,285   | 869            | 7,199,665       | 21'94            | 3,28,152     |
| 7 Umballa .....    | 117,941 | 880            | 103,788,080     | 19'88            | 52,20,728    |
| 8 Ludhiána .....   | 3,963   | 1,096          | 4,343,448       | 16'45            | 2,64,039     |
| 9 Simla .....      | 1,875   | 620            | 1,162,500       | 18'51            | 62,804       |
| 10 Jullundar ..... | 9,192   | 1,085          | 9,973,320       | 16'45            | 6,06,281     |
| 11 Hoshiarpur .... | 28,835  | 752            | 21,683,920      | 17'82            | 12,16,830    |
| 12 Kangra .....    | 147,766 | 415            | 61,322,890      | 29'48            | 20,80,152    |
| 13 Amritsar .....  | 20,128  | 974            | 19,604,672      | 18'51            | 10,59,139    |
| 14 Gurdáspur ....  | 81,583  | 755            | 61,595,165      | 15'77            | 39,05,844    |
| 15 Siálkot .....   | 74,100  | 1,029          | 76,248,900      | 30'85            | 24,71,601    |
| 16 Lahore .....    | 22,415  | 861            | 19,299,315      | 30'17            | 6,39,685     |
| 17 Gujranwála ..   | 9,925   | 759            | 7,533,075       | 19'88            | 3,78,927     |
| 18 Firozepore .... | 6,543   | 795            | 5,201,685       | 20'91            | 2,48,765     |
| 19 Ráwalpindi .... | 1,093   | 970            | 1,060,210       | 12'34            | 85,916       |
| 20 Jhelum .....    | 233     | 943            | 219,719         | 11'65            | 18,860       |
| 21 Gujráť .....    | 6,969   | 586            | 4,083,834       | 17'82            | 2,29,171     |
| 22 Shíhpur .....   | 990     | 790            | 782,100         | 22'63            | 34,560       |
| 23 Mooltan .....   | 9,800   | 750            | 7,350,000       | 13'71            | 5,36,105     |
| 24 Jhang .....     | 127     | 281            | 35,687          | 13'71            | 2,603        |
| 25 Montgomery ..   | 7,870   | 1,145          | 9,011,150       | 13'71            | 6,57,268     |
| 26 Mazaffargarh .. | 10,178  | 852            | 8,671,656       | 16'45            | 5,27,152     |
| 27 D. I. Khan .... | 1,366   | 196            | 267,736         | 12'85            | 20,835       |
| 28 D. G. Khan....  | 14,001  | 513            | 7,182,513       | 18'              | 3,99,028     |
| 29 Bannu .....     | 125     | 880            | 110,000         | 12'85            | 8,560        |
| 30 Pesháwar .....  | 10,325  | 894            | 9,230,550       | 13'45            | 6,86,286     |
| 31 Hazára .....    | 12,274  | 1,152          | 14,139,648      | 28'8             | 4,90,960     |
| 32 Kohat .....     | 2,361   | 1,507          | 3,558,027       | 14'83            | 2,39,920     |
| Total .....        | 708,699 | Average<br>796 | 564,054,551     | Average<br>20'42 | 2,76,17,270  |

I take produce of rice as 25-fold, and deduct 4 per cent. for seed. The quantity will then become 541,492,369 lbs., and value Rs. 2,65,12,580. Again, the price of rice given in the Report is for "first sort" only. The medium or second sort forms the bulk, and there is a lower sort still. The second sort is generally about 75 per cent. of the first sort. I take upon the whole 85 per cent. The value, then, for the whole bulk will be Rs. 2,25,35,693.

## WHEAT.

| Districts.       | Acres.    | Per Acre. | Total Quantity. | Price per Re. 1. | Total Value. |
|------------------|-----------|-----------|-----------------|------------------|--------------|
|                  |           | lbs.      | lbs.            | lbs.             | Rs.          |
| 1 Delhi.....     | 159,900   | 913       | 145,988,700     | 53'82            | 27,12,536    |
| 2 Gurgaon ....   | 132,425   | 856       | 113,355,800     | 49'37            | 22,96,046    |
| 3 Karnál .....   | 113,110   | 1,319     | 149,192,090     | 48'68            | 30,64,751    |
| 4 Hissar .....   | 39,048    | 548       | 21,398,304      | 48'34            | 4,42,662     |
| 5 Rohtak ....    | 99,428    | 732       | 72,781,296      | 49'37            | 14,74,200    |
| 6 Sirsa .....    | 56,310    | 255       | 14,359,050      | 49'02            | 2,92,922     |
| 7 Umballa ....   | 296,322   | 1,000     | 296,322,000     | 51'25            | 57,81,892    |
| 8 Ludhiána ..    | 137,012   | 1,013     | 138,793,156     | 51'08            | 27,17,172    |
| 9 Simla .....    | 3,610     | 550       | 1,985,500       | 38'39            | 51,719       |
| 10 Jullundar ..  | 269,010   | 1,339     | 360,204,390     | 49'37            | 72,96,017    |
| 11 Hoshiarpur    | 349,863   | 692       | 242,105,196     | 48'68            | 49,73,401    |
| 12 Kangra ....   | 144,170   | 460       | 66,318,200      | 37'02            | 17,91,415    |
| 13 Amritsar .... | 263,265   | 1,038     | 273,269,070     | 52'11            | 52,44,081    |
| 14 Gurdáspur ..  | 325,529   | 856       | 278,652,824     | 50'74            | 54,91,778    |
| 15 Siálkot ..... | 197,000   | 910       | 179,270,000     | 49'02            | 36,57,078    |
| 16 Lahore .....  | 368,000   | 557       | 204,976,000     | 50'39            | 40,67,791    |
| 17 Gujránwála    | 203,745   | 793       | 161,569,785     | 50'74            | 31,84,268    |
| 18 Firozepore .. | 241,180   | 736       | 177,508,480     | 58'97            | 30,10,148    |
| 19 Ráwalpindi .. | 424,135   | 776       | 329,128,760     | 68'9             | 47,76,905    |
| 20 Jhelum .....  | 480,273   | 933       | 448,094,709     | 64'45            | 69,52,594    |
| 21 Gujrát .....  | 268,316   | 736       | 197,360,576     | 57'42            | 34,37,139    |
| 22 Shahpur ....  | 199,325   | 790       | 157,466,750     | 58'62            | 26,86,229    |
| 23 Mooltan ....  | 186,040   | 655       | 121,856,200     | 41'83            | 29,13,129    |
| 24 Jhang .....   | 161,169   | 674       | 108,627,906     | 49'37            | 22,00,281    |
| 25 Montgomery    | 263,494   | 1,252     | 329,894,488     | 53'48            | 61,68,558    |
| 26 Mazaffargarh  | 201,363   | 1,248     | 251,301,024     | 43'88            | 57,27,006    |
| 27 D. I. Khan .. | 176,055   | 777       | 136,794,735     | 69'42            | 19,70,537    |
| 28 D. G. Khan    | 156,594   | 765       | 119,794,410     | 44'57            | 26,87,781    |
| 29 Bannu .....   | 262,728   | 523       | 137,406,744     | 88'28            | 15,56,487    |
| 30 Pesháwar ..   | 232,975   | 600       | 139,785,000     | 57'47            | 24,32,312    |
| 31 Hazára ....   | 100,570   | 993       | 99,866,010      | 58'97            | 16,93,505    |
| 32 Kohát .....   | 97,533    | 816       | 79,586,928      | 70'89            | 11,22,682    |
|                  |           | Average   |                 | Average          |              |
| Total ....       | 6,609,497 | 840'4     | 5,555,014,081   | 53'48            | 10,38,75,022 |

I take produce of wheat 25-fold, and deduct 4 per cent. for seed. The quantity will be 5,332,813,517 lbs., and value will be Rs. 9,97,20,021. The price given in the Report is for first sort only. The second sort forms the bulk, and is generally about 12 per cent. lower in price. I take only 8 per cent. lower for the whole bulk.

The value of the whole will then be Rs. 9,17,42,419.

## MAKAI (INDIAN CORN).

| Districts.       | Acres.    | Per Acre. | Total Quantity. | Price per Re. 1. | Total Value. |
|------------------|-----------|-----------|-----------------|------------------|--------------|
|                  |           | lbs.      | lbs.            | lbs.             | Rs.          |
| 1 Delhi .....    | 13,900    | 1,500     | 20,850,000      | 72'              | 2,89,583     |
| 2 Gurgaon....    | 1,344     | "         | 2,016,000       | 75'42            | 26,730       |
| 3 Karnál ....    | 6,215     | "         | 9,322,500       | 67'19            | 1,38,748     |
| 4 Hissar.....    | 89        | "         | 133,500         | 51'42            | 2,596        |
| 5 Rohtak ....    | 73        | "         | 109,500         | "                | "            |
| 6 Sirsa .....    | 466       | "         | 169,000         | "                | "            |
| 7 Umballa ..     | 100,736   | "         | 151,104,000     | 62'4             | 24,21,538    |
| 8 Ludhiána ..    | 62,802    | "         | 94,203,000      | 66'51            | 14,16,373    |
| 9 Simla .....    | 1,282     | "         | 1,923,000       | 45'94            | 41,859       |
| *10 Jullundar .. | 86,392    | *1,544    | 133,389,248     | 63'08            | 21,14,604    |
| 11 Hoshiarpur    | 105,651   | 1,500     | 158,476,500     | 55'54            | 28,53,375    |
| 12 Kangra ....   | 65,093    | "         | 97,639,500      | 39'77            | 24,55,104    |
| *13 Amritsar ..  | 44,426    | *1,412    | 62,729,512      | 65'14            | 9,62,995     |
| 14 Gurdáspur     | 49,977    | 1,500     | 74,965,500      | 53'48            | 14,01,748    |
| 15 Siálkot ....  | 33,000    | "         | 49,500,000      | 58'28            | 8,49,450     |
| 16 Lahore ....   | 34,150    | "         | 51,225,000      | 65'82            | 7,78,258     |
| 17 Gujránwála    | 16,535    | "         | 24,802,500      | 61'02            | 4,06,465     |
| 18 Firozepore..  | 42,428    | "         | 63,642,000      | 81'59            | 7,80,022     |
| 19 Ráwalpindi    | 66,392    | "         | 99,588,000      | 94'62            | 10,52,504    |
| 20 Jhelum ....   | 2,423     | "         | 3,634,500       | 64'45            | 56,392       |
| 21 Gujrát.....   | 16,507    | "         | 24,760,500      | 68'57            | 3,61,098     |
| 22 Shahpur ..    | 884       | "         | 1,326,000       | 63'08            | 21,020       |
| 23 Mooltan ....  | 142       | "         | 213,000         | 50'05            | 4,255        |
| 24 Jhang .....   | 2,317     | "         | 3,475,500       | 65'82            | 52,803       |
| 25 Montgomery    | 2,512     | "         | 3,768,000       | 49'37            | 76,321       |
| 26 Mazaffargarh  | "         | "         | "               | "                | "            |
| 27 D. I. Khan    | 17        | "         | 25,500          | 90'85            | 280          |
| 28 D. G. Khan    | 30        | "         | 145,000         | "                | "            |
| 29 Bannu ....    | 37,069    | "         | 55,603,500      | 124'27           | 4,47,441     |
| 30 Pesháwar ..   | 80,542    | "         | 120,813,000     | 84'42            | 14,31,094    |
| 31 Hazára ....   | 198,025   | "         | 297,037,500     | 95'09            | 31,23,751    |
| 32 Kohát .....   | 12,920    | "         | 19,380,000      | 97'92            | 1,97,916     |
|                  |           | Average   |                 | Average          |              |
|                  | *130,818  | 1,499'17  | 196,118,760     | 68'4             | 2,37,64,323  |
|                  | 953,521   | 1,500'    | 1,430,281,500   | †add for         | 12,478       |
| Total ....       | 1,084,339 |           | 1,626,400,260   | 853,500lbs.      | 2,37,76,801  |

\* In the Report crop per acre is given for two districts only, marked\*. The average for these two—viz., 1,499'17—say 1,500 lbs., is applied to all other districts by me.

† No price is given in the Report for the three districts marked†. The average of the others—viz., 68'4 lbs.—is applied to these.

For Makai I take 50-fold, and therefore deduct 2 per cent. for seed. The total quantity will then be 1,593,872,255 lbs., and value will be Rs. 2,33,01,265.

## JOW (BARLEY).

| Districts.         | Acres.    | Per Acre. | Total Quantity. | Price per R. 1. | Total Value. |
|--------------------|-----------|-----------|-----------------|-----------------|--------------|
|                    |           | lbs.      | lbs.            | lbs.            | Rs.          |
| 1 Delhi.....       | 61,290    | 503       | 30,828,870      | 73'02           | 4,22,197     |
| 2 Gurgaon ....     | 197,145   | "         | 99,163,935      | 69'94           | 14,17,842    |
| 3 Karnal .....     | 29,856    | "         | 15,017,568      | 72'68           | 2,06,625     |
| 4 Hissar .....     | 30,312    | "         | 15,246,936      | 83'65           | 1,82,270     |
| 5 Rohtak ....      | 42,353    | "         | 21,303,559      | 75'42           | 2,82,465     |
| 6 Sirsa .....      | 101,408   | "         | 51,008,224      | 108'33          | 4,70,859     |
| 7 Umballa ....     | 35,787    | "         | 18,000,861      | 72'             | 2,50,011     |
| 8 Ludhiána ..      | 106,202   | "         | 53,419,606      | 86'39           | 6,18,354     |
| 9 Simla .....      | 3,134     | "         | 1,576,402       | 50'74           | 31,068       |
| 10 Jullundar ..    | 25,211    | *856      | 21,580,616      | 75'42           | 2,86,139     |
| 11 Hoshiarpur ..   | 21,602    | 503       | 10,865,806      | 76'79           | 1,41,500     |
| 12 Kangra ....     | 56,831    | *250      | 14,207,750      | 52'11           | 2,72,649     |
| 13 Amritsar ....   | 36,509    | 503       | 18,364,027      | 84'34           | 2,17,738     |
| 14 Gurdáspur ..    | 123,635   | "         | 62,188,405      | 63'08           | 9,85,865     |
| 15 Siálkot .....   | 122,000   | "         | 61,366,000      | 83'65           | 7,33,604     |
| 16 Lahore .....    | 57,181    | "         | 28,762,043      | 82'96           | 3,46,697     |
| 17 Gujránwála ..   | 64,082    | "         | 32,233,246      | 88'45           | 3,64,423     |
| 18 Ferozepore ..   | 195,298   | "         | 98,234,894      | 100'1           | 9,81,367     |
| 19 Ráwalpindi ..   | 43,383    | "         | 21,821,649      | 77'48           | 2,81,642     |
| 20 Jhelum .....    | 17,879    | "         | 8,993,137       | 76'11           | 1,18,159     |
| 21 Gujrát .....    | 67,094    | "         | 33,748,282      | 82'28           | 4,10,163     |
| 22 Shahpur ....    | 15,657    | "         | 7,875,471       | 78'16           | 1,00,760     |
| 23 Mooltan ....    | 11,832    | *800      | 9,465,600       | 59'65           | 1,58,685     |
| 24 Jhang .....     | 6,083     | 503       | 3,059,749       | 74'74           | 40,938       |
| 25 Montgomery ..   | 21,802    | "         | 10,966,406      | 69'94           | 1,56,797     |
| 26 Mazaffargarh .. | 10,987    | *679      | 7,460,173       | 60'34           | 1,23,635     |
| 27 D. I. Khan ..   | 19,203    | 503       | 9,659,109       | 94'28           | 1,02,451     |
| 28 D. G. Khan ..   | 5,925     | "         | 2,980,275       | 60'42           | 49,325       |
| 29 Bannu .....     | 26,282    | "         | 13,219,846      | 133'7           | 98,876       |
| 30 Pesháwar ..     | 238,161   | "         | 119,794,983     | 104'30          | 11,48,561    |
| 31 Hazára .....    | 70,079    | "         | 35,249,737      | 102'98          | 3,42,296     |
| 32 Kohát .....     | 10,014    | "         | 5,037,042       | 109'28          | 46,092       |
|                    |           |           |                 | Average         |              |
| Total ....         | 1,874,217 |           | 942,700,207     | 82'76           | 1,13,90,053  |

\* Crop per acre is given for only these four districts, the average of which for 104,861 acres is 503 lbs., and this average is applied to all the other districts for 1,769,356 acres.

For barley I take 16-fold. Deducting for seed  $\frac{1}{16}$ , the total quantity will be 883,781,444 lbs., and the value will be Rs. 1,06,78,175.

## GRAM.

| Districts.       | Acres.    | Per Acre.       | Total Quantity. | Price per Re. 1.  | Total Value. |
|------------------|-----------|-----------------|-----------------|-------------------|--------------|
|                  |           | lbs.            | lbs.            | lbs.              | Rs.          |
| 1 Delhi.....     | 57,500    | 645             | 37,087,500      | 72'               | 5,15,104     |
| 2 Gurgaon ....   | 101,184   | * 620           | 62,734,080      | 71'65             | 8,75,562     |
| 3 Karnál.....    | 119,935   | * 680           | 81,555,800      | 72'34             | 11,27,395    |
| 4 Hissar .....   | 76,534    | 645             | 49,364,430      | 80'22             | 6,15,363     |
| 5 Rohtak .....   | 119,240   | * 790           | 94,199,600      | 78'16             | 12,05,214    |
| 6 Sirsa .....    | 37,762    | 645             | 24,356,490      | 102'85            | 2,36,815     |
| 7 Umballa ....   | 175,094   | "               | 112,935,630     | 76'11             | 14,83,847    |
| 8 Ludhiāna....   | 171,984   | "               | 110,929,680     | 77'82             | 14,25,464    |
| 9 Simla .....    | 5         | "               | 3,225           | 51'08             | 63           |
| 10 Jullundar ..  | 65,158    | * 1,233         | 80,339,814      | 73'37             | 10,94,995    |
| 11 Hoshiarpur .. | 46,324    | 645             | 29,878,980      | 61'02             | 4,89,658     |
| 12 Kangra ....   | 370,802   | * 290           | 107,532,580     | 51'08             | 21,05,179    |
| 13 Amritsar .... | 103,350   | * 1,394         | 144,069,900     | 84'               | 17,15,117    |
| 14 Gurdáspur ..  | 31,347    | 645             | 20,218,815      | 73'37             | 2,75,573     |
| 15 Sialkot ..... | 21,500    | "               | 13,867,500      | 74'05             | 1,87,272     |
| 15 Lahore .....  | 171,216   | "               | 110,434,320     | 89'82             | 12,29,507    |
| 17 Gujranwala .. | 31,682    | "               | 20,434,890      | 83'65             | 2,44,290     |
| 18 Ferozepore .. | 255,898   | "               | 165,054,210     | 96'68             | 17,07,221    |
| 19 Rawalpindi .. | 38,263    | "               | 24,679,635      | 76'79             | 3,21,391     |
| 20 Jhelum .....  | 34,115    | "               | 22,004,175      | 65'14             | 3,37,798     |
| 21 Gujrat .....  | 34,728    | "               | 22,399,560      | 68'               | 3,08,194     |
| 22 Shahpur ....  | 23,817    | "               | 15,361,965      | 74'05             | 2,07,453     |
| 23 Mooltan ....  | 8,404     | "               | 5,420,580       | 57'25             | 94,682       |
| 24 Jhang .....   | 12,026    | "               | 7,756,770       | 73'37             | 1,05,721     |
| 25 Montgomery    | 81,616    | "               | 52,642,320      | 77'48             | 6,79,431     |
| 26 Mazaffargarh  | 12,679    | * 1,942         | 24,622,618      | 55'54             | 4,43,331     |
| 27 D. I. Khan .. | 11,922    | 645             | 7,689,690       | 95'13             | 80,833       |
| 28 D. G. Khan..  | 1,961     | "               | 1,264,845       | 47'74             | 26,494       |
| 29 Bannu .....   | 53,037    | * 286           | 15,168,582      | 106'28            | 1,42,722     |
| 30 Peshawar....  | 947       | 645             | 610,815         | 44'05             | 13,866       |
| 31 Hazara.....   | 222       | "               | 143,190         | 61'71             | 2,320        |
| 32 Kohat .....   | 1,984     | "               | 1,279,680       | 70'36             | 18,187       |
| Total.....       | 2,272,236 | Average.<br>645 | 1,466,041,869   | Average.<br>75'89 | 1,93,16,062  |

\* Crop per acre is given for these districts only. The average from them is applied to others—viz., 645 lbs.

I take gram 30-fold. Deducting for seed accordingly, the total quantity will be 1,417 173,807 lbs., and the value will be Rs. 1,86,72,194.

## INFERIOR GRAIN (as noted below).†

| Districts.       | Acres.    | Per Acre. | Total Quantity. | Price per Re. 1. | Total Value. |
|------------------|-----------|-----------|-----------------|------------------|--------------|
|                  |           | lbs.      | lbs.            | lbs.             | lbs.         |
| 1 Delhi.....     | 114,677   | 522       | 59,816,394      | 66'85            | 8,95,458     |
| 2 Gurgaon ....   | 404,175   | 447       | 180,666,225     | 66'              | 27,37,367    |
| 3 Karnal .....   | 196,787   | 521       | 102,526,027     | 64'79            | 15,82,436    |
| 4 Hissar .....   | 1,256,158 | 393       | 493,670,094     | 76'79            | 64,28,833    |
| 5 Rohtak .....   | 441,437   | 412       | 181,872,044     | 64'79            | 28,07,100    |
| 6 Sirsa .....    | 680,225   | 118       | 80,266,550      | 104'39           | 7,68,910     |
| 7 Umballa ....   | 195,893   | 680       | 133,207,240     | 66'16            | 20,13,410    |
| 8 Ludhiana....   | 214,111   | 1,355     | 290,120,405     | 68'91            | 42,10,135    |
| 9 Simla .....    | 3,406     | 520       | 1,771,120       | 40'11            | 44,156       |
| 10 Jullundar.... | 165,767   | 395       | 65,477,965      | 62'05            | 10,55,245    |
| 11 Hoshiarpur .. | 111,933   | 685       | 76,674,105      | 58'41            | 13,12,687    |
| 12 Kangra.....   | 30,366    | 362       | 10,992,492      | ..               | ..           |
| 13 Amritsar .... | 71,937    | 590       | 42,442,830      | 67'88            | 6,25,262     |
| 14 Gurdaspur ..  | 154,306   | 648       | 99,990,288      | 48.              | 20,83,131    |
| 15 Sialkot ..... | 94,070    | 745       | 70,082,150      | 65'14            | 10,75,869    |
| 16 Lahore .....  | 141,579   | 374       | 52,950,546      | 69'94            | 7,57,085     |
| 17 Gujranwala .. | 123,515   | 449       | 55,458,235      | 64'45            | 8,60,484     |
| 18 Ferozepore .. | 477,728   | 608       | 290,458,624     | 82'11            | 35,37,433    |
| 19 Rawalpindi .. | 287,941   | 554       | 159,519,314     | 92'91            | 17,16,923    |
| 20 Jhelum .....  | 209,379   | 722       | 151,171,638     | 70'28            | 21,50,990    |
| 21 Gujrat .....  | 239,640   | 632       | 151,452,480     | 80'91            | 18,71,863    |
| 22 Shahpur ....  | 68,819    | 1,100     | 75,700,900      | 66'16            | 11,44,209    |
| 23 Moolton ....  | 98,847    | 468       | 46,260,396      | 51'08            | 9,05,646     |
| 24 Jhang .....   | 55,474    | 218       | 12,093,332      | 60'17            | 2,00,986     |
| 25 Montgomery    | 63,883    | 686       | 43,823,738      | 55'54            | 7,89,048     |
| 26 Mazaffargarh  | 76,969    | 693       | 53,339,517      | 49'37            | 10,80,403    |
| 27 D. I. Khan .. | 43,618    | 485       | 21,154,730      | 89'13            | 2,37,346     |
| 28 D. G. Khan .. | 178,113   | 640       | 113,992,320     | 54'17            | 21,04,344    |
| 29 Bannu .....   | 105,488   | 536       | 56,541,568      | 111'42           | 5,07,463     |
| 30 Peshawar....  | 107,183   | 550       | 58,950,650      | 59'48            | 9,91,100     |
| 31 Hazara.....   | 52,074    | 960       | 49,991,040      | 74'05            | 6,75,098     |
| 32 Kohat .....   | 69,465    | 770       | 53,488,050      | 112'28           | 4,76,380     |
|                  |           | Average.  |                 | Average.         |              |
| Total....        | 6,534,963 | 510'5     | 3,335,968,007   | 69'78            | 4,76,46,800  |
|                  |           |           |                 | Add              | 1,57,530     |
|                  |           |           |                 |                  | 4,78,04,330  |

\* The price for this is not given.

|                            |            |
|----------------------------|------------|
| Seed required per Acre.    | for acres. |
| † Joar, per acre 40 lbs. × | 2,221,535  |
| Bajra ..... 16 " ×         | 2,339,796  |
| Kauni ..... 8 " ×          | 58,434     |
| China ..... 16 " ×         | 74,842     |
| Moth ..... 24 " ×          | 982,208    |
| Matter ..... 20 " ×        | 106,865    |
| Mash ..... 16 " ×          | 213,465    |
| Mung ..... 16 " ×          | 263,324    |
| Masur ..... 32 " ×         | 187,544    |
| Arhar ..... 16 " ×         | 86,950     |
|                            | 6,534,963  |

The total of the products of these—168,694,604 divided by the total 6,534,963 of acres, will give an average of 26 lbs. per acre of seed for a crop of average 510 lbs.—say 20-fold. Deducting, then, 5 per cent for seed, the total quantity will be 3,169,169,607 lbs., and total value will be Rs. 4,54,14,114.

It should be noted that the prices of jowár, bájrâ, másh, mung, and arhar are nearly the same generally, but of the remaining five kinds of grain—viz., moth, kangni, chinâ, matter, masûr—the prices are generally nearly 25 per cent. lower. The prices I have used in the table are as given in the Report for jowár and bájrâ only, though the acreage of the lower priced grains is 1,409,893 acres out of 6,534,963 acres, or above 20 per cent. If the allowance for the lower price of the five kinds of grain mentioned above were made, the value will evidently be much lower than I have given above. It requires also to be noted that out of the inferior grains a portion goes for the feed of animals in about the following proportions:—

| Grain.   |     |     |     | Proportion for<br>Human Use. | Proportion for<br>Animal Use. |
|----------|-----|-----|-----|------------------------------|-------------------------------|
| Bájrâ    | ... | ... | ... | $\frac{1}{2}$                | $\frac{1}{2}$                 |
| Jowár    | ... | ... | ... | $\frac{1}{3}$                | $\frac{2}{3}$                 |
| Moth     | ... | ... | ... | $\frac{1}{4}$                | $\frac{3}{4}$                 |
| Másh     | ... | ... | ... | $\frac{2}{3}$                | $\frac{1}{3}$                 |
| Also Jow | ... | ... | ... | $\frac{1}{4}$                | $\frac{3}{4}$                 |
| Gram     | ... | ... | ... | $\frac{1}{2}$                | $\frac{1}{2}$                 |

So that out of the total acreage of grains of all the above kinds, viz. :—

|           |     |     |                                |   |
|-----------|-----|-----|--------------------------------|---|
| Gram      | ... | ... | $2,272,236 \times \frac{1}{2}$ | } = 6,000,512 acres, are for<br>animal use, or nearly<br>three-fifths of the total<br>acres, 9,903,457. |
| Bájrâ     | ... | ... | $2,339,796 \times \frac{1}{2}$ |   |
| Jowár     | ... | ... | $2,221,535 \times \frac{2}{3}$ |   |
| Jow       | ... | ... | $1,874,217 \times \frac{3}{4}$ |   |
| Moth      | ... | ... | $982,208 \times \frac{3}{4}$   |   |
| Másh      | ... | ... | $213,465 \times \frac{1}{3}$   |   |
| <hr/>     |     |     |                                |   |
| 9,903,457 |     |     |                                |   |

And out of the whole acreage of *all* kinds of grain—i.e., 19,083,971 acres—about 30 per cent. is used for producing food for animals.

## POPPY (OPIUM).

| Districts.        | Acres. | Per Acre. | Total Quantity.           |
|-------------------|--------|-----------|---------------------------|
|                   |        | lbs.      | lbs.                      |
| 7 Umballa ....    | 3,620  | 18        | 65,160                    |
| 8 Ludhiana ....   | 69     | ..        | ..                        |
| 9 Simla .....     | 244    | 3         | 732                       |
| 10 Jullundar .... | 578    | ..        | ..                        |
| 11 Hoshiarpur ..  | 163    | ..        | ..                        |
| 12 Kangra .....   | 1,539  | 3         | 4,617                     |
| 13 Amritsar ....  | 877    | 19        | 16,663                    |
| 14 Gurdaspur ..   | 278    | ..        | ..                        |
| 15 Sialkot .....  | 140    | ..        | ..                        |
| 16 Lahore .....   | 770    | 5         | 3,850                     |
| 17 Gujranwala ..  | 147    | 10        | 1,470                     |
| 18 Ferozepore ..  | 263    | ..        | ..                        |
| 19 Rawalpindi ..  | 53     | 15        | 795                       |
| 20 Jhelum .....   | 81     | 14        | 1,134                     |
| 21 Gujrat .....   | 336    | 15        | 5,040                     |
| 22 Shahpur ....   | 2,182  | 10        | 21,820                    |
| 23 Mooltan ....   | 25     | 6         | 150                       |
| 24 Jhang .....    | 27     | 10        | 270                       |
| 25 Montgomery     | 94     | 9         | 846                       |
| 26 Mazaffargarh   | 40     | 11        | 440                       |
| 27 D. I. Khan ..  | 23     | 8         | 184                       |
| 28 D. G. Khan ..  | 535    | 20        | 10,700                    |
| 29 Bannu .....    | 15     | ..        | ..                        |
| 30 Peshawar ....  | 67     | 3         | 201                       |
| 31 Hazara .....   | 182    | 9         | 1,638                     |
|                   |        | Average.  | 135,710 for 10,842 acres. |
| Total.....        | 12,348 | 12.51     | add 18,840 „ 1,506 „      |
|                   |        |           | 154,550 „ 12,348 acres.   |

(for which  
no crop  
per acre  
is given,  
at 12.51  
average.)

Government pays Rs. 5 per seer, or Rs. 2½ per lb. to the producer. The total value will therefore be Rs. 3,86,375.

The additional value at which Government sells opium is a part of the national income, as it is chiefly paid by a foreign country as profit of trade, and therefore (as I have done in my "Poverty of India") the net opium revenue will have to be added to the total production of the country. The particular provinces only from which this revenue is derived—viz., Bengal, Bombay, and other opium-producing places—cannot be credited with this income. It belongs to the whole nation, as every place is not quite free to cultivate opium.

## TOBACCO.

| Districts.            | Acres. | Per Acre.   | Total Quantity | Price per Re. 1. | Total Value |
|-----------------------|--------|-------------|----------------|------------------|-------------|
|                       |        | lbs.        | lbs.           | lbs.             | Rs.         |
| 1 Delhi .....         | 7,472  | 888         | 6,635,136      | 5'14             | 12,90,882   |
| 2 Gurgaon .....       | 2,424  | 600         | 1,454,400      | 14'4             | 1,01,000    |
| 3 Karnál .....        | 917    | 525         | 481,425        | 16'45            | 29,266      |
| 4 Hissar .....        | 2,812  | 582         | 1,636,584      | 16'45            | 99,488      |
| 5 Rohtak .....        | 1,851  | 514         | 951,414        | 16'45            | 57,836      |
| 6 Sirsa .....         | 381    | 850         | 323,850        | 14'4             | 23,489      |
| 7 Umballa .....       | 4,661  | 560         | 2,610,160      | 12'34            | 2,11,520    |
| 8 Ludhiána .....      | 1,550  | 925         | 1,433,750      | 27'25            | 52,614      |
| *9 Simla .....        | 5      | 846         | 4,230          | 9'6              | 440         |
| 10 Jullundar .....    | 2,793  | 1,561       | 4,359,873      | 24'68            | 1,76,656    |
| 11 Hoshiarpur .....   | 3,782  | 1,733       | 6,554,206      | 19'88            | 3,29,688    |
| 12 Kángra .....       | 776    | 532         | 412,832        | 12'34            | 33,454      |
| 13 Amritsar .....     | 2,169  | 984         | 2,134,296      | 18'51            | 1,15,305    |
| 14 Gurdáspur .....    | 3,973  | 1,040       | 4,131,920      | 16'45            | 2,51,180    |
| 15 Siálkot .....      | 5,785  | 917         | 5,304,845      | 16'45            | 3,22,483    |
| 16 Lahore .....       | 3,460  | 461         | 1,595,060      | 16'45            | 96,964      |
| 17 Gujránwála .....   | 3,259  | 669         | 2,180,271      | 17'14            | 1,27,203    |
| 18 Ferozepore .....   | 5,879  | 651         | 3,827,229      | 13'03            | 2,93,724    |
| 19 Ráwalpindi .....   | 1,380  | 1,080       | 1,490,400      | 16'45            | 90,601      |
| 20 Jhelum .....       | 622    | 792         | 492,624        | 17'83            | 27,628      |
| 21 Gujrát .....       | 2,389  | 593         | 1,416,677      | 12'34            | 1,14,803    |
| 22 Shahpur .....      | 838    | 1,700       | 1,424,600      | 12'34            | 1,15,445    |
| 23 Mooltan .....      | 1,839  | 656         | 1,206,384      | 6'51             | 1,85,312    |
| 24 Jhang .....        | 1,173  | 820         | 961,860        | 12'34            | 77,946      |
| 25 Montgomery .....   | 851    | 1,042       | 886,742        | 16'46            | 53,872      |
| 26 Mazaffargarh ..... | 978    | 780         | 762,840        | 15'09            | 50,552      |
| 27 D. I. Khan .....   | 2,029  | 615         | 1,247,835      | 12'68            | 98,409      |
| 28 D. G. Khan .....   | 783    | 740         | 579,420        | 7'28             | 79,590      |
| 29 Bannu .....        | 452    | 870         | 393,240        | 20'6             | 19,089      |
| 30 Pesháwar .....     | 1,250  | 880         | 1,100,000      | 21'85            | 50,343      |
| 31 Hazára .....       | 27     | 480         | 12,960         | 17'83            | 726         |
| *32 Kohát .....       | 3,307  | 846         | 2,797,722      | 10'97            | 2,55,033    |
| Total .....           | 71,867 | Average 846 | 60,804,785     | Average 12'58    | 48,32,541   |

\* The produce per acre for these is not given in the Report. I have applied the average of the other districts—viz., 846 lbs.—to these.

No deduction is made for nursery or seed. The average of 12'58 lbs. per rupee is rather a high price. It is considered 12 seers or 24 lbs. per rupee would be nearer the average. I have, as above, kept the Report's price, though it is considered so high.

## TURNERIC.

Neither produce per acre nor price is given in the Report. I take 10 maunds for green, which gives 2 maunds dry or 164 lbs. dry per acre. The price is taken at, say, 10 lbs. per Re. 1.

4,130 acres  $\times$  164 lbs. = 677,320 lbs., at 10 lbs. per Re. = Rs. 67,732.

## CORIANDER SEED.

As above, neither produce per acre nor price is given in the Report. I take as follows:—

6,934 acres  $\times$  330 lbs. dry per acre = 2,288,220 lbs. at 16 lbs. per Re. = Rs. 1,43,014.

## GINGER.

As above.

286 acres  $\times$  205 lbs. per acre (dry) = 58,630 lbs. at 7 lbs. per Re. = Rs. 8,376.

## CHILLIES.

Produce per acre given for four districts only, viz. :—

|          |         |                       |   |              |  |
|----------|---------|-----------------------|---|--------------|--|
| No.      | 2 acres | 774 $\times$ 600 lbs. | = | 464,400 lbs. | { The average of 808 lbs. is applied to the rest. The total quantity then is 19,003,502 lbs. of green crop. Dry quantity will be one-fifth, or 3,800,700 lbs., and at 8 lbs. per Re. the value will be Rs. 4,75,100. |
| 13       |         | 611 $\times$ 410      | " | = 250,510    |  |
| 18       |         | 3,604 $\times$ 924    | " | = 3,330,096  |  |
| 30       |         | 77 $\times$ 640       | " | = 49,280     |  |
|          |         | ——Average             |   | ——           |  |
| Total... |         | 5,066 808             | " | 4,094,286    |  |
| Add for  |         | 18,452 at "           |   | 1 4,909,216  |  |
|          |         | 23,518                |   | 19,003,502   |  |

## OTHER KINDS OF DRUGS AND SPICES.

These are chiefly ajmá, bádián, jeree, and sowá. Neither produce per acre nor price is given in the Report. I take as follows:—

Acres, 35,074 at 330 lbs. per acre = 11,574,420 lbs at average of 14 lbs. per Re. = Rs. 8,26,744.

## OIL SEEDS.

| Districts.            | Acres.  | Per Acre.       | Total Quantity |
|-----------------------|---------|-----------------|----------------|
|                       |         | lbs.            | lbs.           |
| 1 Delhi .....         | 10,260  | 293             | 3,006,180      |
| 2 Gurgaon .....       | 11,506  | 237             | 2,726,922      |
| 3 Karnál .....        | 13,018  | 500             | 6,509,000      |
| 4 Hissar .....        | 21,582  | 242             | 5,222,844      |
| 5 Rohtak .....        | 12,304  | 297             | 3,654,288      |
| 6 Sirsa .....         | 79,160  | * 80            | 6,332,800      |
| 7 Umballa .....       | 27,229  | 560             | 15,248,240     |
| 8 Ludhiána .....      | 11,172  | 668             | 7,462,896      |
| 9 Simla .....         | ...     | ...             | ...            |
| 10 Jullundar .....    | 11,392  | 715             | 8,145,280      |
| 11 Hoshiarpur .....   | 25,911  | 310             | 8,032,410      |
| 12 Kangra .....       | 18,442  | 352             | 6,491,584      |
| 13 Amritsar .....     | 35,996  | 582             | 20,949,672     |
| 14 Gurdaspur .....    | 24,923  | 408             | 10,168,584     |
| 15 Sialkot .....      | 23,806  | 777             | 18,497,262     |
| 16 Lahore .....       | 81,894  | 260             | 21,292,440     |
| 17 Gujranwala .....   | 17,952  | 307             | 5,511,264      |
| 18 Ferozepore .....   | 70,315  | 601             | 42,259,315     |
| 19 Rawalpindi .....   | 69,294  | 311             | 21,550,434     |
| 20 Jhelum .....       | 60,169  | 481             | 28,941,289     |
| 21 Gujrat .....       | 50,375  | 291             | 14,659,125     |
| 22 Shahpur .....      | 4,712   | 750             | 3,534,000      |
| 23 Mooltan .....      | 9,541   | 462             | 4,407,942      |
| 24 Jhang .....        | 3,473   | 252             | 875,196        |
| 25 Montgomery .....   | 29,076  | 477             | 13,869,252     |
| 26 Mazaffargarh ..... | 24,453  | 288             | 7,042,464      |
| 27 D. I. Khan .....   | 17,660  | 464             | 8,194,240      |
| 28 D. G. Khan .....   | 20,473  | 492             | 10,072,716     |
| 29 Bannu .....        | 4,004   | 136             | 544,544        |
| 30 Peshawar .....     | 30,244  | 460             | 13,912,240     |
| 31 Hazara .....       | 21,005  | 533             | 11,195,665     |
| 32 Kohat .....        | 5,348   | 251             | 1,342,348      |
| Total .....           | 846,689 | Average.<br>392 | 331,652,436    |

\* This evidently is some mistake. It may be 280.

Districts, 32; total acres, 846,689; average per acre, 392 lbs.; total quantity, 331,652,436 lbs.

The price of these seeds is not given in the Report. I take as follows: Linseed and sarso, Rs. 3 per maund, or 27 lbs. per Re. 1; til seed, Rs. 4 per maund, or 20 lbs. per Re. 1; taramira, Rs. 2½ per maund, or 32 lbs. per Re. 1.

The quantity of these seeds is about in proportion of 55 per cent. of linseed and sarso, 15 per cent. of til, 30 per cent. of taramira. The price then will be—

55 per cent. × 27 lbs. = 1,485)  
 15 „ × 20 „ = 300 - Average, 27.45 lbs. per Re. 1.  
 30 „ × 32 „ = 960)

Taking 27 lbs. per Re. 1, the total value will be Rs. 1,22,83,423.

|                                     |          |                               |
|-------------------------------------|----------|-------------------------------|
| Linseed... 6 lbs. for seed per acre | } × 55 % | } Average 7.15 lbs. per acre. |
| Sarso..... 8 " " " " " "            |          |                               |
| Til ..... 6 " " " " " "             |          |                               |
| Taramira 8 " " " " " "              |          |                               |

Taking 7 lbs. of seed required per acre for produce of 392 bs., gives 56-fold. Deducting 56th part, the total quantity will become 325,730,071 lbs., and total value will become Rs. 1,20,64,076.

## COTTON.

| Districts.         | Acres.  | Per Acre    | Total Quantity | Price per Re. 1. | Total Value. |
|--------------------|---------|-------------|----------------|------------------|--------------|
|                    |         | lbs.        | lbs.           | lbs.             | Rs.          |
| 1 Delhi .....      | 24,565  | 186         | 4,569,090      | 6.51             | 7,01,857     |
| 2 Gurgaon .....    | 47,855  | 164         | 7,848,220      | 6.51             | 12,05,563    |
| 3 Karnal .....     | 21,510  | 140         | 3,011,400      | 6.43             | 4,68,336     |
| 4 Hissar .....     | 20,323  | 87          | 1,768,101      | 6.17             | 2,86,564     |
| 5 Rohtak .....     | 49,073  | 70          | 3,435,110      | 7.2              | 4,77,098     |
| 6 Sirsa .....      | 77      | 64          | 4,928          | 6.17             | 798          |
| 7 Umballa .....    | 27,332  | 72          | 1,967,904      | 6.34             | 3,10,395     |
| 8 Ludhiana .....   | 11,488  | 85          | 976,480        | 6.34             | 1,54,019     |
| 9 Simla .....      | ...     | ...         | ...            | ...              | ...          |
| 10 Jullundar ..... | 26,093  | 122         | 3,183,346      | 5.14             | 6,19,328     |
| 11 Hoshiarpur ...  | 24,420  | 136         | 3,321,120      | 5.49             | 6,04,940     |
| 12 Kangra .....    | 6,733   | 22          | 148,126        | 5.14             | 28,818       |
| 13 Amritsar .....  | 23,597  | 64          | 1,510,208      | 5.65             | 2,67,293     |
| 14 Gurdaspur ...   | 37,474  | 50          | 1,873,700      | 5.14             | 3,64,533     |
| 15 Sialkot .....   | 11,425  | 65          | 742,625        | 5.65             | 1,31,438     |
| 16 Lahore .....    | 25,305  | 138         | 3,492,090      | 5.49             | 6,36,082     |
| 17 Gujranwala ...  | 33,376  | 129         | 4,305,504      | 5.49             | 7,84,244     |
| 18 Ferozepore ...  | 9,680   | 158         | 1,529,440      | 6.17             | 2,47,883     |
| 19 Rawalpindi ...  | 33,745  | 128         | 4,319,360      | 4.46             | 9,68,466     |
| 20 Jhelum .....    | 25,557  | 122         | 3,117,954      | 5.27             | 5,91,642     |
| 21 Gujrat .....    | 24,716  | 43          | 1,062,788      | 4.63             | 2,29,543     |
| 22 Shahpur .....   | 26,029  | 50          | 1,301,450      | 5.49             | 2,37,058     |
| 23 Mooltan .....   | 16,550  | 82          | 1,357,100      | 5.65             | 2,40,194     |
| 24 Jhang.....      | 16,881  | 87          | 1,468,647      | 5.27             | 2,78,680     |
| 25 Montgomery      | 15,838  | 149         | 2,359,862      | 5.31             | 4,44,418     |
| 26 Mazaffargarh    | 29,632  | 124         | 3,674,368      | 6.               | 6,12,394     |
| 27 D. I. Khan ...  | 11,175  | 115         | 1,285,125      | 6.               | 2,14,187     |
| 28 D. G. Khan ...  | 29,739  | 84          | 2,498,076      | 5.7              | 4,38,259     |
| 29 Bannu .....     | 7,544   | 73          | 550,712        | 5.36             | 1,02,744     |
| 30 Peshawar .....  | 16,468  | * 105       | 1,729,140      | 5.23             | 3,30,619     |
| 31 Hazara .....    | 8,280   | 100         | 828,000        | 4.11             | 2,01,460     |
| 32 Kohat .....     | 6,396   | 121         | 773,916        | 4.41             | 1,75,491     |
| Total .....        | 668,876 | Average 105 | 70,013,890     | Average 5.66     | 1,23,54,344  |

\* The produce per acre for this is not given in the Report. The average of the others (652 acres) is applied to this.

The average of 105 lbs. per acre is evidently too high; 80 lbs. will be nearer the mark. If so, the above quantity and value are nearly  $36\frac{1}{2}$  per cent. above the right quantity and value.

Very probably some of the figures of produce per acre are for uncleaned or seed cotton. The report uses the word "cotton" only in the column of produce per acre, while in the column for prices it uses the words "cotton (cleaned)."

## HEMP.

| Districts.          | Acres. | Per Acre.       | Total Quantity. |
|---------------------|--------|-----------------|-----------------|
|                     |        | lbs.            | lbs.            |
| 1 Delhi .....       | 2,100  | * 1,158         | 2,431,800       |
| 2 Gurgaon .....     | 516    | 116             | 59,856          |
| 3 Karnál.....       | 1,085  | 450             | 488,250         |
| 4 Hissar .....      | 2,788  | 153             | 426,564         |
| 5 Rohtak .....      | 16,146 | 465             | 7,507,890       |
| 7 Umballa .....     | 1,619  | 220             | 356,180         |
| 8 Ludhiana .....    | 1,637  | 305             | 499,285         |
| 10 Jullundar .....  | 3,655  | 398             | 1,454,690       |
| 11 Hoshiarpur ..... | 6,424  | 192             | 1,233,408       |
| 12 Kangra .....     | 5,263  | 312             | 1,642,056       |
| 13 Amritsar .....   | 1,002  | 444             | 444,888         |
| 14 Gurdaspur .....  | 1,622  | 352             | 570,944         |
| 15 Sialkot .....    | 3,205  | 177             | 567,285         |
| 16 Lahore .....     | 537    | 306             | 164,322         |
| 17 Gujranwala ..... | 355    | 406             | 144,130         |
| 18 Ferozepore ..... | 1,649  | 218             | 359,482         |
| 19 Rawalpindi.....  | 417    | 120             | 50,040          |
| 20 Jhelum.....      | 203    | 360             | 73,080          |
| 21 Gujrat .....     | 971    | 286             | 277,706         |
| 22 Shahpur .....    | 2      | 250             | 500             |
| 25 Montgomery ..... | † 25   | 366             | 9,150           |
| 30 Peshawar .....   | 39     | 240             | 9,360           |
| Total .....         | 51,260 | Average.<br>366 | 18,770,866      |

\* This is apparently a mistake. The figure is too high.

† The crop per acre for this district not being given in the Report, I have given it the average, 366.

In the Report the figures of crop per acre are given under the heading "Fibres." In the columns per "acres cultivated," cotton and hemp are given under the heading of "Fibres;" and as produce per acre of cotton is given separately, the produce per acre under the heading "Fibres" applies to hemp. The prices are not given in the Report. I take ordinarily prepared fibre as 20 lbs. per rupee. The value of 18,770,866 lbs. at 20 lbs. per rupee will be Rs. 9,38,543.

## KASSAMBA (SAFFLOWER).

Neither produce per acre nor price is given in the Report. I take 40 lbs. per acre of dry prepared stuff, and price  $2\frac{1}{2}$  lbs. per Re. 1.

Acres,  $24,708 \times 40$  lbs. = 988,320 at  $2\frac{1}{2}$  lbs. per Re. 1 gives Rs. 3,95,328.

## INDIGO.

| Districts.            | Acres.  | Per Acre. | Total Quantity. |
|-----------------------|---------|-----------|-----------------|
|                       |         | lbs.      | lbs.            |
| 1 Delhi .....         | 100     | 30        | 3,000           |
| 2 Gurgaon .....       | 56      | 100       | 5,600           |
| 3 Karnal .....        | 588     | 30        | 17,640          |
| 4 Hissar .....        | * 785   | ...       | ...             |
| 5 Rohtak .....        | * 1,526 | ...       | ...             |
| 7 Umballa .....       | 1,798   | 62        | 111,476         |
| 8 Ludhiana .....      | 2,647   | 33        | 87,351          |
| 10 Jullundar .....    | 754     | 41        | 30,914          |
| 11 Hoshiarpur .....   | 1,162   | 44        | 51,128          |
| 18 Ferozepore .....   | 26      | 24        | 624             |
| 21 Gujrat .....       | 47      | 101       | 4,747           |
| 23 Mooltan .....      | 75,364  | 26        | 1,959,464       |
| 24 Jhang .....        | 2       | 29        | 58              |
| 25 Montgomery .....   | 8       | 20        | 160             |
| 26 Mazaffargarh ..... | 20,603  | 50        | 1,030,150       |
| 28 D. G. Kahn .....   | 23,999  | 29        | 695,971         |
|                       |         | Average.  |                 |
| Total.....            | 129,465 | 31'44     | 3,998,283       |
|                       |         |           | *add 72,658     |
|                       |         |           | 4,070,941       |

\* For these (21,311 acres) produce per acre is taken of the average for the others—viz.. 31'44.

The price is not given in the Report. I take Annas 12 per lb., which will give the total value to be Rs. 30,53,205.

## VEGETABLES.

| Districts.      | Acres.  | Per Acre. | Total Quantity. | Price per Re. 1. | Total Value.                          |
|-----------------|---------|-----------|-----------------|------------------|---------------------------------------|
|                 |         | lbs.      | lbs.            | lbs.             | Rs.                                   |
| 1 Delhi .....   | 11,700  | 4,753     | 55,610,100      | 43'88            | 12,67,322                             |
| 2 Gurgaon....   | * 9,387 | * 6,000   | 56,322,000      | 28'8             | 19,55,625                             |
| 3 Karnál ....   | 846     | 4,753     | 4,021,038       | 39'77            | 1,01,107                              |
| 4 Hissar.....   | 3,485   | "         | 16,564,205      | 28'8             | 5,75,146                              |
| 5 Rohtak ....   | 920     | "         | 4,372,760       | 35'65            | 1,22,658                              |
| 6 Sirsa .....   | 677     | "         | 3,217,781       | 27'43            | 1,17,308                              |
| 7 Umballa....   | 3,495   | "         | 16,611,735      | 35'65            | 4,65,967                              |
| 8 Ludhiana ..   | 7,560   | "         | 35,932,680      | 30'17            | 11,91,006                             |
| 9 Simla .....   | 7       | "         | 33,271          | 60'34            | 551                                   |
| 10 Jullundar .. | 7,731   | "         | 36,745,443      | 27'43            | 13,39,607                             |
| 11 Hoshiarpur   | 3,586   | "         | 17,044,258      | 32'91            | 5,17,905                              |
| 12 Kangra ....  | 6,551   | "         | 31,136,903      | 49'37            | 6,30,684                              |
| 13 Amritsar.... | 15,175  | "         | 72,126,775      | 36'34            | 19,84,776                             |
| 14 Gurdaspur..  | 6,790   | "         | 32,272,870      | 27'43            | 11,76,553                             |
| 15 Sialkot .... | 3,000   | "         | 14,259,000      | 32'91            | 4,33,272                              |
| 16 Lahore ....  | 5,746   | "         | 27,310,738      | 24'68            | 11,06,593                             |
| 17 Gujranwala   | 56,988  | "         | 270,863,964     | 39'77            | 68,10,761                             |
| 18 Firozepore.. | * 4,274 | * 2,015   | 8,612,110       | 32'91            | 2,61,686                              |
| 19 Rawalpindi   | 4,660   | 4,753     | 22,148,980      | 40'45            | 5,47,564                              |
| 20 Jhelum ....  | 3,709   | "         | 17,628,877      | 31'54            | 5,58,937                              |
| 21 Gujrat.....  | 21,904  | "         | 104,109,712     | 28'8             | 36,14,920                             |
| 22 Shanpur....  | 11,072  | "         | 52,625,216      | "                | "                                     |
| 23 Mooltan .... | 29,239  | "         | 138,972,967     | 26'74            | 51,97,194                             |
| 24 Jhang .....  | 23,203  | "         | 110,283,859     | 20'57            | 53,61,393                             |
| 25 Montgomery   | 1,423   | "         | 6,763,519       | 27'43            | 2,46,574                              |
| 26 Mazaffargarh | 3,095   | "         | 14,710,535      | 21'25            | 6,92,260                              |
| 27 D. I. Khan.. | 803     | "         | 3,816,659       | 33'42            | 1,14,202                              |
| 28 D. G. Khan   | 794     | "         | 3,773,882       | 20'57            | 1,83,465                              |
| 29 Bannu.....   | 4,152   | "         | 19,734,456      | 45'25            | 4,36,120                              |
| 30 Peshwara ..  | 3,631   | "         | 17,258,143      | 32'05            | 5,38,475                              |
| 31 Hazara ....  | 598     | "         | 2,842,294       | 45'25            | 62,813                                |
| 32 Kohat .....  | 599     | "         | 2,847,047       | 31'45            | 90,526                                |
|                 |         | Average.  |                 | Average.         |                                       |
| Total.....      | 256,800 | 4,753     | 1,220,573,777   | 30'98            | 3,77,02,970 for<br>1,167,948,561 lbs. |

\* Produce per acre is given for vegetables for these two districts only, and the average of these—viz., 4,753—is applied to all others.

The prices I have taken above are given in the Report for potato only, and the average comes to, say, 31 lbs. per Re. 1. This is a high average price. The average price of potato will be nearer 60 than 31 lbs. I take, however, the average of 31 lbs.

Now out of the vegetables grown, about one-eighth only will be potato, and seven-eighths other kind of general vegetables. This will give, out of 1,220,573,777 lbs., seven-eighths of general vegetables=1,068,002,055 lbs.

The price of vegetables is not given in the Report. It may be taken as 1½ maunds per Re. 1 or 124 lbs., say 100 lbs. per Re. 1, which will give the total value of vegetables to be about Rs. 1,06,80,020.

Again, the average of 4,753 lbs. is of vegetables, but potato will be only about 30 maunds or 2,460 lbs. per acre; and as potato will be about one-eighth of the acreage planted with vegetables, or about 32,100 acres, the total quantity of potato

will be  $32,100 \times 2,460 = 78,966,000$  lbs. This, at the price of 31 lbs. per Re. 1, will give Rs. 25,47,290. I make no deduction for seed potato, or seed for vegetables.

## TEA.

The produce per acre is given for one district only; but the Report, at page 78, takes the general average to be the same—viz., 96 lbs. The price is not given. I take 3 lbs. per Re. 1.

Total acres,  $8,884 \times 96$  lbs. = 852,864 lbs. at 3 lbs. per Re. 1, will give Rs. 2,84,288.

## SUGAR.

| Districts.      | Acres.  | Per Acre. | Total Quantity. | 1st sort.<br>Price per<br>Re. 1. | Total Value.  |
|-----------------|---------|-----------|-----------------|----------------------------------|---|
|                 |         | lbs.      | lbs.            | lbs.                             | Rs.   |
| 1 Delhi .....   | 34,881  | *† 1,500  | 52,321,500      | 5'49                             | 95,30,328   |
| 2 Gurgaon....   | 1,125   | 646       | 726,750         | 6'68                             | 1,08,795  |
| 3 Karnal ....   | 14,309  | "         | 9,243,614       | 7'03                             | 13,14,881   |
| 4 Hissar.....   | 34      | "         | † 21,964        | "                                | "   |
| 5 Rohtak ....   | 33,324  | "         | 21,527,304      | 8'14                             | 26,44,631   |
| 6 Sirsa .....   | 6       | * 389     | 2,334           | 6'34                             | 368   |
| 7 Umballa ..    | 25,540  | * 280     | 7,151,200       | 5'83                             | 12,26,620   |
| 8 Ludhiana ..   | 14,400  | * 661     | 9,518,400       | 6'86                             | 13,87,521   |
| 9 Simla .....   | "       | "         | "               | "                                | "   |
| 10 Jullundar .. | 43,963  | * 531     | 23,344,353      | 6'51                             | 35,85,922   |
| 11 Hoshiarpur   | 42,015  | * 597     | 25,082,955      | 6'51                             | 38,52,988   |
| 12 Kangra ....  | 8,139   | * 494     | 4,020,666       | 6'43                             | 6,25,297  |
| 13 Amritsar ..  | 36,579  | 646       | 23,630,034      | 7'11                             | 33,23,492   |
| 14 Gurdaspur..  | 41,375  | * 360     | 14,895,000      | 5'65                             | 26,36,283   |
| 15 Sialkot .... | 29,009  | 646       | 18,739,814      | 6'51                             | 28,78,619   |
| 16 Lahore ....  | 2,527   | "         | 1,632,442       | 5'65                             | 2,88,927  |
| 17 Gujranwala   | 26,625  | "         | 17,199,750      | 7'2                              | 25,27,743   |
| 18 Ferozepore.. | 1,916   | * 410     | 785,560         | 6'                               | 1,30,926  |
| 19 Rawalpindi   | 2,381   | 646       | 1,538,126       | 6'34                             | 2,42,606  |
| 20 Jhelum ....  | 414     | "         | 267,444         | 5'83                             | 45,873  |
| 21 Gujrat ....  | 7,221   | * 660     | 4,765,860       | 6'51                             | 7,32,082  |
| 22 Shahpur....  | 1,312   | 646       | † 847,552       | "                                | "   |
| 23 Mooltan .... | 3,726   | "         | 2,406,996       | 6'17                             | 3,90,112  |
| 24 Jhang .....  | 260     | * 261     | 67,860          | 5'91                             | 11,482  |
| 25 Montgomery   | 113     | 646       | 72,998          | 6'17                             | 11,831  |
| 26 Mazaffargarh | 4,355   | "         | 2,813,330       | 5'83                             | 4,82,560  |
| 27 D. I. Khan.. | 88      | "         | 56,848          | 5'65                             | 10,061  |
| 28 D. G. Khan   | 55      | "         | 35,530          | 5'23                             | 6,793   |
| 29 Bannu ....   | 5,443   | "         | 3,516,178       | 5'36                             | 6,56,003  |
| 30 Peshawar ..  | 9,914   | "         | 6,404,444       | 6'08                             | 10,53,362   |
| 31 Hazara ....  | 561     | "         | 362,406         | 5'49                             | 66,022  |
| 32 Kohat .....  | 20      | "         | 12,920          | 5'74                             | 2,250   |
|                 |         | Average.  |                 | Average.                         |   |
| Total.....      | 391,630 | 646       | 253,012,132     | 6'34                             | 3,97,74,378<br>for 252,142,616<br>lbs., excluding the<br>two quantities<br>marked†. |

\* For these districts only is the produce per acre given in the Report. 1 have applied the average of these to others.

† This is evidently a mistake. Though other districts, such as Ludhiana are better than Delhi, and while 661 lbs. is considered a fair average for Ludhiana, 1,500 for Delhi cannot be correct. It is more likely 500 than 1,500. If 500 be adopted, the average will become 487 instead of 646 lbs. And it is also considered that an average of about 439 lbs. will be near the mark. I have allowed the figure 1,500 to remain, though this increases the average above 487 lbs. nearly 32 per cent.

The average price, as obtained on the basis of the prices given in the Report, is for "first sort," or what is called "misri." But there are different qualities of sugar—viz., gól, red sugar, ordinary second sort sugar, and best or first sort sugar. Taking the price of first sort as averaging 6 lbs. per rupee, the prices of the other kinds are :—

|                 |                   |   |
|-----------------|-------------------|---|
| Gól .....       | 24 lbs. per rupee | $\left\{ \begin{array}{l} \text{Of these the first two} \\ \text{form nearly two-thirds,} \\ \text{and the last two form one-} \\ \text{third of the whole quantity.} \\ \text{Taking in this ratio, we} \\ \text{get} \end{array} \right.$ |
| Red Sugar ..... | 16 " "            |   |
| Ordinary second | 7 " "             |   |
| First sort..... | 6 " "             |   |

Two-thirds at 20 lbs. =  $13\frac{1}{3}$  } or  $15\frac{1}{2}$ , or say 15 lbs. per rupee.  
 One third "  $6\frac{1}{2}$  " =  $2\frac{1}{6}$  }

The whole quantity, being 253,012,132 lbs., will, at 15 lbs. per rupee, give the total value Rs. 1,68,67,475.

For seed, to deduct cane equal to 40 lbs. of sugar per acre. This gives 16-fold, and taking the higher average of 646 lbs., I deduct, say, 6 per cent.

The whole quantity is then 237,831,405 lbs., and the whole value is then Rs. 1,58,55,427.

If, as I have pointed out above, the average of Delhi were taken 500 lbs. instead of 1,500 lbs., which would make the average produce of the whole of Punjab 487 lbs. instead of 646 lbs., the above quantity and value will prove some 30 per cent. higher than they should be.

It may be noted here that the Report itself makes the average 449 lbs. only, on the fallacious principle of simply adding up and dividing by the number of districts; while, when properly calculated, the figure should be 646 instead of 449. This is an instance of how misleading and incorrect the averages are as they are generally calculated in the Administration Reports.

# PUNJAB, 1876-7.

## SUMMARY OF PRODUCE OF ALL DISTRICTS.

| Produce.                        | Acres.     | Total Quantity.               | Average per Acre.              | Total Value.             | Average Price per Re. 1.             |
|---------------------------------|------------|-------------------------------|--------------------------------|--------------------------|--------------------------------------|
|                                 |            | lbs.                          | lbs.                           | Rs.                      | lbs.                                 |
| Rice .....                      | 708,699    | 541,492,369                   | 796                            | 2,25,35,693              | 20'42                                |
| Wheat .....                     | 6,609,497  | 5,332,813,517                 | 840'4                          | 9,17,42,419              | 53'48                                |
| Makai (Indian Corn) .....       | 1,084,339  | 1,593,872,255                 | 1,500                          | 2,33,01,265              | 68'4                                 |
| Jow (Barley).....               | 1,874,217  | 883,781,444                   | 503                            | 1,06,78,175              | 82'76                                |
| Gram .....                      | 2,272,236  | 1,417,173,807                 | 645                            | 1,86,72,194              | 75'89                                |
| Inferior Grains .....           | 6,534,963  | 3,169,169,607                 | 510'5                          | 4,54,14,114              | 69'78                                |
| Poppy (Opium) .....             | 12,348     | 154,550                       | 12'51                          | 3,86,375                 | '4 { Rs. 2½ per lb.<br>paid by Govt. |
| Tobacco .....                   | 71,867     | 60,804,785                    | 846                            | 48,32,541                | 12'58                                |
| Turmeric .....                  | 4,130      | 677,320                       | 164 (dry)                      | 67,732                   | 10                                   |
| Coriander Seed .....            | 6,934      | 2,288,220                     | 330 "                          | 1,43,014                 | 16                                   |
| Ginger .....                    | 286        | 58,630                        | 205 "                          | 8,376                    | 7                                    |
| Chillies .....                  | 23,518     | 3,800,700 (dry)               | { 808 (green)<br>161'6 (dry) } | 4,75,100                 | 8                                    |
| Other kinds of drugs and Spices | 35,074     | 11,574,420                    | 330                            | 8,26,744                 | 14                                   |
| Oil Seeds .....                 | 846,689    | 325,730,071                   | 392                            | 1,20,64,076              | 27                                   |
| Cotton .....                    | 668,876    | 70,013,890                    | 105                            | 1,23,54,344              | 5'66                                 |
| Hemp.....                       | 51,260     | 18,770,866                    | 366                            | 9,38,543                 | 20                                   |
| Kassamba (Safflower).....       | 24,708     | 988,320                       | 40 (dry)                       | 3,95,328                 | 2'5                                  |
| Indigo .....                    | 129,465    | 4,070,941                     | 31'44                          | 30,53,205                | 1½                                   |
| Vegetables .....                | 256,800    | { 1,068,002,055<br>78,966,000 | 4,753<br>2,460                 | 1,06,80,020<br>25,47,290 | 100 Green Vegetables<br>31 Potato    |
| Tea .....                       | 8,884      | 852,864                       | 96                             | 2,84,288                 | 3                                    |
| Sugar .....                     | 391,630    | 237,831,405                   | 646                            | 1,58,55,427              | 15 { Average of four<br>qualities    |
| Total .....                     | 21,616,420 |                               |                                | 27,72,56,263             |                                      |

# PUNJAB, 1876—7.

## MANUFACTURES.

| Goods.                     | Value given in the Report. | Deduct for raw Material already calculated and included in the Produce, or imported and paid from Produce. | Balance representing Labour. |
|----------------------------|----------------------------|--|------------------------------|
|                            | Rs.                        |  | Rs.                          |
| Silks .....                | 19,62,049                  | Say half for material (imported) .....   | 9,81,024                     |
| Cottons .....              | 1,75,05,556                | " 40% " " " " .....  | 70,02,222                    |
| Wool .....                 | 9,42,329                   |  |                              |
| Fibres .....               | 6,41,578                   | " 20% " " " " .....  | 1,28,315                     |
| Paper .....                | 1,58,565                   | " 25% " " " " .....  | 39,641                       |
| Wood .....                 | 67,28,686                  |  |                              |
| Iron .....                 | 43,26,132                  | " $\frac{1}{3}$ rd " " " " .....   | 14,42,044                    |
| Brass and Copper .....     | 6,38,573                   | " 40% " " " " .....  | 2,55,429                     |
| Building .....             | 43,22,867                  |  |                              |
| Leather .....              | 63,21,802                  |  |                              |
| Gold and Silver Lace ..... | 56,27,054                  | " $\frac{2}{3}$ rds " " " " .....  | 37,51,370                    |
| Dyeing .....               | 7,38,926                   | " Materials not stated .....   |                              |
| Oil .....                  | 12,45,966                  | " $\frac{2}{3}$ rds, or say $\frac{1}{2}$ Material .....   | 6,22,983                     |
| Shawls .....               | 8,96,507                   | " $\frac{1}{2}$ th Material imported .....   | 74,709                       |
| Other Manufactures .....   | 30,81,205                  | Not Described .....  |                              |
|                            |                            | Total .....  | 4,08,40,058                  |

## MINES.

There is no clear statement of the value of the produce of mines given in this report. The chief article is salt. The Report does not give any account of the cost of salt.

Parl. Return No. 176 of 1878 gives (page 30) "the quantity manufactured, excavated, or purchased" during the year (1876-7) as 1,795,956 maunds. In the statistics published by the Government of India (1875) at Calcutta, Part III., page 79, it is said: "Since 4th July, 1870, one anna per maund has been charged as the cost price of the salt, in addition to the "duty." At this rate the above production of salt—viz., 1,795,956 maunds—will cost Rs. 1,12,247. Duty is paid from the produce of the country.

For other minerals I can get no estimate. I roughly, and as a very outside estimate, put down the *whole* product of mines at Rs. 3 lakhs.

## STOCK.

I am unable to make any estimate of the annual addition to stock during the year. All that portion, however, which is used for agricultural or manufacturing purposes need not be estimated, as its labour, like that of the agriculturist and the manufacturer himself, is included in the agricultural or manufacturing produce. The portion of the annual produce or addition, which is used for other than agricultural and manufacturing purposes, such as carriage and food and milk, needs to be added to the production of the year. Though I cannot estimate this, still it will not matter much, for, as I have shown in the table for inferior grains, a certain portion of them goes in the feed of animals, and as this portion supplies the feed of the *whole* stock that requires grain and not merely that of the *annual* addition, the non-estimate of that portion of the *annual* addition to the stock which is used for carriage and for food may be more than covered by the value of the grain used for animals. Moreover, as I also give a margin upon the total estimate for any omission, any such item will be fully provided for.

## SUMMARY OF THE TOTAL PRODUCTION OF PUNJAB, 1876—7.

|                            | Value.           |
|----------------------------|------------------|
| Agricultural Produce ..... | Rs. 27,72,56,263 |
| Manufactures .....         | „ 4,08,40,058    |
| Mines .....                | „ 3,00,000       |
|                            | <hr/>            |
|                            | Rs. 31,83,96,321 |

In order to meet any omissions (fish, &c.), I allow a further margin of above  $3\frac{1}{2}$  crores of rupees, making, say, the whole produce of Punjab  $35\frac{1}{2}$  crores of rupees, or at 2s. per rupee = £35,330,000., which for a population of 17,600,000, gives £2 per head per annum at the outside for the year 1876—7.

The approximate estimate I had made out for the year 1867—8 in my paper on the "Poverty of India" was 49s. 5d., showing that either my calculation for the year 1867—8 was too high, or the production of the Province has diminished in value. The truth most likely is between both.

At all events, unless any error of importance is pointed out, it seems clearly established that the value of the production of one of the best provinces in India is Rs. 20 per head per annum at the outside.

### FOOD PRODUCE, 1876-7.

#### GRAIN.

|                           | Total quantity<br>lbs. |
|---------------------------|------------------------|
| Rice .....                | 541,492,369            |
| Wheat .....               | 5,332,813,517          |
| Makai (Indian Corn) ..... | 1,593,872,255          |
| Jow (Barley) .....        | 883,781,444            |
| Gram .....                | 1,417,173,807          |
| Inferior Grains .....     | 3,169,169,607          |

Total ..... 12,938,302,999

| Quantity Raised<br>for Animals. | about                            |  |
|---------------------------------|----------------------------------|--|
| Gram 1,417,173,807 lbs.         | $\times \frac{1}{2} =$           | 708,586,903  |
| Jow.. 883,781,444 "             | $\times \frac{2}{3} =$           | 662,836,083  |
| Jowár.. 2,221,535 acres         | $\times \frac{2}{3} = 1,481,023$ | $\left\{ \begin{array}{l} \text{lbs. per} \\ \text{acre less} \\ \text{seed} \\ (310-26) \end{array} \right\}$ |
| Bájra.. 2,339,796 "             | $\times \frac{1}{2} = 1,169,898$ |  |
| Moth.. 982,208 "                | $\times \frac{1}{2} = 736,656$   |  |
| Másh.. 213,465 "                | $\times \frac{1}{2} = 71,155$    |  |
| Total 3,458,732                 |                                  | $\times 484 = 1,674,026,288$   |

Total.. 3,045,449,274

Balance remaining for }  
human use ..... } 9,892,853,725

Or 562 lbs. per annum, or 1 lb. 8.65 oz. per day per head for a population of 17,600,000.

Even taking the *whole* quantity of grain as for human use, and thus not allowing any portion at all for animals (which would, of course, not be right to do), the quantity per annum will be 735 lbs., or 2 lbs. per day per head.

In the value I have calculated for grain, I have taken the *whole* grain—*i.e.*, including the portion for animals.

## VEGETABLES.

*General Vegetables.*

Total quantity, 1,068,002,055 lbs., gives 60·7 lbs. per annum, or 2·66 oz. per day per head.

## POTATO.

Total quantity, 78,966,000 lbs., gives 4·48 lbs. per annum, or 2 oz. per day per head.

# LAND REVENUE OF THE PRINCIPAL PROVINCES OF INDIA FOR 1875-6.\*

|                             | Revenue.    | Population. | Revenue<br>per Head. |
|-----------------------------|-------------|-------------|----------------------|
|                             | Rs.         |             | Rs. a. p.            |
| Bengal .....                | 3,77,65,067 | 60,502,897  | 0 10 0               |
| Punjab .....                | 2,00,15,260 | 17,611,498  | 1 2 2                |
| N.-West Provinces.....      | 4,24,57,444 | 30,781,204  | 1 6 0 $\frac{2}{3}$  |
| Madras .....                | 4,54,50,128 | 31,672,613  | 1 6 11               |
| Bombay (including Sind) ... | 3,69,43,563 | 16,302,173  | 2 4 3                |

\* I have taken 1875-6 for, on account of the famines in the Bombay and Madras Presidencies in the year 1876-7, a comparison for the year 1876-7 will be an unfair one.

# PUNJAB, 1876-7.

## COST OF ABSOLUTE NECESSARIES OF LIFE OF AN AGRICULTURAL LABOURER.

Food.—*Man.*

| Items.         | Quantity per Day.   | Quantity for 1 Year. | Price for Re. 1. | Cost for Year. | Remarks.   |
|----------------|---------------------|----------------------|------------------|----------------|--|
|                | Seers.              | Seers.               | Seers.           | Rs. As.        |  |
| Flour .....    | 1                   | 365                  | 25               | 14 9           | The price in the Report is 20 seers for first sort; I have taken 25 per cent. lower price for lower quality. |
| Rice .....     | $\frac{1}{2}$       | 91                   | 13               | 7 0            | The price in the Report is 10 seers for first sort; I take 30 per cent. lower price for inferior quality.    |
| Dal .....      | $\frac{1}{8}$       | 45                   | 18               | 2 8            | The price in the Report is 16 seers; I take it 12 per cent. lower.   |
| Salt .....     | 1 oz.               | 11                   | 9 $\frac{1}{2}$  | 1 3            | The price of the Report, which is Government sale price.   |
| Ghee .....     | 1 "                 | 11                   | 3                | 3 11           | The price in the Report is less than 2 seers.  |
|                |                     |                      |                  |                | In taking 3 seers, I lower it above 50 per cent., or rather to the price of oil.                             |
| Condiment ...  | 2 pies worth        | ...                  | ...              | 3 13           | The quantity, 1 oz., is also rather low for a Punjabee.  |
| Tobacco.....   | 1 $\frac{1}{2}$ " " | ...                  | ...              | 2 14           | These are regarded as under the mark.  |
| Vegetables ... | 1 " "               | ...                  | ...              | 1 8            |  |
|                |                     |                      | Total...         | 37 2           | Without any meat, sugar, milk, or any drink, or any kind of luxury whatever.                                 |

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*Woman.*

All the above items will be nearly the same, except tobacco. Deducting tobacco, it will be Rs. 34-2 as.; say Rs. 32.

*Two more Members in a Family.*

1 young person, say, between 12 and 18, say Rs. 26, though there will not be so much difference.

1 " " under 12, say " 0, though this cannot be the case generally.

## PUNJAB, 1876—7.

COST OF ABSOLUTE NECESSARIES OF LIFE OF AN  
AGRICULTURAL LABOURER—*Continued.*

## CLOTHING FOR ONE YEAR.

| Man.   |        | Woman.           |        | Remarks.   |
|--|--------|------------------|--------|--|
|  | Rs. a. |                  | Rs. a. |  |
| 2 Dhotees .....                              | 1 0    | 2 Pajamas .....  | 1 0    | No holiday<br>clothing,<br>nor for occasions<br>of joy<br>and sorrow,<br>are reckoned. |
| 2 Pairs Shoes .....                          | 1 0    | 1 Gagra .....    | 2 0    |  |
| 1 Turban .....                               | 1 0    | 2 Chadars .....  | 1 8    |  |
| 2 Bandis for warm and<br>cold weather.....   | 1 8    | 4 Cholees .....  | 1 0    |  |
| 2 Kamlees.....                               | 4 0    | Bangles .....    | 0 8    |  |
| 1 Small piece of cloth<br>for Langootee, &c. | 0 4    | 2 Pairs Shoes... | 0 8    |  |
| 1 Chadar .....                               | 0 12   | Hair-dressing    | 0 3    |  |
| 2 Pajama .....                               | 0 12   |                  |        |  |
| Total...                                     | 10 4   |                  | 6 11   |  |

For one young person, say, Rs. 6; for the second, say nothing.

## FAMILY EXPENSES IN COMMON.

|   | Rs. a. |               |  |
|---|--------|---------------|--|
| Cottage, Rs. 60; say.....                             | 4 0    | for one year. | Calculated on<br>the lowest scale,<br>without any furniture,<br>such as cots<br>or mats, or stools<br>or anything. |
| Repairs .....   | 3 0    | "             |  |
| Cooking and other utensils                            | 3 8    | "             |  |
| Firewood, $\frac{1}{4}$ anna per day ...              | 5 11   | "             |  |
| Lamp Oil, 1 oz. per day, at 3<br>seers per Re 1 ..... | 3 12   | "             |  |
|   | 19 15  |               |  |

## Taking Four in the Family.

|                     | Food. | Clothing. | Family Expenses. | Total.              |
|---------------------|-------|-----------|------------------|---------------------|
|                     | Rs.   | Rs. a.    | Rs. a.           |                     |
| Man .....           | 37    | 10 4      |                  |                     |
| Woman .....         | 32    | 6 11      |                  |                     |
| Youth (12 to 18)... | 26    | 6 0       |                  |                     |
| Child (under 12)    | 0     | 0 0       |                  |                     |
|                     | 95    | 22 15     | 19 15            | 137 14—say, Rs. 136 |

Which will be Rs. 34 per head per annum in a family of four, against the production of Rs. 20 per annum at the outside.

No wedding, birth, and funeral expenses calculated, nor medical, educational, social, and religious wants, but simply the absolute necessities for existence in ordinary health, at the lowest scale of cost and quantity.

The prices this year are the lowest during ten years.

The Report says (page 83): "Salt and tobacco show a rise in price." This is a mistake into which the writer is led by the mistake of the clerk in taking his totals and division by the number of districts. The figures in Table 45 (page clxxvii.), in the line of the "general average" of tobacco, viz., 4.5 and 5.7, are wrong; and so also in the line of salt, 7 and 7.5 are wrong. I do not mean these figures are wrong on account of the fallacious principle of the Report in taking averages, but in taking the average according to the Report's own method,—i.e., of adding up the columns and dividing by the number of districts.

It is requested that any further communication on this subject may be addressed to—

The Under Secretary of State for India,  
India Office, London, S.W.

India Office, S.W.  
9th August, 1880.

SIR,—I am directed by the Secretary of State for India to acknowledge the receipt of your letter of the 24th May, enclosing a table of statistics relating to the value of the production of the Punjab for the year 1876-77.

In reply, I am to thank you for your communication, but with reference to your request that the several Governments in India may be directed to supply similar statistics of production, I am to remark that as regards the important province of Bengal, means do not exist of supplying the information you desire; whilst as regards those provinces for which such information does already exist, it appears very questionable whether the results given, owing to the absence of any sufficient machinery for their preparation, can be relied upon as trustworthy. Your letter and its enclosure have, however, been sent out to the Government of India.

I enclose herewith for your information copy of a memorandum upon your letter, and also copies of statistics similar to those compiled by yourself, which have been recently prepared in this Office.

I am, Sir, your obedient servant,

LOUIS MALLET.

Mr. Dadabhai Naoroji.

## [ENCLOSURE.]

*Memorandum on a Letter from Mr. Dadabhai Naoroji, dated 24th May, 1880.*

In this letter Mr. Dadabhai Naoroji requests that the several Governments in India may be instructed to furnish statistical information regarding the agricultural, mining, and manufacturing produce of their respective administrations, and that a summary may also be given, similar to one which he has prepared for the Punjab, and which he submits with his letter, in order that "a true conception may be formed of the actual material condition of India from year to year." He also asks that his tables may be submitted to the Statistical Department of the India Office, and that any mistakes of facts or figures may be pointed out to him.

In January, 1879, I made calculations for the greater part of India, similar to those made by Mr. Dadabhai Naoroji for the Punjab; copies of these are attached.\* I do not, however, put much faith in the accuracy of the figures from which these calculations are made. The agricultural statistics of India, as they are published, can hardly be very reliable, as they are based upon averages, each average referring to a very large area, in which there may be, and probably are, many variations of conditions and circumstances; whilst in parts, such as the large and wealthy Presidency of Bengal, no statistics of agricultural produce are available.

In examining Mr. Dadabhai Naoroji's paper, it appears that in his calculations he has omitted to make any allowance for the value of straw, and he has made no attempt to estimate the value of the increase of agricultural stock, but he has added an arbitrary sum for the latter and for other omitted items.

Having, however, arrived at some figures supposed to represent the value of the produce of a certain district, the question arises as to how these figures should be applied in order to show the comparative prosperity or otherwise of the people in that district. Mr. Dadabhai has adopted the principle of equally apportioning the value of agricultural produce and manufactures, as ascertained by him from the statistics available, amongst the whole population, without distinguishing how many are agriculturists, how many mechanics, and how many belong to other trades and professions, or possess property, and whose incomes, therefore, are derived directly neither from agriculture nor from manufactures. Thus he omits all reference to railway wealth,

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\* I have not inserted these tables, as those concerning Punjab are nearly similar to mine.

Government stock, house property, profits of trade, salaries, pensions, non-agricultural wages, professional incomes, and returns to investments, and all other sources from which a man who does not grow food himself may obtain the means of purchasing it.

From the Census Report of 1871, it appears that, out of a total population of 17,611,498 under British administration in the Punjab, 9,689,650 are returned as agriculturists, 1,776,786 male adults, equivalent to about 4,500,000 population, as engaged in industrial occupations; thus leaving a population of nearly 3,500,000 directly dependent neither upon agriculture, manufactures, nor mining, and who must therefore derive their means of subsistence from other sources.

Mr. Dadabhai makes out the total value of the agricultural produce of the Punjab to be Rs. 27,69,71,976,\* and that from manufactures and mines Rs. 4,11,40,058. To this he adds, to meet any omissions, a further margin of  $3\frac{1}{2}$  crores, making the whole produce of the Punjab  $35\frac{1}{4}$  crores of rupees, "which, for a population of 17,600,000, gives Rs. 20 per head per annum at the outside for the year 1876-7," to which year the figures he has taken refer. At pages 151, 152 of his tables he shows that the cost of absolute necessities of life of an agricultural labourer is Rs. 34 per annum, but he omits to explain how, under these circumstances, the people of the Punjab managed to live, and leaves the reader to draw his own conclusions how, with only Rs. 20 per annum, he can provide for an expenditure of Rs. 34.

Adopting Mr. Dadabhai's figures, with regard to which I will take no exception, I think it may be shown, by another process of reasoning than that which he adopts, that they point to the Punjab agriculturist being in a good condition of prosperity rather than the reverse. First, I think it must be admitted that the agricultural produce belongs in the first instance to the man who grows it. From it he and his family will first provide themselves with food, and the remainder he will sell, either for money to enable him to pay his assessment, &c., or in barter for clothing and other necessities, whilst a part will go to pay wages for labourers and others dependent upon him.

Now, if these premises be admitted, it may be shown that, allowing three-fourths of a seer ( $1\frac{1}{2}$  lb.) of grain per head per day, according to the calculations given by Mr. A. P. Macdonnell in his "Food Grain Supply and Famine Relief in Behar and Bengal" (p. 8), or, say, 550 lbs. per annum per head of agricultural population, and allowing  $6\frac{1}{2}$  per cent.

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\* There was an error in my table; this amount should be Rs. 27,72,56,263.—D. N.

of the gross produce for seed, an equal quantity for cattle-feed, and 2 per cent. for waste, or together 15 per cent., the value of the surplus agricultural produce is sufficient to yield Rs. 24 per head per annum for other requirements, and Rs. 22 per head after deduction of the land revenue demand, or, say, £8 16s. per annum per family of four persons.

The other population of the Punjab (omitting Native States) numbers 7,921,848, for whom the remaining food grain grown, after allowing for the food of agriculturists, cattle, seed, waste, &c., amounting to 5,401,151,059 lbs., is sufficient to provide them with an average rate of over 600 lbs. per head per annum. To supply them with 550 lbs. per head per annum would take 4,357,016,400 lbs., leaving a surplus of 1,044,134,659 lbs., or over 450,000 tons, for export. The food grain grown in the Punjab is, therefore, apart from other food supplies, more than sufficient to feed the whole population, and it is well known that considerable quantities of wheat are exported thence.

The numbers engaged in manufactures in the Punjab I have stated to be about 4,500,000. The net value of manufactures, after deducting the value of raw material, is given by Mr. Dadabhai as only Rs. 4,08,40,058, or about Rs. 9 per head per annum of the population engaged therein. This, I think, sufficiently shows that there must be some error in the value given.

F. C. DANVERS.

India Office, 28th June, 1880.

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32, Great St. Helens, London,  
12th August, 1880.

SIR LOUIS MALLET, *the Under Secretary of State for India,*  
*India Office, London, S.W.*

SIR,—I have received your letter of the 9th inst., and I tender my sincere thanks to his Lordship the Secretary of State for India for the kind attention he has given to my letter of the 24th May last, and for forwarding it to the Government of India.

The necessity for having correct information about the material condition of India is so very great, both to rulers and the subjects, that I venture to say that any reasonable and well-directed expenditure for this object would be productive of great good; and that, therefore, the Government of India may be requested to improve the existing machinery as much as it may be needed to obtain from the different Governments the tables of production and consumption with as much approximate accuracy as possible. The tables, even

so far as are at present supplied, are useful, and I cannot think that it would be difficult for the different Governments to improve the existing arrangements, so as to get sufficiently approximate results for the guidance of the legislation and administration of the country with the greatest practical good, and without the commission of such mistakes as are unavoidably made in the ignorance of the actual state and wants of the country.

For Bengal, also, I hope some means may be devised to obtain such information.

It does not remain for me now, with the evidence of your present letter and its enclosures before me, to impress upon the India Office the great importance of these statistics; for I find that when I commenced working at these tables, about the beginning of last year, the India Office had already got these very tables prepared for their use, and I cannot but express my gladness to find such to be the case.

I am sorry I am not at present well able to give such attention to the enclosures of your letter as I desire, as I am not in good health and am under medical treatment.

I remain,

Your obedient servant,

DADABHAI NAOROJI.

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32, Great St. Helens, London,  
13th September, 1880.

SIR LOUIS MALLET, *the Under Secretary of State for India,*  
*India Office, London, S.W.*

SIR,—In continuation of my letter of the 12th ult., I now beg to submit, for the consideration of his Lordship the Secretary of State for India, the accompanying memorandum on Mr. Danver's two papers of 4th January, 1879, and 28th June, 1880, and I hope his Lordship will give it the same kind attention that was shown to my former letter.

I request that copy of this letter and memo. be sent to the Indian Government, as I think that views similar to those of Mr. Danvers more or less prevail in India also.

I shall esteem it a great favour if it is pointed out to me that I am mistaken in any of my views now put forth. My only desire is to find out the truth, and that India may receive and enjoy the blessings and benefits which the British nation is really capable of bestowing on her, if once British statesmen give their usual conscientious attention to her concerns.

I remain, Sir,

Your obedient servant,

DADABHAI NAOROJI.

*Memorandum on Mr. Danvers' Papers of 28th June, 1880, and  
4th January, 1879.*

Mr. Danvers says : " In examining Mr. Dadabhai Naoroji's " paper, it appears that in his calculations he has omitted to " make any allowance for the value of straw, and he has " made no attempt to estimate the value of the increase of " agricultural stock, but he has added an arbitrary sum for " the latter and for other omitted items."

I have omitted not only straw, but also grass, cotton seed, and any fodder or other food for animals which I have not taken in my tables ; and further, I should also omit all that portion of the inferior grains which I have shown in my table at page 135—of about 30 per cent. of the whole acreage of grains and which is grown for the food of animals.

The reason is this : the principle to be considered is—first, either the whole *gross* annual production of the country may be taken (including straw, grass, &c., &c.), and from this *gross* production, before apportioning it per head of human population, a deduction should be made for the portion required for all the stock, which, in the case of the Punjab, are above 7,000,000 large cattle and near 4,000,000 sheep and goats ; or, second, all straw, grass, and every production raised for animal food should be left out of calculation, and only the rest of the production which is and can be turned to human use should be apportioned among the human population. Mr. Danvers may adopt either of the above two methods, whichever he may consider would give most correctly the actual production for human use. It would not be correct to include the produce raised for animal use, and then not to make the necessary deduction for such use. I would put this matter in another form.

Suppose on the 1st of January, 1880, we have in India a certain amount of material wealth in all its various forms, and we take complete stock of it ; that during the year following the country works in all its varieties of ways, consumes for all its various human, animal, and instrumental wants from the store existing on the 1st January, 1880 ; and that after the end of the year, on 1st January, 1881, we gather together or take stock of every possible kind of material production (agricultural, mineral, and manufacturing, and addition from profits of foreign trade) during the year. This production during the year will have to meet all the wants of the next year. If this production prove less than what would be wanted for the next year, then there would be a deficiency, and either the original wealth or capital of the country will have to be drawn upon, or the people will be so much less supplied with their wants in some shape or other ; in either

way showing a diminution of prosperity, both as property and capacity. If, on the other hand, the whole material production of the year prove more than what would be necessary for the next year for all ordinary or usual wants, then a surplus would accrue, and so far, in some permanent form, add to the capital of the country and increase its prosperity.

I request, therefore, that Mr. Danvers may be asked to work out the total production and wants of India, for, say, the last dozen years on correct principles of calculation, from such materials as are already available at the India Office, supplementing such information as may be deficient by asking from India and from experienced retired officials who are now in this country. Such tables will show what the actual material condition of the country is, and whether it is increasing or diminishing in prosperity. Unless such information is obtained, the Government of the country will be blind and in the dark, and cannot but result in misery to India, and discredit to the rulers, their best intentions notwithstanding. It is hopeless to expect intelligent government without the aid of such important information annually.

I am glad Mr. Danvers has made an estimate of the annual increase of agricultural stock in his paper of 4th January, 1879, and as I have to say something upon this paper further on, I do not say anything here upon the subject of stock.

Mr. Danvers says: "Mr. Dadabhai has adopted the principle of equally apportioning the value of agricultural produce and manufactures, as ascertained by him from the statistics available, amongst the whole population, without distinguishing how many are agriculturists, how many mechanics, and how many belong to other trades or professions, or possess property, and whose incomes therefore, are derived directly neither from agriculture nor from manufactures. Thus he omits all reference to railway wealth, Government stock, house property, profits of trade, salaries, pensions, non-agricultural wages, professional incomes, and returns to investments, and all other sources from which a man who does not grow food himself may obtain the means of purchasing it.

"From the Census Report of 1871, it appears that, out of a total population of 17,611,498 under British administration in the Punjab, 9,689,650 are returned as agriculturists, 1,776,786 adult males, equivalent to about 4,500,000 of population, as engaged in industrial occupations; thus leaving a population of nearly 3,500,000 directly dependent neither upon agriculture, manufactures, nor mining, and who must therefore derive their means of subsistence from other sources."

I take each of the items:—

1st. "Railway Wealth." I am not sure what Mr. Danvers means by "railway wealth." In his paper of 4th January, 1879, he regards railways as "enhancing the value of food grains, and adding, *pro tanto*, to the wealth of the districts through which they run." If he means in the above extract, by "railway wealth," something different, then that needs to be explained. In the meantime, I adopt the interpretation as I make out with the aid of his paper of 4th January, 1879.

Suppose 100 maunds of wheat exist in the Punjab, and its cost to the producer, say, is Rs. 100—suppose that this wheat is carried by railway to Bombay, and its value at Bombay is Rs. 125; does Mr. Danvers mean that this circumstance has added Rs. 25, or anything at all, to the existing wealth of India?

If so, then no such thing has happened. The 100 maunds of wheat existed in the Punjab, and the Rs. 125 existed in Bombay, before the wheat was moved an inch. After the movement, the only result has been change of hands. The wheat has gone to Bombay, and the Rs. 125 are distributed between the owner at Punjab, who receives Rs. 100, and the railway owners and workers, and the merchant who carried through the transaction, who between them divide the Rs. 25. By the mere fact of the removal of the wheat from the Punjab to Bombay, not a single grain of wheat nor a single pie of money is added to what already existed in India before the wheat was touched. Such "railway wealth" does not exist. If the mere movement of produce can add to the existing wealth, India can become rich in no time. All it would have to do is to go on moving its produce continually all over India, all the year round, and under the magic wheels of the train, wealth will go on springing till the land will not suffice to hold it. But there is no royal (even railway) road to material wealth. It must be produced from the materials of the earth, till the great discovery is made of converting motion into matter. I should not be misunderstood. I am not discussing here the benefits of railways, whatever they are to any country or to India. To show that the people of India are not deriving the usual benefits of railways, I give hereafter a short separate section. Here it is enough for me to state that railways are, in a way, an indirect means of increasing the material production of any country, but that, whatever that "means" is, its result is fully and completely included in the estimate of the actual annual production of the country, and that there is nothing more to be added to such actual material production of the year.

2nd, "Government Stock." Suppose I hold a lakh of rupees of Government 4 per cent. rupee paper. It does not from itself produce or create or make to grow out any money

or food or any kind of material wealth for me. It simply means that Government will give me Rs. 4,000 every year, and that, not by creating anything by any divine power, but from the revenue of the country; and this revenue can be got from only the actual material production of the year. So, in reality, my income of Rs. 4,000 from "Government Stock" is nothing more nor less than a share out of the production of the country, and is, therefore, fully and completely included therein. No addition has to be made from "Government Stock" to the actual material production of the year. No such addition exists at all.

3rd, "House Property." Suppose I have taken a house at a yearly rental of Rs. 1,000. The house does not grow or create the rent by the mere fact of my occupying it. I have to pay this amount out of my income of Rs. 4,000 from Government Stock, and so the house-owner receives through me and the Government his share out of the production of the country. The discussion of the other items further on will show that, be my income from any of the various sources Mr. Danvers suggests, it is ultimately and solely derived from, and is included in, the yearly production of the country, and the owners of "house property" simply take their share, like everybody else, from this same store.

4th, "Profits of Trade." I take, first, foreign trade. Mr. Danvers is quite right that the foreign trade of a country adds to its annual income or production.\* But, unfortunately, the case with India is quite otherwise. The present system of British administration not only sweeps away to England the whole profits of the foreign trade, but also drains away a portion of the annual production itself of the country. So that, instead of India making *any* addition from its "profits of foreign trade" to its yearly production, a deduction has to be made from such production in estimating the actual quantity that ultimately remains for the use of the people of India. A portion of the actual production, through the channel of foreign trade, goes clean out of the country to England, without an atom of material return. The manner in which the foreign trade of India becomes the channel through which India's present greatest misfortune and evil operate, I treat further on in a separate section, to avoid confusion. It is enough for me to say here that, as matters actually stand, instead of there being, as should be, any addition from foreign trade to the annual production of India, there is actually a diminution, or drain of it clean out of the country to England, to the extent of some £18,000,000 a year,

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\* Taking the aggregate wealth of the world, foreign trade even adds nothing. It simply then becomes internal trade, and is mere change of hands, as explained further on.

together with, and over and above, all its "profits of trade." I grieve, therefore, that I have nothing to *add* from "profits of trade," as Mr. Danvers suggests, but much to *subtract*.

I take next the internal trade. Resuming the illustration of the 100 maunds of wheat at Punjab, say a merchant buys at Rs. 100 and sends it to Bombay, where he gets Rs. 125. The result simply is that the wheat is still the same 100 maunds, and the Rs. 125 that existed in Bombay are still Rs. 125, but that out of Rs. 25 the merchant receives his "profit of trade," and the railway its charges for carrying. Not a single atom of money or wheat is added to the existing wealth of the country by this internal trade; only a different distribution has taken place. I should not be misunderstood. I am not discussing here the usefulness of internal trade, whatever it is; I am only pointing out that any increase in the material income of the country by the mere transactions of the internal trade is a thing that does not exist, and that whatever benefits and "profits of trade" there are from internal trade, are fully and completely included in the ultimate result of the actual material production of the year.

5th, "Salaries and Pensions." These will be official and non-official. Official salaries and pensions are paid by Government from revenue, and this revenue is derived from the production of the country; and so from that same store are all such salaries and pensions derived. For non-official salaries or pensions the phenomenon is just the same. I pay my clerks or servants either from my profits of trade, or interest of Government Stock, or from rent of my house property, or from any of the sources which Mr. Danvers may suggest, but one and all of these incomes are drawn from the same store—the annual material production of the country. All salaries and pensions are thus fully and completely included in the estimate of the production.

But this is not all. In these salaries and pensions, &c., do we come to the very source of India's chief misfortune and evil, which, as I have already said, works through the medium of the foreign trade. It is the salaries and pensions, and all other expenditure incident to the excessive European agency, both in England and India, which is India's chief curse, in the shape of its causing the exhausting drain which is destroying India. In the ordinary and normal circumstances of a country, when all the salaries, pensions, &c., are earned by the people themselves, and remain in the country itself to fructify in the people's own pockets, there is no such thing as an addition to the annual production of the country from "salaries and pensions." But as far as India is concerned, the case is much worse. All salaries and pensions, &c., paid to Europeans in England and India, beyond the absolute necessity of the maintenance or supervision of British rule,

are actually, first, a direct deprivation of the natural provision for similar classes of the people of the country, and, second, a drain from the property and capacity of the country at large. So, unfortunately, is there nothing to be *added*, as Mr. Danvers asks, from "salaries and pensions," but much to be *subtracted*, that is either spent in England or remitted to England from the resources of India, and for which not a particle returns, and what is enjoyed in India itself by the Europeans.

Mr. Danvers may kindly consider his own salary. It is derived from the production of India. It is brought to England, and not a farthing out of it returns to India. Even if it returned it would be no *addition* to the wealth of India; but as it does not return, it is so much actual *diminution* from the means of the subsistence of the people. I should not be misunderstood. That for a good long time a reasonable amount of payment for British rule is necessary for the regeneration of India is true, and no thinking Native of India denies this. It is the evil of excessive payment that India has to complain of. But what I have to point out here is that salaries and pensions, even to the Natives themselves, are no addition to the wealth, and much less are those which are not paid to the people of the country. The increase supposed by Mr. Danvers does not exist. There is, on the contrary, much diminution.

6th, "Non-Agricultural Wages." A person employed by a farmer, say as a labourer, upon building his house, is paid from the farmer's agricultural income. A person employed by merchant, a householder, a stockholder, a pensioner, or a salaried man, or on a railway, is paid from their income, which, as I have explained, is derived from the only great store—the annual material production of the country. In short, every labourer—mental or physical—has his share for his subsistence, through various channels, from the only one fountain-head—the annual material production of the country. There is no source outside the production (including any addition to it from profits of foreign trade) from which any individual derives his means of subsistence.

7th, "Professional Incomes." I consult a doctor, or a solicitor. The mere act of my consulting these professional gentlemen does not enable me to create money to pay them. I must pay them from my income as an agriculturist, or a miner, or a manufacturer, or a stockholder, or a householder, &c.; and my such income is all and solely derived from the material production of the country.

I need not now go any further into a repetition of the same argument with regard to—

8th, "Returns to investments and all other sources from which a man who does not grow food himself may obtain

“the means of purchasing it;” or leaving a population “directly dependent neither upon agriculture, manufactures, nor mining, and who must therefore derive their means of subsistence from other sources.”

There *do not exist* any such “other sources,” except profits of foreign trade. But, unfortunately for India, instead of foreign trade bringing any profits, it is actually the channel by which, in addition to all such profits, a portion of the production itself is also swept away. So India exhibits the strange phenomenon, that her people cannot get any benefit from profits of foreign trade, and cannot enjoy for their subsistence even their own production, fully or adequately. The result of all the different influences—forces, labour, knowledge, land, climate, railways, or all other kinds of public works, good government, justice, security of property, law, order—and all the above eight and other so-called sources of income, is *fully and completely* comprised in the *ultimate resultant* of all of them—viz., the actual material income of the year. Its increase or decrease every year is, in fact, *the* test of the ultimate and full result of all the above direct and indirect means of the production of a country. If the material income of the year does not suffice for all the wants of the whole people for the year, the existing “capital”-wealth of the country is drawn upon, and, so far, the capital and the capacity for annual production are diminished.

I submit, therefore, that Mr. Danvers’ argument of the “other sources” has to be laid aside.

Mr. Danvers says: “Mr. Dadabhai makes out the total value of the agricultural produce of the Punjab to be Rs. 27,72,56,263, and that from manufactures and mines, Rs. 4,11,40,058. To this he adds, to meet any omissions, a further margin of  $3\frac{1}{2}$  crores, making the whole produce of the Punjab  $35\frac{1}{4}$  crores of rupees, ‘which, for a population of 17,600,000, gives Rs. 20 per head per annum at the outside for the year 1876-7,’ to which year the figures he has taken refer. At page 152 of his tables he shows that the cost of absolute necessities of life of an agricultural labourer is Rs. 34 per annum, but he omits to explain how, under these circumstances, the people of the Punjab managed to live, and leaves the reader to draw his own conclusions how, with only Rs. 20 per annum, he can provide for an expenditure of Rs. 34.”

Why, that is the very question I want Government to answer: How can they expect people to manage to live, under such circumstances, without continuously sinking into poverty? The first real question is, Are these facts or not? If not, then what are the actual facts of the “means and wants” of the people of India? If they are, then the question is for Mr. Danvers and Government to answer, how

people can manage to live. The answer to the question is, however, obvious—viz., that as the balance of income every year available for the use of the people of India does not suffice for the wants of the year, the capital-wealth of the country is being drawn upon, and the country goes on becoming poorer and poorer, and more and more weakened in its capacity of production; and that the American War, for a little while, gave, and the various loans give, a show of prosperity, to end in greater burdens and greater destruction by famines.

These facts of the insufficiency of the means for the wants go to prove the late Lord Lawrence's statements, made in 1864, as Viceroy, and, in 1873, before the Finance Committee. In 1864, he said that India was, on the whole, a very poor country, and the mass of the people enjoyed only a scanty subsistence; and, in 1873, he repeated that the mass of the people of India were so miserably poor that they had barely the means of subsistence; that it was as much as a man could do to feed his family, or half feed them, let alone spending money on what might be called luxuries or conveniences. Such, then, is the manner in which the people of India manage to live: scanty subsistence, and dying away by millions at the very touch of drought. In the case of the Punjab, as the latest British possession, and least drained, and from other circumstances noted below,\* the people have had, as yet, better resources, in their "capital"-wealth, to draw upon; but taking India as a whole, Lord Lawrence's words are, most deplorably, but too true.

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\* The Punjab is favoured by nature and by circumstances. By nature, inasmuch as it is one of the most fertile parts of India. It is "Punjab," the land of the five waters, and it has both natural and artificial irrigation. It is favoured by circumstances, inasmuch as that (excepting Bengal, in its special fortunate circumstances of the permanent settlement) Punjab pays the least land revenue—viz., the Punjab pays Re. 1-2-2 per head per annum, the North-West Provinces pay Re. 1-6, Madras Re. 1-7, and Bombay Rs. 2-4-3 (see my tables, page 150). I have taken these figures for 1875-6; those for 1876-7 would be unfair and abnormal, on account of the Bombay and Madras Famines. Further, the Punjab has been further favoured by other circumstances in the following way:—

The Administration Report of 1856-8 says: "In former Reports it was explained how the circumstance of so much money going out of the Punjab contributed to depress the agriculturists. The native regular army was Hindustani; to them was a large share of the Punjab revenue disbursed, of which a part only was spent on the spot, and a part was remitted to their home. Thus it was that, year after year, lakhs and lakhs were drained from the Punjab, and enriched Oudh. But within last year, the Native army being Punjabi, all such sums have been paid to them, and have been spent at home. Again, many thousands of Punjabi soldiers are serving abroad; these men not only remit their savings, but have also sent a quantity of prize property and plunder—the spoils of Hindustan—to their native villages. The effect of all this is already perceptible in an increase of agricultural capital, a freer circulation of money, and a fresh impetus to cultivation."

It will be seen that the Punjab has more capital to draw upon, and has some addition to its resources at the expense of the other provinces, to make up for some of its deficiency of production.

I need not discuss Mr. Danvers' paper of 28th June, 1880, any further. The fallacy of "other sources" besides agriculture, mines, manufactures, and foreign trade, pervades his whole argument; and in the latter part of the paper two different matters are mixed up, a little misapprehension has taken place as to my meaning, and some part is irrelevant.

The whole question now before us is simply this:—

First, what the whole actual, material, annual income of India is, as the ultimate balance of all sources and influences; that is available for the use of the *whole people of India*.

Secondly, what the absolutely necessary wants and the usual wants of all classes of the people are; and

Thirdly, whether the income of India is equal to, less, or more than such wants.

By carefully ascertaining these facts every year, shall we ever be able to know truly whether India is progressing in prosperity, or sinking in poverty, or is in a stationary condition. This is the whole problem, and it must be boldly faced and clearly answered if the mission of Britain is the good of India, as I firmly believe it to be.

As to the question, how and by whom, directly or indirectly, the income is actually produced, and how and by whom, and through what channels, this income is distributed among the whole people, that is an entirely different matter, and, though important in itself and involving much legislation, is quite separate from the first and fundamental question of the whole total of the means and wants of India.

I may explain the misapprehension to which I alluded above. In my tables for consumption, in taking "the cost of absolute necessities of life of an agricultural labourer," I meant him as merely representing the lowest class of labourers of all kinds, so as to show the lowest absolutely necessary wants of the people.

I am under the impression that there is a Statistical Committee at Calcutta, which has existed for the past twenty years, and I hope it will adopt means to give complete tables of the wants and means of India.

As I am requesting his Lordship the Secretary of State for India that Mr. Danvers be asked to work out the wants and means of the people of India during the last twelve years, and that the Government of India may adopt means to perfect the machinery for getting complete information for the future, I submit a few remarks on Mr. Danvers' tables of January 4, 1879, so kindly sent to me. As I have my Punjab tables only for comparison, I examine Mr. Danvers' Punjab tables only.

In his table of quantities of all the inferior grains Mr. Danvers has taken the crop per acre of only some of the grains whose average is 510 lbs. per acre. But the produce of makai and gram, which are included by Mr. Danvers in

the inferior grains, is larger, and the result is a large error. The acreage of makai is, 1,084,339 acres, and the average produce per acre is 1,500 lbs., so that this produce is under-estimated to the extent of taking only about one-third of the actual quantity. The average produce of gram is 645 lbs. per acre, and the acreage is 2,272,236 acres. On this large acreage there is nearly 26 per cent. of under-estimate. The result of the whole error in the table of inferior grains is that the total quantity is taken by Mr. Danvers as 6,504,880,162 lbs., when it actually is 7,371,110,343 lbs., or above 866,200,000 lbs. more.

In the prices of inferior grains it is necessary to make proper allowance for the lower prices of such grains as moth, kangni, chíná, matar, and masur, which are nearly 25 per cent. lower than the other grains—jowár, bájrâ, másh, mung, and arhar. This makes an over-estimate of £240,000. The prices for makai, jow, and gram are given in the Report, and separate estimates should, therefore, be made of the values of these grains, to obtain all possible approximation to truth and accuracy.

The total under-estimate by Mr. Danvers is £1,300,000 in the value of inferior grains.

In "other crops" the value assumed by Mr. Danvers is nearly only one-fourth of what I make, by taking every item separately—i.e., I make Rs. 19,16,294 against Mr. Danvers' Rs. 4,73,200.

In the following articles Mr. Danvers has adopted the average given in the Report, which, as pointed out by me on previous occasions, is taken on the fallacious principle of adding up the produce per acre of the districts and dividing by the number of districts, without any reference to the quantity of acreage of each district.

| Produce.         | Incorrect Average. | Correct Average. | Error.           |                |
|------------------|--------------------|------------------|------------------|----------------|
|                  |                    |                  | Correct Average. |                |
|                  |                    |                  | More per cent.   | Less per cent. |
| Vegetables ..... | 4,008              | 4,753            | 18½              | ...            |
| Sugar* .....     | 449                | 646              | 44               | ...            |
| Cotton* .....    | 102                | 105              | 3                | ...            |
| Tobacco .....    | 825                | 846              | 2½               | ...            |
| Fibres .....     | 322                | 366              | 13½              | ...            |
| Indigo .....     | 47                 | 31               | ...              | 33             |
| Opium .....      | 10                 | 12½              | 25               | ...            |

\* As to some probable errors in these two articles in the Report, I have already given my views in my tables.

In the case of indigo, cotton, tobacco, and hemp, the error has not been large, as the incorrect average is adopted by

Mr. Danvers for a few districts only. I notice such differences as  $2\frac{1}{2}$  and 3 per cent. also, because, in dealing with figures of hundreds and thousands of millions, these percentages, singly as well as collectively, seriously disturb the accuracy of results. It is very necessary to avoid, as much as possible, all *avoidable* errors, large or small, so that then reliance can be placed upon the results.

The Report gives the price of first sort sugar only, but which, applied to the whole quantity of all kinds, makes the value of nearly two-thirds of the whole quantity quite two and a-half times greater than it actually is; the over-estimate comes to nearly £1,800,000.

The price of indigo, as ascertained by me (Rs. 60 per maund), is nearly 20 per cent. higher than that assumed by Mr. Danvers (Rs. 50 per maund).

Mr. Danvers has taken a seer = 2 lbs., when in reality it is nearly 6 per cent. of a pound larger, which becomes a serious error in the large amounts to be dealt with.

Mr. Danvers has adopted the prices of 1st January, 1877, only, instead of taking an average of the prices of the four periods given in the Report, to represent the whole year.

In his remarks at page 16, Mr. Danvers makes no allowance for seed, which is an important item. He includes straw, all inferior grains, and cotton seed, and yet makes no allowance at all for the feed of animals (some 7,000,000 large cattle, and near 4,000,000 sheep and goats) before apportioning the produce per human head. Grass being not taken, makes some allowance for animals so far.

I cannot say on what grounds (page 16) 4 per cent. is assumed for annual increase of large cattle, and 15 per cent. of sheep and goats. I have not got the Report for 1878-9, when the next quinquennial enumeration of stock must have been made, but on comparing the numbers of the last two enumerations of 1868-9 and 1873-4, the result is as follows:—

|                                      | 1868-9.   | 1873-4.   | Increase. | Decrease. | Per Cent.      |
|--------------------------------------|-----------|-----------|-----------|-----------|----------------|
| Cows, Bullocks, and Buffaloes* ..... | 6,797,561 | 6,570,212 | ..        | 227,349   | $3\frac{1}{2}$ |
| Horses .....                         | 96,226    | 84,639    | ..        | 11,587    | 12             |
| Ponies .....                         | 51,302    | 51,395    | 93        | ..        | ..             |
| Donkeys .....                        | 257,615   | 288,118   | 30,503    | ..        | 11.8           |
| Camels .....                         | 148,582   | 165,567   | 16,985    | ..        | 11.4           |
| Total .....                          | 7,351,286 | 7,159,931 | =         | 191,355   |                |
| Sheep and goats .....                | 3,803,819 | 3,849,842 | 46,023    | ..        | $1\frac{1}{2}$ |

\* In the report of 1868-9 the heading is only "cows and bullocks," while in 1876-7, it is given as "cows, bullocks, and buffaloes." Now if buffaloes are not included in 1868-9, the diminution in cattle will be *very* much larger. Most probably buffaloes are included in 1868-9 figures. But this must be ascertained. It is a serious matter.

From this comparison it appears that in the important items of cows, bullocks, and buffaloes, instead of any increase, there is actually a decrease of 227,349, or  $3\frac{1}{3}$  per cent. during the five years. In horses, also, there is a decrease of about  $2\frac{1}{2}$  per cent. every year, instead of 4 per cent. increase. In ponies the increase is hardly  $\frac{1}{2}$  per cent. in five years, in donkeys about 11 per cent., and in camels about 11 per cent. in all the five years, or about  $2\frac{1}{4}$  per cent. per year, instead of 4 per cent. In sheep and goats the increase is hardly  $1\frac{1}{4}$  per cent. in five years, instead of 15 per cent. per year. For cows and bullocks, and sheep and goats, there is one allowance to be made—viz., for what are killed for food. To make out the increase in cows, &c., of 4 per cent. every year, nearly  $4\frac{3}{4}$  per cent. must have been killed every year for food, and for sheep and goats the percentage of killed should be nearly  $14\frac{3}{4}$  per cent. per annum. Is it so?

Mr. Danvers has assumed ghi produced in the Punjab to be four times as much as imported (52,303 maunds) into it, and he thus makes the quantity produced to be 209,212 maunds. Now the value of the imported ghi is also given in the Report as Rs. 9,64,028, which, taken four times, would be £385,611. But Mr. Danvers has overlooked this actual price, and adopted the fallacious average of the table of prices in the Report, which makes the price 1s. 12c. per rupee. At this incorrect price the value will be £478,198, or nearly 25 per cent. more than the actual value given in the Report. But not only has there been this incorrect increase thus made, but, by some arithmetical mistake, the value put down by Mr. Danvers is above three times as much as even this increased amount—i.e., instead of £478,198, Mr. Danvers has put down £1,501,096. If this be not merely an arithmetical mistake, it requires explanation.

Mr. Danvers has taken the import of ghi from "foreign trade" only, and has overlooked a further quantity of import, "inter-provincially," of 16,312 maunds, of the value of £34,741, which, taken four times, would be £138,964, making up the total value of the assumed produce of ghi in the Punjab to be £385,611 + £138,964 = £524,575.

Working upon Mr. Danvers' own assumption, and what information I have been at present able to obtain, it appears that the assumption of four times the import, or £525,000, will be an under-estimate by a good deal. I am not at present able to test the accuracy of Mr. Danvers' assumption of the produce of milk, nor of the information I am using below, but I give it just as I have it, to illustrate the principle. I adopt Mr. Danvers' assumption of 10 per cent. of the whole cattle to be milch-animals. The number then will be 657,000. Of these, cows may be taken, I am told by a Punjabi, as 75 per cent., and buffaloes 25 per cent. This

will give 164,250 buffaloes and 492,750 cows. Each buffalo may be taken, on an average, as giving six seers of milk per day for six months in the year, and each cow about three seers. The quantity of milk will then be—

$164,250 \times 6 \text{ seers} \times 180 \text{ days} = 177,390,000 \text{ seers.}$

$492,750 \times 3 \text{ seers} \times 180 \text{ days} = 266,085,000 \text{ seers.}$

Total ... .. 443,475,000 seers.

Mr. Danvers assumes for milk used in the province to be about Rs. 10 per annum from each of the 10 per cent. of the cattle, and, taking the price of milk to be 16 seers per rupee, the quantity of milk used would be  $657,000 \times 160 = 105,120,000$  seers. This, deducted from the above total produce of milk, will give  $(443,475,000 - 105,120,000)$  338,355,000 seers as converted into ghi. The produce of ghi is about  $\frac{1}{8}$ th to  $\frac{1}{16}$ th of milk, according to quality. Assuming  $\frac{1}{16}$ th as the average, the total quantity of ghi will be about 28,196,250 seers = 704,906 maunds, or, allowing a little for wastage, say 700,000 maunds, which, at the import price (Rs. 13,11,445 for 68,615 maunds) of Rs. 19 per maund, will give about £1,339,300, or nearly  $2\frac{3}{4}$  times as much as Mr. Danvers has assumed. I have endeavoured in a hurry to get this information as well as I could, but it can be obtained correctly by the officials on the spot. My object at present is simply to show, that calculated on Mr. Danvers' assumption of milch-cattle and milk used, how much ghi should be produced in the country, if the information I have used be correct.

For hides and skins the export only is taken into account, but a quantity must be consumed in the province itself, which requires to be added.

The value assumed, Rs. 100 per horse, is rather too high. Rs. 60 or Rs. 70, I am told, would be fairer; so also for ponies, Rs. 25 to Rs. 30 instead of Rs. 35; and camels, Rs. 60 or Rs. 70 or Rs. 75 instead of Rs. 100. For sheep, &c., Rs.  $1\frac{1}{2}$  instead of Re. 1 would be fairer.

But, as I have said above, officials in India can give all this information correctly for every year, and I do not see any reason why this should not be done. I urgently repeat my request that the wants and means of the last twelve or fifteen years may be ordered by his Lordship the Secretary of State to be carefully worked out, as far as practicable, and that future Reports should be required to give complete information.

#### RAILWAYS.

I may take railways to represent public works. The benefits generally derived from railways are these: they distribute the produce of the country from parts where it is produced,

or is in abundance, to the parts where it is wanted, so that no part of the produce is wasted, which otherwise would be the case if no facility of communication existed. In thus utilising the whole produce of the country, the railway becomes directly a saving agent, and indirectly thereby helps in increasing the production of the country.

It brings the produce to the ports at the least possible cost for exportation and commercial competition for foreign trade, and thus indirectly helps in obtaining the profits of foreign trade, which are an increase to the annual income of a country.

Every country, in building railways, even by borrowed capital, derives the benefit of a large portion of such borrowed capital, as the capital of the country, which indirectly helps in increasing the production of the country. Excepting interest paid for such borrowed capital to the foreign lending country, the rest of the whole income remains *in the country*.

But the result of *all* the above benefits from railways is ultimately realised and comprised in the actual annual income of the country.

The misfortune of India is that she does not derive the above benefits, as every other country does.

You build a railway in England, and, say, its gross income is a million. All the employes, from the chairman down to common labourer, are *Englishmen*. Every farthing that is spent from the gross income is so much returned to Englishmen, as direct maintenance to so many people of *England*, and to England at large, as a part of its general wealth. Whether the shareholders get their 5 per cent., or 10 per cent., or 1 per cent., or 0 per cent., or even lose, it matters not at all to the whole country. Every farthing of the income of the million is fully and solely enjoyed by *the people of the country*, excepting only (if you borrowed a portion of the capital from foreign parts) the interest you may pay for such loan. But such interest forms a small portion of the whole income, and every country with good railways can very well afford to pay. All the benefits of railways are thus obtained and enjoyed by *the people of the country*.

Take the case of the United States. India and the States are both borrowers for their railways (the latter only partially), and they both pay interest to the lending countries. They both buy, say, their rails, machinery, &c., from England, the States buying only a portion. So far, they are under somewhat similar circumstances; but here the parallel ends. In the United States, every cent of the income of the railway (excepting the interest on the foreign loan) is the income of *the people of the country*—is a direct maintenance for the people employed on it, and an indirect property of the whole country, and remaining *in it*.

In India the case is quite different. First, for the directors, home establishments, Government superintendence, and what not, in England, a portion of the income must go from India ; then a large European staff of employ  s (excepting only for inferior and lowest places or work left for Natives) must eat up and take away another large portion of the income and to the rest the people of the country are welcome, with the result that, out of their production which they give to the railways, only a *portion* returns to them, and *not the whole*, as in all other countries (except interest on foreign loan), and the diminution lessens, so far, the capacity of production every year. Such expenditure, both in England and India, is so much direct deprivation of the natural maintenance of as many people of India of similar classes, and a loss to the general wealth and means of the people at large. Thus the whole burden of the debt is placed on the shoulders of the people of India, while the benefit is largely enjoyed and carried away by the people of England ; and yet Englishmen raise up their hands in wonder why India should not be happy, pleased, and thankful ! Some years ago, I asked Mr. J. Danvers to make a return, in his annual Railway Report, of the salaries and every other kind of disbursement on Europeans, both in England and India. If I remember rightly (I cannot just now lay my hands on the correspondence), he was kind enough to promise he would try. But I do not know that this information has been given. Let us have this information, and we shall then know why India does *not* derive the usual benefits from railways ; how many Europeans displace as many Natives of the same class, and deprive them of their natural means of subsistence (some 3,600 in India, and all those in England), and what portion of the income the people of India do not see or enjoy a pie of.

Instead, therefore, of there being any " railway wealth " to be added to the annual production or income of India, it will be seen that there is much to be deducted therefrom to ascertain what *really* remains for the use of its own people ; for the income of railways is simply a portion or share of the production of the country, and what is eaten up and taken away by Europeans is so much taken away from the means of the people.

It is no wonder at all that the United States have their 70,000 or more miles of railways, when India, under the *British Government*, with all its wonderful resources, with all that good government can do, and the whole British wealth to back, has hardly one-tenth of the length, and that even with no benefit to the people of the country. In short, the fact of the matter is that, as India is treated at present, all the new departments, opened in the name of civilization, advancement, progress, and what not, simply resolve them-

selves into so much new provision for so many more Europeans, and so much new burden on exhausting India. We do pray to our British rulers, let us have railways and all other kinds of beneficial public works, by all means, but let *us* have their natural benefits, or talk not to a starving man of the pleasures of a fine dinner. We should be happy to, and thankfully, pay for such European supervision and guidance as may be absolutely necessary for successful work ; but do not, in Heaven's and Honesty's names, talk to us of benefits which *we do not* receive, but have, on the contrary, to to pay for from our own. If *we* are allowed to derive the usual benefits of railways and other public works, under such government as the British—of law, order, and justice—we would not only borrow £200,000,000, but £2,000,000,000, and pay the interest with as many thanks, with benefit both to ourselves and to England, as India would then be her best and largest commercial customer.

The real important question, therefore, in relation to public works is, not how to stop them, but how to let *the people of the country* have their full benefits. One of the most important parts of England's great work in India is to develop these public works, but to the *people's* benefit, and not to their detriment—not that *they should slave, and others eat.*

#### FOREIGN TRADE.

Resuming our illustration of the 100 maunds of wheat from the Punjab, arriving at Bombay, costing to the Bombay merchant Rs. 125, we suppose that this merchant exports it to England. In ordinary course and natural conditions of trade, suppose the Bombay merchant, after two or three months, gets his net proceeds of Rs. 150 either in silver or as a bale of piece-goods, which could be sold at Bombay for Rs. 150. The result, then, of this "foreign trade" is that, before the wheat left Bombay, there were 100 maunds of wheat costing Rs. 125 at the time of export, and *after* the operation, India has either Rs. 150, or a bale of cotton goods worth Rs. 150. There is thus a clear "profit of trade" of Rs. 25. or, in other words, an addition of Rs. 25 worth, either in silver or goods, to the annual income or production of the country. This, in ordinary commercial language, would be: India exported value Rs. 125, in the shape of wheat, and imported value Rs. 150 in the shape of silver or merchandise, or both, making a trade profit of Rs. 25.

Under ordinary natural circumstances, such is the result of foreign trade to every country. I shall take the instance of the United Kingdom, and we may see what its ordinary foreign trade profits have been during a few past years—say, from 1871 to 1878.

# PROFITS OF FOREIGN TRADE OF THE UNITED KINGDOM.

| IMPORTS.        |              |                                    |               | EXPORTS.        |              |                                    |               |                           |              |
|-----------------|--------------|------------------------------------|---------------|-----------------|--------------|------------------------------------|---------------|---------------------------|--------------|
| Years.          | Merchandise. | Treasure.<br>(Gold and<br>Silver.) | Total.        | Years.          | Merchandise. | Treasure.<br>(Gold and<br>Silver.) | Total.        | Foreign Trade<br>Profits. | Per<br>Cent. |
|                 | £            | £                                  | £             |                 | £            | £                                  | £             | £                         |              |
| 1871            | 331,015,480  | 38,140,827                         | 369,156,307   | 1871            | 283,574,700  | 33,760,671                         | 317,335,371   | 51,820,936                |              |
| 1872            | 354,693,624  | 29,608,012                         | 384,301,636   | 1872            | 314,588,834  | 30,335,861                         | 344,924,695   | 39,376,941                |              |
| 1873            | 371,287,372  | 33,599,231                         | 404,886,603   | 1873            | 311,004,765  | 28,899,285                         | 339,904,050   | 64,982,553                |              |
| 1874            | 370,082,701  | 30,379,188                         | 400,461,889   | 1874            | 297,650,464  | 22,853,593                         | 320,504,057   | 79,957,832                |              |
| 1875            | 373,939,577  | 33,264,789                         | 407,204,366   | 1875            | 281,612,323  | 27,628,042                         | 309,240,365   | 97,964,001                |              |
| 1876            | 375,154,703  | 37,054,244                         | 412,208,947   | 1876            | 256,776,602  | 29,464,082                         | 286,240,684   | 125,968,263               |              |
| 1877            | 394,419,682  | 37,152,799                         | 431,572,481   | 1877            | 252,346,020  | 39,738,119                         | 292,144,139   | 139,428,342               |              |
| 1878            | 368,770,742  | 32,422,955                         | 401,193,697   | 1878            | 245,483,858  | 26,686,546                         | 272,170,404   | 129,023,293               |              |
| Grand Total ... |              |                                    | 3,210,985,926 | Grand Total ... |              |                                    | 2,482,463,765 | 728,522,161               | = 29'34      |

The result of the above table is, that during the eight years the United Kingdom has received as trade profits 29·34 per cent. This result requires the following further consideration. It includes the results of all money-trade or loans to and from foreign countries. Suppose England has lent £100,000,000 to foreign countries; that forms a part of exports. Suppose it has received in interest, say, £5,000,000; that forms a part of the imports, and unless any portion of the principal of the loan is returned, the whole or balance (if a portion is paid) of the loan remains outstanding, and is so much more to be added to the above figure of trade profits. Again, there is the political profit from India of some £27,000,000 a year (as shown further on). That forms a part of the import, and has to be deducted from the figure of trade profits. England contributes to the expenses of the colonies. This is a part of its exports. Thus the formula will be:—

£728,522,161 + outstanding balance of loans of the 8 years — the political drain from India to England (£216,000,000) + contributions to the colonies = the actual profits of all commercial and monetary transactions with the world; or, in other words = the actual profits of the foreign trade of the eight years.

Now the figure £728,522,161 is 29·34 per cent. The political drain of India forms nearly 9 per cent. out of this. There remains above 20 per cent. + the amounts of balance of loans and contributions to the colonies, as the actual rate of profits of the foreign trade of the United Kingdom.

I may fairly adopt this rate, of at least 20 per cent., for the profits of the foreign trade of India; but, to be quite under the mark, I adopt only 15 per cent.

Now we may see what actually happens to India, taking the same period of 1871—8.

The actual Exports (excluding Government Stores and Treasure): Merchandise and Gold and Silver = £485,186,749  
Take Profits only 15 per cent. ... .. = 72,778,012

The imports as they *ought to be* ... .. £557,964,761  
*Actual Imports* (excluding Government Stores and Treasure): Merchandise and Gold and Silver ... 342,312,799

Deficit in Imports, or what is drained to England  
(i.e., nearly £27,000,000 a year.) 215,651,962

Again taking actual Exports ... .. 485,186,749  
And also actual Imports ... .. 342,312,799

Abstraction from the *very produce* of the country  
(besides the whole profits) is = ... .. £142,875,950  
in eight years, or nearly £18,000,000 a year, or 29·4 per cent.

Thus, with all the advantages of good government, law, order, justice, &c., railways, and every other influence of a

civilised rule, the actual result is that not only does India *not* get a *single farthing* of the 15 or 20 per cent., or whatever it be, of the profits of her foreign trade, but actually has a further amount of nearly 30 per cent. of her exports kept away from her. This is not all. There is, moreover, the halter round her neck of the accumulated railway debt of nearly £100,000,000, held in England (from which her people have not derived the usual benefits), about £60,000,000 of public debt (out of £134,000,000—mostly owing to wars) held in England, and £5,000,000 spent in England on account of State public works. And yet Englishmen wonder why India is poor, and her finances inelastic! Good heavens! when will this bleeding to death end?

Keeping as much as possible on the right side, we find some £18,000,000 from the production itself swept away from India, besides all her profits, and besides what Europeans enjoy in India itself, to the so much exclusion and deprivation of her own people. But this item of £18,000,000 would be found much under the mark. For instance, all duty-articles imported into India are, I believe, valued at 10 per cent. more than their laying-down value. If so, roughly taken, the customs revenue being £2,500,000, represents roughly a duty at 5 per cent. on £50,000,000; and to make up this £50,000,000, with 10 per cent. extra, requires an addition to the actual value of imports of about £5,000,000. If so, then there will be this much above £18,000,000 taken away from the actual production of India, besides the whole trade profits, maintenance of Europeans in India, debts, &c.

The real abstraction from the very *produce* of the country is, most likely, much above £20,000,000 a year, and the whole loss above £30,000,000 a year, besides what is enjoyed in India itself by Europeans.

Under such circumstances, it is no wonder at all that famine and finance should become great difficulties, and that finance has been the grave of several reputations, and shall continue to be so till the discovery is made of making two and two equal to five, if the present unnatural treatment of India is to continue.

Far, therefore, from there being anything to be added to the annual income of India, as Mr. Danvers thinks, from the "profits of trade," there is the deplorable fact of much to be deducted in the case of India; and the consequences of such abstraction, in impoverishment and destruction by famines, &c., lay mostly at the door of the present unnatural policy of the British Administration. Let our rulers realize this fact intelligently, and face it boldly, in a way worthy of the British moral courage and character, and the whole scene will be entirely changed—from deplorable poverty to prosperity, from the wail of woe to joy and blessing. Our mis-

fortune is that the great statesmen of this country have not the necessary time to see into Indian matters, and things are allowed to drift blindly, or England would never become, as she unwittingly is at present, the destroyer of India. Her conscience is sound.

It is natural that in all discussions on finance, curtailment of expenditure and economy are, at first blush, recommended—to cut the coat according to cloth. But, unfortunately, no one asks the question why the cloth is short; why, under such rule as that of the English, India should not do well, if not quite as well as these islands, but should be only able to pay the wretched revenue of some 6s. a head, and that even after “wringing out the last farthing.”

No doubt vigilance for economy will always be a necessity in the best of States (not excepting England, as debates in Parliament testify) as long as the world lasts. But the real question, the most important question of all questions, at present is, not how to get £60,000,000 or £100,000,000, for the matter of that, if that be necessary, but how *to return to the people* what is raised from them.

There is no reason whatever why India, with all her vast resources, the patient industry of the people, and the guidance and supervision of British high officials, should not be able to pay two or three times her present wretched revenue, say £100,000,000 or £150,000,000, for efficient administration by her own people, under British supervision, and for the development of her unbounded material resources. Is it not unsatisfactory, or even humiliating, that British statesmen should have to confess that they have hopelessly to depend for about a sixth of the net revenue on supplying opium to another vast human race; and to ask despairingly what they were to do to get this amount of revenue from India itself? Then again, nearly as much more income has to be raised by an oppressive and heavy tax on salt; so that between a third and a fourth of the net revenue has to be derived—a part by pinching and starving the poor millions of India in one of the absolute necessities of life, and the other part by poisoning and demoralising the millions of China. Surely, that a great people like the English, with their statesmanship of the highest order, and with all their genuine desire to do good to and advance mankind, should not be able to get the necessary revenues from India, from her own healthy and natural prosperity, is a strange phenomenon in this advanced age.

Only restore India to her *natural* economical conditions. If, as in England, the revenue raised from the people *returned to the people*—if the income of railways and other public works taken from the people, returned to the people, to fructify in their pockets, then would there be no need for anxiety for

finance or famines, nor for pinching in salt, nor poisoning with opium, millions of the human race. India would then pay with ease £100,000,000 or £200,000,000 of revenue, and would not be the worse for it. It would be far better also, which would then be the case, that India should be able to purchase £1 or £2 worth a head of British manufactures, and become England's best and largest customer, instead of the wretched one she is at present.

I repeat, therefore, with every earnestness, that the most important question of the day is, how to stop the bleeding drain from India. The merit or good of every remedy will depend upon and be tested by its efficacy in stopping this deplorable drain, without impairing the wants of the administration, or checking India's natural progress towards prosperity.

There is a deep conviction among educated and thoughtful Natives that if there is any one nation more than another on the face of the earth that would on no account knowingly do a wrong to or enslave, degrade, or impoverish a people, and who, on feeling the conviction of any injury having been unintentionally done by them, would at once, and at all reasonable sacrifice, repair the injury without shrinking, that nation is the British nation. This conviction keeps the thinking Natives staunch in their loyalty to the British rule. They know that a real regeneration, civilization, and advancement of India, materially, morally, and politically, depends upon a long continuance of the British rule. The peculiarly happy combination of high civilization, intense love of liberty, and nobility of soul in the British, cannot but lead them to the desire of the glory of raising a vast nation, instead of trampling upon them. This noble desire has found expression from some of their best men.

The English people have a task before them in India for which there is no parallel in the history of the world. There has not been a nation who, as conquerors, have, like the English, considered the good of the conquered as a duty, or felt it as their great desire; and the Natives of India may, with the evil of the present drain stopped, and a representative voice in their legislation, hopefully look forward to a future under the British rule which will eclipse their greatest and most glorious days.

May the light of Heaven guide our rulers!

DADABHAI NAOROJI.

32, Great St. Helens, London,

13th September, 1880.

India Office, S.W.,

15th October, 1880.

SIR,—I am directed to acknowledge the receipt of your letter of the 13th September, which, together with its enclosure, has been duly laid before the Secretary of State for India.

I am, Sir, your obedient servant,

Mr. Dadabhai Naoroji.

LOUIS MALLET.

32, Great St. Helens, London,

16th November, 1880.

SIR LOUIS MALLET, *the Under-Secretary of State for India,*  
*India Office, London, S.W.*

SIR,—Thanking you for your letter of the 15th ultimo, informing me that my letter of 13th September, with enclosure, had been duly laid before his Lordship the Secretary of State for India, and hoping that the same kind attention will be given to it as to my previous letter, and that if I am wrong in any of my views I would be corrected, I beg to submit for his Lordship's kind and generous consideration the accompanying Memorandum No. 2, on the "Moral Poverty of India, and Native Thoughts on the British Indian Policy."

I am, Sir, your obedient servant,

DADABHAI NAOROJI.

16th November, 1880.

## MEMORANDUM No. 2.

*The Moral Poverty of India and Native Thoughts on the Present British Indian Policy.*

In my last paper I confined myself to meeting Mr. Danvers' line of argument on the question of the material destruction and impoverishment of India by the present British Indian policy. I endeavoured to show that this impoverishment and destruction of India was mainly caused by the unnatural treatment it received at the hands of its British rulers, in the way of subjecting it to a large variety of expenditure upon a crushing foreign agency both in India and England, whereby the children of the country were displaced and deprived of their natural rights and means of subsistence in their own country; that, by what was being taken and consumed in India itself, and by what was being continuously taken away by such agency clean out of the country, an exhaustion of the very life-blood of the country was unceasingly going on; that not till this disastrous drain was duly checked, and not till the people of India were restored to their natural rights in their own country, was there any hope for the material amelioration of India.

In this memorandum I desire to submit for the kind and generous consideration of his Lordship the Secretary of State for India, that from the same cause of the deplorable drain, besides the material exhaustion of India, the moral loss to her is no less sad and lamentable.

With the material wealth go also the wisdom and experience of the country. Europeans occupy almost all the higher places in every department of Government directly or indirectly under its control. While in India, they acquire India's money, experience, and wisdom; and when they go, they carry both away with them, leaving India so much poorer in material and moral wealth. Thus India is left without, and cannot have, those elders in wisdom and experience who in every country are the natural guides of the rising generations in their national and social conduct, and of the destinies of their country; and a sad, sad loss this is!

Every European is isolated from the people around him. He is not their mental, moral, or social leader or companion. For any mental or moral influence or guidance or sympathy with the people, he might just as well be living in the moon. The people know not him, and he knows not, nor cares for, the people. Some honourable exceptions do, now and then,

make an effort to do some good they can, but in the very nature of things these efforts are always feeble, exotic, and of little permanent effect. These men are not always in the place, and their works die away when they go.

The Europeans are not the natural leaders of the people. They do not belong to the people; they cannot enter their thoughts and feelings; they cannot join or sympathise with their joys or griefs. On the contrary, every day the estrangement is increasing. Europeans deliberately and openly widen it more and more. There may be very few social institutions started by Europeans in which Natives, however fit and desirous to join, are not deliberately and insultingly excluded. The Europeans are, and make themselves, strangers in every way. All they effectually do is to eat the substance of India, material and moral, while living there, and when they go, they carry away all they have acquired, and their pensions and future usefulness besides.

This most deplorable moral loss to India needs most serious consideration, as much in its political as in its national aspect. Nationally disastrous as it is, it carries politically with it its own Nemesis. Without the guidance of elderly wisdom and experience of their own natural leaders, the education which the rising generations are now receiving is naturally leading them (or call it misleading them if you will) into directions which bode no good to the rulers, and which, instead of being the strength of the rulers, as it ought to be and can be, will turn out to be their great weakness. The fault will be of the rulers themselves for such a result. The power that is now being raised by the spread of education, though yet slow and small, is one that in time must, for weal or woe, exercise great influence; in fact, it has already begun to do so. However strangely the English rulers, forgetting their English manliness and moral courage, may, like the ostrich, shut their eyes, by gagging acts or otherwise, to the good or bad influences they are raising around them, this good or evil is rising nevertheless. The thousands that are being sent out by the universities every year find themselves in a most anomalous position. There is no place for them in their mother-land. They may beg in the streets or break stones on the roads, for aught the rulers seem to care for their natural rights, position, and duties in their own country. They may perish or do what they like or can, but scores of Europeans must go from this country to take up what belongs to them, and that in spite of every profession, for years and years past and up to the present day, of English statesmen, that they must govern India for India's good, by solemn Acts and declarations of Parliament, and, above all, by the words of the august Sovereign herself. For all practical purposes, all these high promises have been hitherto, almost wholly, the purest romance, the reality being quite different.

The educated find themselves simply so many dummies, ornamented with the tinsel of school education, and then their whole end and aim of life is ended. What must be the inevitable consequence? A wild spirited horse, without curb or reins, will run away wild, and kill and trample upon every one that comes in his way. A misdirected force will hit anywhere, and destroy anything. The power that the rulers are, so far to their credit, raising will, as a Nemesis, recoil against themselves, if, with this blessing of education, they do not do their whole duty to the country which trusts to their righteousness, and thus turn this good power to their own side. The Nemesis is as clear from the present violence to nature, as disease and death arise from uncleanness and rottenness. The voice of the power of the rising education is, no doubt, feeble at present. Like the infant, the present dissatisfaction is only crying at the pains it is suffering. Its notions have not taken any form or shape or course yet, but it is growing. Heaven only knows what it will grow to! He who runs may see that if the present material and moral destruction of India continues, a great convulsion must inevitably arise, by which either India will be more and more crushed under the iron heel of despotism and destruction, or may succeed in shattering the destroying hand and power. Far, far is it from my earnest prayer and hope that such should be the result of the British rule. In this rule there is every element to produce immeasurable good, both to India and England, and no thinking Native of India would wish harm to it, with all the hopes that are yet built upon the righteousness and conscience of the British statesman and nation.

The whole duty and responsibility of bringing about this desired consummation lies upon the head and in the hands of the Indian authorities *in England*. It is no use screening themselves behind the fiction and excuse, that the Viceroys and authorities in India are difficult to be got to do what they ought, or that they would do all that may be necessary. They neither can nor will do this. They cannot go against Acts of Parliament on the one hand, and, on the other, the pressure of European interests, and of European selfishness and guidance, is so heavy in India, that the Viceroys in their first years are quite helpless, and get committed to certain courses; and if, in time, any of them, happening to have sufficient strength of character and confidence in their own judgment, are likely to take matters in their own hands, and, with any moral courage, to resist interests hostile or antagonistic to the good of the people, the end of their time begins to come near, their zeal and interest begin to flag, and soon they go away, leaving India to roll up Sisyphus's stone again, with a new Viceroy. It is the highest Indian authority here, the Secretary of State for India, upon whom the responsi-

bility wholly rests. He alone has the power, as a member of and with the weight of the British Cabinet, to guide the Parliament to acts worthy of the English character, conscience, and nation. The glory or disgrace of the British in India is in his hands. He has to make Parliament lay down, by clear legislation, how India *shall* be governed for "*India's good*," or it is hopeless for us to look forward for any relief from our present material and moral destruction, and for future elevation.

Englishmen sometimes indulge the notion that England is secure in the division and disunion among the various races and nationalities of India. But even in this new forces are working their way. Those Englishmen who sleep such foolish sleep of security know very little of what is going on. The kind of education that is being received by thousands of all classes and creeds is throwing them all in a similar mould; a sympathy of sentiment, ideas, and aspirations is growing amongst them; and, more particularly, a political union and sympathy is the first fruit of the new awakening, as all feel alike their deprivation and the degradation and destruction of their country. All differences of race and religion, and rivalry, are gradually sinking before this common cause. This beginning, no doubt, is at present insignificant, but it is surely and steadily progressing. Hindus, Mahomedans, and Parsees are alike asking whether the English rule is to be a blessing or a curse. Politics now engross their attention more and more. This is no longer a secret, or a state of things not quite open to those of our rulers who would see. It may be seen that there is scarcely any union among the different nationalities and races in any shape or ways of life, except only in political associations. In these associations they go hand in hand, with all the fervour and sympathy of a common cause. I would here touch upon a few incidents, little though they are, showing how nature is working in its own quiet way.

Dr. Birdwood has brought to the notice of the English public certain songs now being spread among the people of Western India, against the destruction of Indian industry and arts. We may laugh at this as a futile attempt to shut out English machine-made cheaper goods against hand-made dearer ones. But little do we think what this movement is likely to grow into, and what new phases it may take in time. The songs are at present directed against English wares, but they are also a natural and effective preparation against other English things when the time comes, if the English in their blindness allow such times to come. The songs are full of loyalty, and I have not the remotest doubt in the sincerity of that loyalty. But if the present downward course of India continue, if the mass of the people at last begin to despair of any amelioration, and if educated youths, without the wisdom

and experience of the world, become their leaders, it will be but a *very, very* short step from loyalty to disloyalty, to turn the course of indignation from English wares to English rule. The songs will remain the same; one word of curse for the rule will supply the spark.

Here is another little incident with its own significance. The London Indian Society, a political body of many of the Native residents of London, had a dinner the other day, and they invited guests. The three guests were, one Hindu, one Mahomedan, and one Parsee. The society itself is a body representing nearly all the principal classes of India. It is small, and may be laughed at as uninfluential, and can do nothing. But it shows how a sympathy of political common cause is bringing the different classes together, and how, in time, such small seeds may grow into large trees. Every member of this little body is carrying back with him ideas which, as seeds, may produce crops, sweet or bitter, according to the cultivation they may receive at our rulers' hands.

I turn to one bright incident on the other side. True to their English nature and character, there are some Englishmen who try to turn the current of Native thought towards an appreciation of English intentions, and to direct English thought towards a better understanding of England's duty to India. The East India Association is doing this beneficent work, more especially by the fair and English character of its course of bringing about free and full discussion upon every topic and from every point of view, so that, by a sifting of the full expression of different views, truth may be elicited. Though yet little appreciated by the English public, the English members of this Association are fulfilling the duty of patriotism to their own country and of benefaction towards India. How far their good efforts will succeed is yet to be seen. But they at least do one thing. These Englishmen, as well as public writers like Fawcett, Hyndman, Perry, Caird, Knight, Bell, Wilson, Wood, and others, vindicate to India the English character, and show that when Englishmen as a body will *understand* their duty and responsibility, the Natives of India may fairly expect a conduct of which theirs is a sample—a desire indeed, to act rightly by India. The example and earnestness of these Englishmen, though yet small their number, keep India's hope alive—that England will produce a statesman who will have the moral courage and firmness to face the Indian problem, and do what the world should expect from England's conscience, and from England's mission to humanity.

I have thus touched upon a few incidents only to illustrate the various influences that are at work. Whether the result of all these forces and influences will be good or bad, remains, as I have said, in the hands of the Secretary of State for India.

In my last paper I said the thinking Natives were as yet staunch in their loyalty to the British rule, as they were yet fully hopeful of the future from the general character and history of the English people. They believe that when the conscience of the English nation is awakened, it will not be long before India receives full and thorough redress for all she has been suffering. While thus hopeful of the future, it is desirable that our rulers should know and consider what, as to the past, is passing in many a thinking Native mind.

They are as grateful as any people can be for whatever real good of peace and order and education has been done for them; but they also ask what good, upon the whole, England has done to India. It is sadly poor, and increasing in poverty, both material and moral. They consider and bewail the unnatural treatment India has been receiving.

They dwell upon the strange contrast between the words and deeds of the English rulers; how often deliberate and solemn promises are made and broken. I need not here instance again what I have at some length shown in my papers on the Poverty of India\* under the heading of "Non-Fulfilment of Solemn Promises."†

I would refer here to one or two characteristic instances only. The conception for an Engineering College in London was no sooner formed than it became an accomplished fact; and Mr. Grant Duff, then Under-Secretary of State, in his place in Parliament, proclaimed what great boons "we" were conferring on the English people, but quite oblivious at whose sacrifices. It was an English interest, and the thing was done as quick as it was thought of. On the other hand, a clause for Native interests, proposed in 1867, took three years to pass, and in such a form as to be simply ineffectual. I asked Sir Stafford Northcote, at the time of the proposal, to make it some way imperative, but without effect. Again, after being passed after three years, it remained a dead letter for seven years more, and might have remained so till Doomsday for aught any of the Indian authorities cared. But, thanks to the persevering exertions of one of England's true sons, Sir Erskine Perry, some steps were at last taken to frame the rules that were required, and it is now, in the midst of a great deal of fine writing, making some, though very slow, progress. For such, even as it is, we are thankful; but greater efforts are necessary to stem the torrent of the drain. Turning to the Uncovenanted Service, Sir Stafford Northcote's despatch of 8th February, 1868, declared that Euro-

\* *Journal of the East India Association*, Vol. IX., pages 375 to 405.

† The Duke of Argyll, as Secretary of State for India, said in his speech of 11th March, 1869, with regard to the employment of Natives in the Covenanted Service: "I must say that we have not fulfilled our duty, or the promises and engagements which we have made."

peans should not be allowed in this service to override "the inherent rights of the Natives of the country." Now, in what spirit was this despatch treated till very lately? Was it not simply, or is it not even now, almost a dead letter?

In the matter of the load of the public debt of India, it is mainly due to the wars of the English conquests in India, and English wars abroad in the name of India. Not a farthing has been spent by England for its British Indian Empire. The burden of all England's wars in Asia has been thrown on India's shoulders. In the Abyssinian War, India narrowly and lightly escaped; and in the present Afghan War, her escape from whatever portion she may be saved is not less narrow. Though such is the character of nearly the whole of the public debt (excluding for public works), being caused by the actions by which England has become the mistress of a great Empire, and thereby the first nation in the world, she would not move her little finger to give India any such help as is within her power, without even any material sacrifice to herself—viz., that of guaranteeing this public debt, so that India may derive some little relief from reduced interest.

When English interests are concerned, their accomplishment is often a foregone conclusion. But India's interests always require long and anxious thought—thought that seldom begins, and when it does begin, seldom ends in any thorough good result. It is useless to conceal that the old pure and simple faith in the honour and word of the English rulers is much shaken, and were it not for the faith in the conscience of the statesmen and people in *this* country, any hope of good by an alteration of the present British Indian policy would be given up.

The English rulers boast, and justly so, that they have introduced education and Western civilisation into India; but, on the other hand, they act as if no such thing had taken place, and as if all this boast was pure moonshine. Either they have educated, or have not. If they deserve the boast, it is a strange self-condemnation that after half a century or more of such efforts, they have not yet prepared a sufficient number of men fit for the service of their own country. Take even the Educational Department itself. We are made B.A.s and M.A.s and M.D.s, &c., with the strange result that we are not yet considered fit to teach our countrymen. We must yet have forced upon us even in this department, as in every other, every European that can be squeezed in. To keep up the sympathy and connection with the current of European thought, an English head may be appropriately and beneficially retained in a few of the most important institutions; but as matters are at present, all boast of education is exhibited as so much sham and delusion.

In the case of former foreign conquests, the invaders either retired with their plunder and booty, or became the rulers of the country. When they only plundered and went back, they made, no doubt, great wounds: but India, with her industry revived and healed the wounds. When the invaders became the rulers of the country, they settled down *in* it, and whatever was the condition of their rule, according to the character of the sovereign of the day, there was at least no material or moral drain in the country.\* Whatever the country produced remained in the country; whatever wisdom and experience was acquired in her services remained among her own people. With the English the case is peculiar. There are the great wounds of the first wars in the burden of the public debt, and those wounds are kept perpetually open and widening, by draining away the life-blood in a continuous stream. The former rulers were like butchers hacking here and there, but the English with their scientific scalpel cut to the very heart, and yet, lo! there is no wound to be seen, and soon the plaster of the high talk of civilisation, progress, and what not, covers up the wound! The English rulers stand sentinel at the front door of India, challenging the whole world, that they do and shall protect India against all comers, and themselves carry away by a back-door the very treasure they stand sentinel to protect.

In short, had England deliberately intended to devise the best means of taking away India's wealth in a quiet continuous drain, without scandalising the world, she could not have hit upon a more effectual plan than the present lines of policy. A Viceroy tells us the people of India enjoy but scanty subsistence; and this is the outcome of the British rule.

No doubt the exertions of individual Europeans at the time of famines may be worthy of admiration; the efforts of Government and the aid of the contributions of the British people to save life, deserve every gratitude. But how strange it is that the British rulers do not see that after all, they themselves are the main cause of the destruction that ensues from droughts; that is the drain of India's wealth by *them*

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\* Sir Stafford Northcote, in his speech in Parliament on 24th May, 1867, said:—"Nothing could be more wonderful than our Empire in India " but we ought to consider on what conditions we held it, and how our " predecessors held it. The greatness of the Mogul Empire depended " upon the liberal policy that was pursued by men like Akbar availing " themselves of Hindu talent and assistance, and identifying themselves " as far as possible with the people of the country. He thought that they " ought to take a lesson from such a circumstance, and if they were to do " their duty towards India, they could only discharge that duty by obtain- " ing the assistance and counsel of all who were great and good in that " country. It would be absurd in them to say that there was not a large " fund of statesmanship and ability in the Indian character."—*Times*, of 25th May, 1867.

that lays at their own door the dreadful results of misery, starvation, and deaths of millions! England does not know famines, be the harvest however bad or scanty. She has the means of buying her food from the whole world. India is being unceasingly deprived of these means, and when famine comes, the starving have to be taxed so much more to save the dying.

England's conduct in India is in strange contrast with her conduct with almost any other country. Owing to the false groove in which she is moving, she does violence to her own best instincts. She sympathises with and helps every nationality that struggles for a constitutional representative government. On the one hand, she is the parent of, and maintains, the highest constitutionalism; and, on the other, she exercises a clear and though thoughtlessly, a despoiling despotism in India, under a pseudo-constitutionalism, in the shape of the farce of the present Legislative Councils.

Of all countries in the world, if any one has the greatest claim on England's consideration, to receive the boons of a constitutional representative government at her hands, and to have her people governed as England governs her own, that country is India, her most sacred trust and charge. But England, though she does everything she can for other countries, fights shy of, and makes some excuse or other to avoid, giving to the people of India their fair share in the legislation of their country. Now I do not mean to say that India can suddenly have a full-blown Parliament, and of such widespread representation as England enjoys. But has England made any honest efforts to gradually introduce a true representation of the people, excepting some solitary exceptions of partial municipal representation? I need not dwell upon the present farce of the nomination system for the Legislative Councils, and of the dummies that are sometimes nominated. I submit that a small beginning can be well made now. I would take the Bombay Presidency as an instance. Suppose the present Legislative Council is extended to twenty-one members, thirteen of these to be nominated from officials and non-officials by the Government, and eight to be elected by the principal towns of the Presidency. This will give Government a clear majority of five, and the representative element, the minority, cannot do any harm, or hamper Government; in England the majority determines the Government. In India this cannot be the case at present, and so the majority must follow the Government. It would be, when something is extremely outrageous, that the minority would, by force of argument and truth, draw towards it the Government majority; and even in any such rare instance, all that will happen will be that Government will be prevented from doing any such outrageous things. In short, in such an

arrangement, Government will remain all-powerful, as it must for a long time to come ; while there will be also independent persons, actually representing the people, to speak the sentiments of the people ; thereby giving Government the most important help, and relieving them from much responsibility, anxiety, and mistakes. The representative element in the minority will be gradually trained in constitutional government. They will have no inducement to run wild with prospects of power ; they will have to maintain the reasons of their existence, and will, therefore, be actuated by caution and good sense. They can do no harm, but a vast amount of good, both to the Government and the governed. The people will have the satisfaction that their rulers were doing their duty, and endeavouring to raise them to their own civilization.

There are in the Bombay Presidency the following towns of more than 50,000 population. Bombay having by far the largest, and with its importance as the capital of the Presidency, may be properly allowed three representatives.

The towns are—

\*Bombay. Poona. Ahmedabad. Surat. Kurrachi. Sholapore  
644,405 ... 118,886 ... 116,873 ... 107,149 ... 53,536 ... 53,403

Thus, Bombay having three, the Gujerati division of the Presidency will be represented by Ahmedabad and Surat, the Maratha portion by Poona and Sholapore, and Sind by Kurrachi, making altogether eight members, which will be a fair, though a small, representation to begin with. Government may with advantage adopt a larger number ; all I desire and insist is, that there must be a fair *representative* element in the Councils. As to the qualifications of electors and candidates for election, Government is quite competent to fix upon some, as they did in the case of the Bombay Corporation, and such qualifications may from time to time be modified as experience may suggest. With this modification in the present Legislative Council, a great step will have been taken towards one of the greatest boons which India asks and expects at England's hands. Without some such element of the people's voice in all the Legislative Councils, it is impossible for Englishmen, more and more estranged and isolated as they are becoming, to be able to legislate for India in the true spirit and feeling of her wants.

After having a glorious history of heroic struggles for constitutional government, England is now rearing up a body of Englishmen in India, trained up and accustomed to despotism, with all the feelings of impatience, pride, and high-handedness of the despot becoming gradually ingrained in them, and with the additional training of the dissimulation of constitutiona-

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\* " Statistical Abstract of British India, 1879," page 21.

lism. Is it possible that such habits and training of despotism, with which Indian officials return from India, should not, in the course of time, influence the English character and institutions? The English in India, instead of raising India, are hitherto themselves descending and degenerating to the lower level of Asiatic despotism. Is this a Nemesis that will in fulness of time show to them what fruit their conduct in India produced? It is extraordinary how nature may revenge itself for the present unnatural course of England in India, if England, not yet much tainted by this demoralization, does not, in good time, check this new leaven that is gradually fermenting among her people.

There is the opium trade. What a spectacle it is to the world! In England no statesman dares to propose that opium may be allowed to be sold in public houses at the corners of every street, in the same way as beer or spirits. On the contrary, Parliament, as representing the whole nation, distinctly enacts that "opium and all preparations of opium" or of 'poppies,' as 'poison,' be sold by certified chemists "only, and every box, bottle, vessel, wrapper, or cover in which such poison is contained, be distinctly labelled with the name of the article and the word 'poison,' and with the name and address of the seller of the poison." And yet, at the other end of the world, this Christian, highly civilised, and humane England forces a "heathen" and "barbarous" Power to take this "poison," and tempts a vast human race to use it, and to degenerate and demoralise themselves with this "poison"! And why? Because India cannot fill up the remorseless drain; so China must be dragged in to make it up, even though it be by being "poisoned." It is wonderful how England reconciles this to her conscience. This opium trade is a sin on England's head, and a curse on India for her share in being the instrument. This may sound strange as coming from any Natives of India, as it is generally represented as if India it was that benefited by the opium trade. The fact simply is that, as Mr. Duff said, India is nearly ground down to dust, and the opium trade of China fills up England's drain. India derives not a particle of benefit. All India's profits of trade, and several millions from her very produce (scanty as it is, and becoming more and more so), and with these all the profit of opium, go the same way of the drain—to England. Only India shares the curse of the Chinese race. Had this cursed opium trade not existed, India's miseries would have much sooner come to the surface, and relief and redress would have come to her long ago; but this trade has prolonged the agonies of India.

In association with this trade is the stigma of the Salt-tax upon the British name. What a humiliating confession to say that, after the length of the British rule, the people are

in such a wretched plight that they have nothing that Government can tax, and that Government must, therefore, tax an absolute necessary of life to an inordinate extent! The slight flash of prosperity during the American War showed how the people of India would enjoy and spend when they have anything to enjoy and spend; and now, can anything be a greater condemnation of the results of British lines of policy than that the people have nothing to spend and enjoy, and pay tax on, but that they must be pinched and starved in a necessary of life?

The English are, and justly and gloriously, the greatest champions of liberty of speech. What a falling off must have taken place in their character, when, after granting this boon to India, they should have even thought of withdrawing it! This act, together with that of disarming the people, is a clear confession by the rulers to the world that they have no hold as yet upon the affection and loyalty of the people, though in the same breath they make every profession of their belief in the loyalty of the people. Now, which is the truth? And are gagging and disarming the outcome of a long benign rule?

Why do the English allow themselves to be so perpetually scared by the fears of Russian or any other foreign invasion? If the people of India be satisfied, if their hearts and hands be with England, she may defy a dozen Russias. On the other hand, do British statesmen think that, however sharp and pointed their bayonets, and however long-flying their bullets, they may not find the two hundred millions of the people of India her political Himalaya to be pierced through, when the present political union among the different peoples is more strengthened and consolidated?

There is the stock argument of over-population. They talk, and so far truly, of the increase by British peace, but they quite forget the destruction by the British drain. They talk of the pitiless operations of economic laws, but somehow they forget that there is no such thing in India as the natural operation of economic laws. It is not the pitiless operations of economic laws, but it is the thoughtless and pitiless action of the British policy; it is the pitiless eating of India's substance in India, and the further pitiless drain to England; in short, it is the pitiless *perversion* of economic laws by the sad bleeding to which India is subjected, that is destroying India. Why blame poor Nature, when the fault lies at your own door? Let natural and economic laws have their full and fair play, and India will become another England, with manifold greater benefit to England herself than at present.

As long as the English do not allow the country to produce what it can produce, as long as the people are not allowed to enjoy what they can produce, as long as the

English are the very party on their trial, they have no right, and are not competent, to give an opinion whether the country is over-populated or not. In fact, it is absurd to talk of over-population—*i.e.*, the country's incapability, by its food or other produce, to supply the means of support to its people—if the country is unceasingly and forcibly deprived of its means or capital. Let the country keep what it produces, for only then can any right judgment be formed whether it is over-populated or not. Let England first hold hands off India's wealth, and then there will be disinterestedness in, and respect for, her judgment. The present cant of the excuse of over-population is adding a distressful insult to agonising injury. To talk of over-population at present is just as reasonable as to cut off a man's hands, and then to taunt him that he was not able to maintain himself or move his hands.

When persons talk of the operation of economic laws, they forget the very first and fundamental principles. Says Mr. Mill: "Industry is limited by capital." "To employ industry on the land is to apply capital to the land." "Industry cannot be employed to any greater extent than there is capital to invest." "There can be no more industry than is supplied by materials to work up, and food to eat; yet, in regard to a fact so evident, it was long continued to be believed that laws and governments, without creating capital, could create industry." And while Englishmen are sweeping away this very capital, they raise up their hands and wonder why India cannot have industry.

The English are themselves the head and front of the offending, and yet they talk of over-population, and every mortal irrelevant thing but the right cause—*viz.*, their own drain of the material and moral wealth of the country.

The present form of relations between the paramount Power and the Princes of India is un-English and iniquitous. Fancy a people, the greatest champions of fair-play and justice, having a system of political agency by which, as the Princes say, they are stabbed in the dark; the Political Agents making secret reports, and the Government often acting thereon, without a fair inquiry or explanation from the Princes. The Princes, therefore, are always in a state of alarm as to what may befall them unawares. If the British authorities deliberately wished to adopt a method by which the Princes should always remain alarmed and irritated, they could not have hit upon a more effective one than what exists. If these Princes can feel assured that their treaty rights will be always honourably and faithfully observed, that there will be no constant nibbling at their powers, that it is not the ulterior policy of the British to pull them down gradually to the position of mere nobles of the country, as

the Princes at present suspect and fear, and if a more just and fair mode of political agency be adopted, I have not the least hesitation in saying that, as much from self-interest alone as from any other motive, these Princes will prove the greatest bulwark and help to perpetuate British supremacy in India. It stands to reason and common sense that the Native Princes clearly understand their interest, that by a power like the British only, with all the confidence it may command by its fairness as well as strength, can they be saved from each other and even from themselves. Relieved of any fear from the paramount Power, they will the more readily listen to counsels of reform which they much need. The English can then exercise their salutary influence in advising and helping them to root out the old corrupt *régimes*, and in making them and their courtiers to understand that power was not self-aggrandizement, but responsibility for the good of the people. I say, from personal conversation with some of the Princes, that they thoroughly understand their interest under the protection of the present paramount Power.

It is useless for the British to compare themselves with the past Native rulers. If the British do not show themselves to be vastly superior in proportion to their superior enlightenment and civilisation, if India does not prosper and progress under them far more largely, there will be no justification for their existence in India. The thoughtless past drain we may consider as our misfortune, but a similar future will, in plain English, be deliberate plunder and destruction.

I do not repeat here several other views which I have already expressed in my last memorandum.

I have thus given a general sketch of what is passing in many Natives' minds on several subjects. It is useless and absurd to remind us constantly that once the British fiat brought order out of chaos, and to make that an everlasting excuse for subsequent shortcomings and the material and moral impoverishment of the country. The Natives of the present day have not seen that chaos, and do not feel it; and though they understand it, and very thankful they are for the order brought, they see the present drain, distress, and destruction, and they feel it and bewail it.

By all means, let Englishmen be proud of the past. We accord them every credit for the order and law they brought about, and are deeply thankful to them; but let them now face the present, let them clearly realise, and manfully acknowledge, the many shortcomings of omission and commission by which, with the best of intentions, they have reduced India to material and moral wretchedness; and let them, in a way worthy of their name and history, repair the injury they have inflicted. It is fully in their power to make their rule a blessing to India, and a benefit and a glory to England, by

allowing India her own administration, under their superior controlling and guiding hand; or, in their own oft-repeated professions and words, "by governing India for India's good."

May the God of all nations lead the English to a right sense of their duty to India is my humble and earnest prayer.

DADABHAI NAOROJI.

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32, Great St. Helens, London.

4th January, 1881.

SIR LOUIS MALLET, *the Under-Secretary of State for India, India Office, London, S.W.*

SIR,—I beg to request you to submit the accompanying memorandum, No. 3, on some of the statements in the "Report of the Indian Famine Commission, 1880," to his Lordship the Secretary of State for India, and I hope his Lordship will give his kind and generous consideration to it.

I remain, Sir, your obedient servant,

DADABHAI NAOROJI.

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# MEMORANDUM ON A FEW STATEMENTS IN THE REPORT OF THE INDIAN FAMINE COMMISSION, 1880.

Part II., Chapter I., Section 7, treats of Incidence of Taxation. I submit that the section is fallacious, gives an erroneous notion of the true state of the matter, and is misleading. We shall see what the reality is.

The income of a country consists of two parts :

1. The internal total annual material production of the country (agricultural, manufactures, mines, and fisheries).
2. The external annual profits of foreign trade.

There is no other source or income beyond these two, excepting in the case of British India, the tributes and contributions of Native States, of about £700,000.

The incidence of taxation of any country means that a certain amount or portion is taken out of this income for purposes of Government. Call this portion revenue, tax, rent, service, contributions, blessing, curse, or by any name from A to Z in the English vocabulary; the fact simply is, that the country has to give a certain proportion out of its income for purposes of Government. Every farthing that the country has thus to contribute for Government has to be produced or earned from foreign trade, or, in other words, has to be given from the annual income. No portion of it is rained down from heaven, or produced by some magic by the Government of the country. The £24,000,000 which the Commissioners call "other than taxation" do not come down from the heavens, nor are to be obtained from any other source than the annual income of the country, just the same as what they call taxation proper. And so also, what the Commissioners call "rent," with regard to the revenue derived from land.

Whatever plans, wise or unwise, a Government adopt of distributing the incidence of the revenue among different classes of people; from whatever and how many soever different sources Government may obtain its revenue; by whatever hundred-and-one names may these different items of revenue be called—the sum total of the whole matter is, that out of the annual income of the country a certain portion is raised for the purposes of Government, and the real incidence of this revenue in any country is the proportion it bears to the actual annual income of the country, call the different modes of raising this revenue what you like.

Now England raises at present for purposes of government about £83,000,000. The income of the United Kingdom is well-nigh £1,000,000,000\* a year. The proportion, therefore, of the revenue of £83,000,000, or even £84,000,000, is about  $8\frac{1}{2}$  per cent. out of the annual income.

Now India's income, as I have first roughly shown in 1870, in my paper on the "Wants and Means of India,"† and subsequently in my paper on the "Poverty of India,"‡ is hardly £300,000,000 per annum. This statement has not been refuted by anybody. On the contrary, Mr. Grant Duff, though cautiously, admitted in his speech in 1871, in these words: "The income of British India has been guessed at £300,000,000 per annum." And Lord Mayo quoted Mr. Grant Duff's speech soon after, without any contradiction, but rather with approval. If the fact be otherwise, let Government give the correct fact every year. Out of this income of £300,000,000, the revenue raised in India for purposes of government is £65,000,000, or very near 22 per cent.

Thus, then, the actual heaviness of the weight of revenue on India is quite two and a-half times as much as that on England. This is the simple fact, that out of the grand income of £1,000,000,000 of only 34,000,000 of population, England raises for the purposes of government only  $8\frac{1}{2}$  per cent; while out of the poor wretched income of £300,000,000 of a population of nearly 200,000,000, two and a-half times more, or nearly 22 per cent., are raised in India for the same purpose; and yet people coolly and cruelly write that India is lightly taxed. It must be further realised what this disproportionate pressure upon a most prosperous and wealthy community like that of England, and the most wretched and poverty and famine-stricken people of India, means. To the one it is not a flea-bite, to the other it is starvation and death of millions, under her present unnatural treatment. For this is not all; a far deeper and worse depth lies behind.

Let me, then, once more repeat, that out of the grand income of £1,000,000,000 a year, England gives only  $8\frac{1}{2}$  per cent. for Government purposes, while out of the wretched poverty of India, of an income of £300,000,000, she gives 22 per cent. for purposes of government. Now comes the worst evil of the whole, to which English writers, with few exceptions, always shut their eyes.

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\* The "Westminster Review" of January, 1876, gives the national production for 1875 of the United Kingdom as £28 per head of population. I do not know whether profits of trade are included in this amount. Mr. Grant Duff, in 1871, took £300,000,000, or, roundly, £30 per head of population. The population is above 34,000,000, which, at £28, gives £952,000,000.

† "Journal of the East India Association," Vol. IV., page 283.

‡ "Journal of the East India Association," Vol. IX., pages 236 and 352; and Vol. X., pages 83 and 133.

Of the £83,000,000 of revenue which is raised in England, every farthing returns, in some shape or other, to the people themselves. In fact, England pays with one hand and receives back with the other. And such is the case in every country on the face of the earth, and so it must be; but poor India is doomed otherwise. Out of the £65,000,000 taken from her wretched income, some £30,000,000 or £40,000,000 are never returned to the people, but are eaten up in the country, and taken away out of the country, by those who are not the people of the country—by England, in short. I pass over this mournful topic here, as I have to refer to it again further on.

I may be taken to task that I am making a very indefinite statement when I talk of “some £30,000,000 or £40,000,000,” as being eaten up and taken away by England. The fault is not mine, but that of Government. In 1873, Sir David Wedderburn moved for a return for the number, salaries, &c., of all the Services. The return was ordered in July, 1873. It is now over seven years, but has not been made. Again, in 1879, Mr. Bright moved for returns (salaries, &c., 19th June, 1879), and Sir David Wedderburn moved for returns (East India Services, 20th and 23rd June, 1879, and East India Services, 24th June, 1879). These returns have not yet been made. I hope they are being prepared. When these returns are made, we shall know definitely and clearly what the amount is that, out of the revenue of £65,000,000, does not at all return to the people of India, but is eaten up in, and carried away from India every year by England. Such returns ought to be made every year. Once it is made, the work of succeeding years will be only the alterations or revision for the year; or revised estimates every two or three years even will do. To Government itself a return like this will be particularly useful. They will then act with clear light instead of groping in darkness as at present, and, though actuated with the best of intentions, still inflicting upon India untold misfortunes and miseries. And it will then see how India, of all other countries in the world, is subjected to a most unnatural and destructive treatment.

The next sections, viii. and ix., on trade and railways, are pervaded with the same fallacies as those of Mr. Danvers' Memo. of 28th June, 1880, and to which I replied in my letter of 13th September, 1880. I, therefore, do not go over the same ground here again. I need only refer to one statement, the last sentence of paragraph four of section viii.:—

“As to the other half of the excess which is due to the cost of English administration, there can hardly be room for doubt that it is to the advantage of India to pay the sum really necessary to secure its peaceful government, without which no progress would be possible; and so long as this condition is not violated, it does not seem material whether a part of the charge has to be met in England or not.”

A statement more wrong in its premises and conclusion can hardly be met with. Let us see.

By "the other half of the excess" is meant £8,000,000.

The Commissioners tell the public that India pays £8,000,000 for securing peaceful government. This is the fiction; what are the facts.

England, of *all* nations on the face of the earth, enjoys the utmost security of life and property of every kind, from a strong and peaceful government. For this England "*pays*" £83,000,000 a year.

In the same manner India "*pays*" not £8,000,000, but £65,000,000 for the same purpose, and should be able and willing to "*pay*" twice or thrice £65,000,000 under natural circumstances, similar to those of England.

Thus England "*pays*" £83,000,000, and India "*pays*" £65,000,000 for purposes of peaceful government. But here the parallel ends, and English writers, with very few exceptions, fight shy of going beyond this point, and misstate the matter as is done in the above extract. Let us see what is beyond.

Of the £83,000,000 which England "*pays*" for security of life and property, or peaceful government, every farthing returns to the people themselves. It is not even a flea-bite or any bite to the people of England that they "*pay*" £83,000,000 for peaceful government. They simply give with one hand and receive back with the other. The country and the people enjoy the *full benefit* of every farthing they either produce in the country or earn with foreign trade.

But with India the *fact* is quite otherwise. Out of the £65,000,000 which she "*pays*," like England, for peaceful government, £30,000,000 or £40,000,000 do *not* return to the people of the country. These £30,000,000 or £40,000,000 are eaten up in the country and carried away from the country by a foreign people. The people of India are thus deprived of this enormous amount year after year, and are, as a natural consequence, weakened more and more every year in their capacity for production; or, in plain words, India is being simply destroyed.

The *romance* is that there is security of life and property in India; the reality is that there is no such thing.

There is security of life and property in one sense or way —*i.e.*, the people are secure from any violence from each other or from Native despots. So far there is real security of life and property, and for which India never denies her gratitude. But from England's own grasp there is no security of property at all, and, as a consequence, no security for life. India's property is not secure. What is secure, and well secure, is that England is perfectly safe and secure, and does so with perfect security, to carry away from India, and to eat up in India, her property at the present rate of some £30,000,000 or £40,000,000 a year.

The reality, therefore, is that the policy of English rule, as it is (not as it can and should be), is an everlasting, unceasing, and every day increasing foreign invasion, utterly, though gradually, destroying the country. I venture to submit that every right-minded Englishman, calmly and seriously considering the problem of the present condition and treatment of India by England, will come to this conclusion.

The old invaders came with the avowed purpose of plundering the wealth of the country. They plundered and went away, or conquered and became the Natives of the country. But the great misfortune of India is that England did *not* mean, or wish, or come with the intention of plundering, and yet events have taken a course which has made England the worst foreign invader she has had the misfortune to have. India does not get a moment to breathe or revive. "More Europeans," "More Europeans," is the eternal cry; and this very Report itself of the Commission is not free from it.

The present position of England in India has, moreover, produced another most deplorable evil from which the worst of old foreign invasions was free: that with the deprivation of the vital material blood of the country, to the extent of £30,000,000 or £40,000,000 a year, the whole higher "wisdom" of the country is also carried away.

I therefore venture to submit that India *does not* enjoy security of her property and life, and also, moreover, of "knowledge" or "wisdom." To millions in India life is simply "half-feeding," or starvation, or famines and disease.

View the Indian problem from any point you like, you come back again and again to this central fact, that England takes from India every year £30,000,000 or £40,000,000 worth of her property, with all the lamentable consequences from such a loss, and with a continuous diminution of the capacity of India for production, together with the moral loss of all higher wisdom.

India would be quite able and willing to "pay," as every other country or as England "pays," for peaceful government; but no country on the face of the earth can stand the deprivation of property that India is subjected to without being crushed to death.

Suppose England were subjected to such a condition at the hand of some foreign Power; would she not, to a man, clamour, that far better would they fly at each other's throat, have strifes in streets of civil wars, or fights in fields for foreign wars, with all the chances of fame or fortune on survival, than submit to the inglorious miserable deaths from poverty and famines, with wretchedness and disease in case of survival? I have no hesitation in appealing to any Englishman to say which of the two deaths he would prefer, and I shall not have to wait long for the reply.

What is property worth to India, which she can only call her own in name, but not in reality, and which her own children cannot enjoy? What is life worth to her, that must perish by millions at the very touch of drought or distress, or can have only a half-starving existence?

The confusion and fallacy in the extract I have given above, therefore, consists in this. It is not that India pays for peaceful government some £8,000,000; she pays for it £65,000,000, just as England pays £84,000,000. But there is one feature peculiar to India—she needs British wise and beneficent guidance and supervision. British aid of this kind can, under any circumstances, be but from outside the Indian family—*i.e.*, foreign. This aid must be reasonably paid for by India. Now, if the whole foreign agency of European men and materials required under the direct and indirect control of Government, both in India and England, in every shape or form, be clearly laid down, to be confined within the limit of a fixed “foreign list” of, say, £5,000,000, or even say £8,000,000, though very much, which the Commissioners ask India to pay, India could very probably pay without being so destroyed as at present. But the present thoughtless and merciless exhaustion of some £30,000,000 or £40,000,000 or may be even much more, is crushing, cruel, and destructive.

In fact, leaving the past alone as a misfortune, the continuance of the present drain will be, in plain English, nothing less than plunder of an unceasing foreign invasion, and not a reasonable price for a beneficent rule, as the Commissioners wrongly and thoughtlessly endeavour to persuade the public.

The great misfortune of India is, that the temptation or tendency towards selfishness and self-aggrandizement of their own countrymen is too great and blinding for Englishmen (with few exceptions) connected with India to see that power is a sacred trust and responsibility for the good of the people. We have this profession to any amount, but unless and till the conscience of England, and of English honest thinkers and statesmen, is awakened, the performance will remain poor, or *nil*, as at present.

Lord Ripon said, “India needs rest.” Truer words could not be spoken. Yes, she needs rest; rest from the present unceasing and ever-increasing foreign invasion, from whose unceasing blows she has not a moment allowed to breathe.

I said before that even this Famine Report was not free from the same clamour, “More Europeans, more Europeans!”

Whenever any question of reform arises, the only remedy that suggests itself to English officials’ minds is, “Apply more European leeches, apply more European leeches!”

The Commission suggests the institution of an Agricultural Department, and a very important suggestion it is. But they soon forget that it is *for India* this is required, that it is at India's expense it has to be done, that it is from India's wretched income that this expenditure has to be provided, and that India cannot afford to have more blood sucked out of her for more Europeans, while depriving so much her own children ; in short, that Native agency, under a good English head or two, would be the most natural and proper agency for the purpose. No ; prostrate as India is, and for which very reason the Commission was appointed to suggest a remedy, they can only say, " More Europeans," as if no such thing as a people existed in India.

Were any Englishman to make such a proposal for England, that French or German youths be instructed at England's expense, and that such youths make up the different public departments, he would be at once scouted and laughed at. And yet these Commissioners thoughtlessly and seriously suggest and recommend to aggravate the very evil for which they were expected to suggest a remedy.

I appeal most earnestly to his Lordship the Secretary of State for India, that, though the department suggested by the Commissioners is very important, his Lordship will not adopt the mode which the Commissioners have suggested with good intentions, but with thoughtlessness about the rights and needs of India ; that, with the exception of some thoroughly qualified necessary Europeans at the head, the whole agency ought to be Native, on the lines described by the Commissioners. There can be no lack of Natives of the kind required, or it would be a very poor compliment indeed to the educational exertions of the English rulers during the past half-century.

A new danger is now threatening India. Hitherto India's wealth *above* the surface of the land has been draining away to England ; now the wealth *under* the surface of the land will also be taken away, and India lies prostrate and unable to help herself. England has taken away her capital. That same capital will be brought to take away all such mineral wealth of the country as requires the application of large capital and expensive machinery. With the exception of the employment of the lower class of bodily and mental labourers, the larger portion of the produce will, in several shapes, be eaten up and carried away by the Europeans, first as servants, and next in profits and dividends ; and poor India will have to thank her stars that she will get some crumbs, in the lower employments of her children. And great will be the sounding of trumpets of the wealth found in India, and the blessings conferred on India, just as we have sickeningly dinned into our ears, day after day, about railways, foreign trade, &c.

Now, this may sound very strange, that, knowing full well the benefits of foreign capital to any country, I should complain of its going to India. There is, under present circumstances, one great difference in the modes in which English capital goes to every other country and India. To every other country English capitalists *lend*, and there is an end of their connection with the matter. The *people* of the country use and enjoy the benefit of the capital in every way, and pay to the capitalists their interest or dividend, and, as some capitalists know to their cost, not even that. But with India the case is quite different. English capitalists do not merely lend, but with their capital they themselves invade the country. The produce of the capital is mostly eaten up by their own countrymen, and, after that, they carry away the rest in the shape of profits and dividends. The people themselves of the country *do not* derive the same benefit which is derived by every other country from English capital. The guaranteed railways not only ate up everything in this manner, but compelled India to make up the guaranteed interest also from her produce. The remedy then was adopted of making State railways. Now, under the peculiar circumstances of India's present prostration, State works would be, no doubt, the best means of securing to India the benefits of English capital. But the misfortune is that the same canker eats into the State works also,—the same eating up of the substance by European employés. The plan by which India can be really benefitted would be that all kinds of public works or mines, or all works that require capital, be undertaken by the State, with English capital and *Native* agency, with so many thoroughly competent Europeans at the head as may be absolutely necessary.

Supposing that there was even extravagance or loss, Government making up any deficiency in the interest of the loans from general revenue, will not matter much, though there is no reason why, with proper care, a Native agency cannot be formed good enough for efficient and economic working. Anyhow, in such a case the people of India will then really derive the benefit of English capital, as every other country does, with the certainty of English capitalists getting their interest from the Government, who have complete control over the revenues of India, and can, without fail, provide for the interest.

For some time, therefore, and till India, by a change in the present destructive policy of heavy European agency, has revived, and is able to help herself in a free field, it is necessary that all great undertakings which India herself is unable to carry out, for developing the resources of the country, should be undertaken by the State, but carried out chiefly by Native agency, and by preparing Natives for

the purpose. Then will India recover her blood from every direction. India sorely needs the aid of English capital; but it is English *capital* that she needs, and not the English invasion to come also and eat up both capital and produce.

As things are taking their course at present with regard to the gold mines, should they prove successful, great will be the trumpeting of India's increased wealth; whilst, in reality, it will all be carried away by England.

In the United States, the people of the country enjoy all the benefits of their mines and public works with English capital, and pay to England her fair interest; and in cases of failure of the schemes, while the people have enjoyed the benefit of the capital, sometimes both capital and interest are gone. The schemes fail, and the lenders of capital may lament, but the people have enjoyed the capital and the produce as far as they went.

I have no doubt that, in laying my views plainly before the Secretary of State, my motives or sentiments towards the British rule will not be misunderstood. I believe that the result of the British rule *can be* a blessing to India, and a glory to England,—a result worthy of the foremost and most humane nation on the face of the earth. I desire that this should take place, and I therefore lay my humble views before our rulers without shrinking. It is no pleasure to me to dwell incessantly on the wretched, heart-rending, blood-boiling condition of India; none will rejoice more than myself if my views are proved to be mistaken. The sum total of all is, that without any such intention or wish, and with every desire for the good of India, England has, in reality, been the most disastrous and destructive foreign invader of India, and, under present lines, unceasingly and every day increasingly continues to be so. This unfortunate *fact* is to be boldly faced by *England*; and I am sanguine that if once England realises this position, she will recoil from it, and vindicate to the world her great mission of humanity and civilisation among mankind. I am writing to English *gentlemen*, and I have no fear but that they will receive my sincere utterances with the generosity and love of justice of English gentlemen.

In concluding these remarks, I feel bound to say, that as far as I can judge from Mr. Caird's separate paper on the "Condition of India," he appears to have realised the abnormal economical condition of India; and I cannot but feel the true English manliness and moral courage he has displayed, that, though he went out an avowed defender of the Indian Government, he spoke out his convictions, and what he saw within his opportunities. India needs the help of such manly, conscientious, true-hearted English gentlemen

to study and probe her forlorn condition, and India may then fairly hope for ample redress ere long at England's hands and conscience.

DADABHAI NAOROJI.

32, Great St. Helens, London,  
*January 4th, 1881.*

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India Office, S.W., *16th February, 1881.*

SIR,—I am directed by the Secretary of State for India in Council to acknowledge your letters of the 16th November and 4th January last, with accompaniments.

I am, Sir, your obedient servant,

Mr. Dadabhai Naoroji.

T. L. SECCOMBE.

# REVISED MEMORANDUM

## ON

### THE MOST IMPORTANT REFORMS NEEDED BY INDIA,

SUBMITTED FOR THE CONSIDERATION OF THE LATE AND  
PRESENT VICEROYS, AND SOME OTHER HIGH OFFICIALS IN INDIA.

The whole Indian problem in all its aspects, material, moral, industrial, educational, political, &c., will be solved only when means are adopted to check the annual disastrous drain of the produce of India and to bring it within reasonable and moderate limits. I have gone into the details of this subject in my papers on "The Poverty of India," and in the correspondence with the Secretary of State for India on the "Condition of India." I shall add here only one more testimony of the highest financial authority, the late Finance Minister, Sir E. Baring, on the extreme poverty of India, and corroborating my calculation of the very low income of this country as compared with the worst European country—Turkey. Here is this emphatic testimony in addition to the opinions given in my "Poverty of India," Part I,\* especially of Lords Lawrence and Mayo, and of Mr. Grant Duff as Under Secretary of State for India, with regard to all India, at page 278. Sir E. Baring in his Budget speech of 18th March, 1882, says:—

"It has been calculated that the average income per head of population in India is *not more than rupees 27 a year,† and though I am not prepared to pledge myself to the absolute accuracy of a calculation of this sort, it is sufficiently accurate to justify the conclusion that the tax-paying community is exceedingly poor. To derive any very large increase of revenue from so poor a population as this is obviously impossible, and if it were possible, would be unjustifiable.*"

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\* "Journal of the East India Association," Vol. ix., pp. 268—278.

† I make not more than rupees 20. I requested Sir E. Baring to give me his calculations, either to correct mine or his, but I am sorry he declined. However, this difference is a matter of not much consequence, as it makes but very little difference in proving the *extreme poverty* of India. The *Italics* are mine.

Again, in the discussion on the same Budget, he said, after repeating the above statement of rupees 27 per head per annum :—

“ . . . But he thought it was quite sufficient to show the “ *extreme poverty* of the mass of the people. In England the “ average income per head of population was £33 per head ; “ in France it was £23 ; in Turkey, which was the poorest “ country in Europe, it was £4 per head. He would ask “ honourable members to think what rupees 27 per annum “ was to support a person, and then he would ask whether a “ few annas was nothing to such poor people.”

This was stated in connection with salt duty. It must be remembered that rupees 27 (or my rupees 20) is the average income, including that of the richest, or all various disproportionate distribution that takes place among all grades of people, while the average of the lower classes only will be very poor indeed.

The whole problem of India is in a nutshell. *Never* can a foreign rule be anything but a curse to any country, except so far as it approaches a native rule.

Hoping that my papers will be carefully studied, I confine myself here to the remedy of the evil in its practical form. I may explain here that a part of the drain I complain of is not to be laid *directly* at the door of Government. It is in the hands of the natives to prevent it if they could and would. I mean the employment of non-official professional agency, such as barristers, solicitors, engineers, doctors, &c. Though not *directly*, the English official agency *indirectly* compels natives to employ such European non-official agency. English officials in power generally, and naturally, show more sympathy with and give greater encouragement to English professional men. The result is, that the portion of the drain caused by the non-official Europeans is as much, though indirectly, the result of Government or official action, as the other portion of the drain. The remedy, therefore, I am proposing will influence the whole drain.

This remedy is in the power of the English Parliament only. It is (though at first sight it is not so readily apparent) the transference of examinations to India for services in all the civil departments—civil, medical, engineering, forest, telegraph, or any other. Canada, Australia, or the Cape, are not compelled to go to England for their services. Over India alone does England impose its despotic will in this one respect. This, in fact, is *the* one important act of the British nation, which is now un-English and unjust, and which mars and nullifies all the other blessings (which are not few) conferred by it upon India. Let England be just to India and true to itself in this one respect, and honestly, according to the Queen's proclamation, and declarations of British states-

men, and Acts of Parliament, let the natives have free scope to serve in their own country, and every other measure for the purposes of good government and administration, or for improving the material and moral condition of India, which at present generally fails or produces poor and doubtful results, will be crowned with success. Every matter will then fall into its natural groove, and the effect on everything will be marvellous. Private efforts will receive natural and immense impetus for providing all higher education, leaving Government to devote itself, with far ampler means than at present, to primary education as in England. So will railways and all public works and all private enterprise receive a rapid and successful development. And, above all, will be this most important result—that the growing prosperity of India will lead to a *truly great and extensive trade between England and India*, far outweighing the present benefit to England at the sacrifice of and misery to India.

Of course when examinations for *all* the higher services in *all* the civil departments are transferred to India, the ruling and controlling offices should be mainly reserved for Englishmen, such as the Viceroy, the Governors and their Counsellors, the Chief Secretaries, and Board of Revenue (if such boards be any use) and chief heads of department. Admission of any natives to any such appointments should be entirely in the gift of the Government, as a special reward for some high and exceptional services and deed of loyalty. In the military department, the English should have the chief share, leaving some fair scope for the warlike races, to draw and attach them to the side of the British rule. It will never do to repress all military ambition altogether. This will be a great mistake.

The subject of the confidence which our British rulers ought to show towards their subjects, and thereby beget and acquire the sincere confidence of the subjects in response, both by trusting them with reasonable military position, and by allowing and encouraging volunteering, under some well-considered principles and rules, is too important and extensive to be adequately treated in a short space. I can only say that it deserves our ruler's serious consideration. The open want of confidence by the British rulers is a weakness to them, and cannot but in time lead to evil.

If the examinations, as a first step, are not altogether transferred to India, simultaneous examinations at least ought to be held in India for *all* the services. This great reform and justice to India is absolutely necessary. This alone will be a fair fulfilment of the promises of the Act of 1833, of the gracious proclamation of 1858, and of the various declarations made from time to time by English statesmen and Governments. At least, for simultaneous examinations in India and

England, the India Office itself has unequivocally admitted its justice and necessity. I give below an extract from a Report of a Committee of the India Council (consisting of Sir J. P. Willoughby, Sir Erskine Perry, Mr. Mangles, Mr. Arbuthnot, and Mr. Macnaughten) made to Sir C. Wood (Lord Halifax) on 20th January, 1860. The Report says:—

“ 2. We are in the first place unanimously of opinion that “ it is not only just, but expedient, that the natives of India “ shall be employed in the administration of India to as “ large an extent as possible, consistently with the mainten- “ ance of British supremacy, and have considered whether “ any increased facilities can be given in this direction.

“ 3. It is true that, even at present, no positive disqualifi- “ cation exists. By Act 3 and 4 Wm. IV., c. 85, s. 87, it is “ enacted ‘ that no native of the said territories, nor any “ natural born subject of His Majesty resident therein, shall, “ by reason only of his religion, place of birth, descent, “ colour, or any of them, be disabled from holding any place, “ office, or employment under the said Company.’ It is “ obvious, therefore, that when the competitive system was “ adopted, it could not have been intended to exclude natives “ of India from the Civil Service of India.

“ 4. Practically, however, they are excluded. The law “ declares them eligible, but the difficulties opposed to a “ native leaving India and residing in England for a time “ are so great, that, as a general rule, it is almost impossible “ for a native successfully to compete at the periodical ex- “ aminations held in England. Were this inequality removed, “ we should no longer be exposed to the charge of keeping “ promise to the ear and breaking it to the hope.

“ 5. Two modes have been suggested by which the object “ in view might be attained. The first is, by allotting a “ certain portion of the total number of appointments de- “ clared in each year to be competed for in India by natives, “ and by all other natural-born subjects of Her Majesty resi- “ dent in India. The second is, to hold, simultaneously, two “ examinations, one in England and one in India, both being, “ as far as practicable, identical in their nature, and those “ who compete in both countries being finally classified in one “ list, according to merit, by the Civil Service Commissioners. “ *The Committee have no hesitation in giving the preference to the “ second scheme as being the fairest and the most in accordance with “ the principles of a general competition for a common object.*”\*

This principle ought to apply to *all* the services.

Now, I say let Government lay down *any* tests—mental, moral, and physical—and the natives cannot and would not object being on equal terms with the English candidates. It may also be arranged that every successful candidate in

\* The italics are mine.

India be required to go to England and study for two years more with the successful candidates of England in their respective departments; or any other arrangement may be adopted by which the successful candidates of India may derive the benefit of two years' residence and study in England in the department in which they have competed successfully. India will be but too happy to have a portion of its revenue devoted to this purpose.

Till this most important, "just and expedient" and "fairest" measure is adopted, England can never free itself from the charge of "*keeping promise to the ear and breaking it to the hope*," and India can never be satisfied that England is treating her justly and honestly.

But I earnestly submit, that this is not merely a question of "justice and expediency," though that is enough in itself for this reform, but that it is absolutely necessary for the *far larger necessity* of the material and moral prosperity of India—for the chief remedy of the present "*extreme poverty*" of India—if English rule is really and honestly meant to be a just rule and a blessing to this country. My earnest desire and intense interest in this great reform to hold examinations in India, solely, or, at least, simultaneously, for all the services in the Civil Departments (with some fair scope in the military) do not arise simply from the motive of seeing an opening made for the gratification of the natural ambition of educated natives to serve in their own country, but more for the solution of the great question—the question of questions—whether India is to remain poor, disloyal, and cursing England, or to become prosperous, loyal, and blessing England.

Coming to the uncovenanted services, both higher and lower, they must also be reduced to some system of examination, based upon some clear and just principles. The system worked by the Civil Service Commissioners in England for subordinate servants for all the different departments of State may well provide a model for these examinations, according to the higher and lower wants of all the departments for their uncovenanted servants. It will be the best way to secure servants *most fitted and best prepared* for their respective departments, and to give to every subject of Her Majesty a free and fair scope and justice according to his merits, relieving Government from the obloquy that is often cast upon it for injustice or favouritism in its appointments.

Next to this great reform for examinations solely or simultaneously in India for all the covenanted services, and for all the uncovenanted in India alone, is the important question of introducing due representation and reform in the Legislative Councils in India. But I consider the first reform as of such *paramount importance* that I do not mix up the second and some others with it here.

DADABHAI NAOROJI.

## THE INDIAN SERVICES.

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The first deliberate and practical action was taken by Parliament in the year 1833.

All aspects of the question were then fully discussed by eminent men. And a Committee of the House made searching inquiry into the whole subject. I cannot here introduce the whole debate, but make a few extracts, and give in the appendix the speeches of the Marquis of Lansdown, Lord Ellenborough, Mr. Macaulay, Mr. Wynn, Mr. Charles Grant and the Duke of Wellington at some length, as they are of some of the most eminent men, who have discussed the question from opposite sides and reviewed all the bearings.

1830.—Mr. Peel, after expatiating on the vastness and variety of the subject, said:—"Sure I am at least that we must approach the consideration of it with a deep feeling, with a strong sense of the responsibility we shall incur, with a strong sense of the moral obligation which imposes it upon us as a duty to promote the improvement of the country and the welfare and wellbeing of its inhabitants so far as we can consistently with the safety and security of our dominion and the obligations by which we may be bound." . . . "In a word, to endeavour, while we still keep them under British rule, to atone to them for the sufferings they endured, and the wrongs to which they were exposed in being reduced to that rule; and to afford them such advantages and confer on them such benefits as may, in some degree, console them for the loss of their independence. (Hear). These, Sir, are considerations which, whatever may be the anxiety to extend British conquest and to maintain the rights of British subjects, must indisputably be entertained in a British Parliament."

Mr. Wynn said:—"How can we expect that the Hindu population will be good subjects unless we hold out to them inducements to become so? If superior acquirements cannot open the road to distinction, how can you expect individuals to take the trouble of attaining them? When attained, they can answer no other purpose than that of showing their possessor the fallen condition of the caste to which he belongs.

This is true of man in all countries. Let our own native Britain be subjugated by a foreign force, let the natives of it be excluded from all offices of trust and emolument, and then all their knowledge and all their literature, both foreign and domestic, will not save them from being in a few generations a low minded, deceitful and dishonest race."

Sir J. Macintosh:—"He had heard much, too, of the natural inferiority of particular races, that there was one race born to command and another to obey, but this he regarded as the commonplace argument of the advocates of oppression, and he knew there was no foundation for it in any part of India. This, he declared he spoke upon due consideration, because he had observed boys of all races in places of public education. He had observed the clerks in counting houses, and even in the Government Offices, for some were admitted to the subordinate situations and thus allowed to sit in contact, as it were, with all the objects of their ambition, though they were only tantalised by the vicinity of that which they could never attain."\*

"That he was convinced that the more the Hindus came into contact with English gentlemen the more they would improve in morality and knowledge. In this view he cordially concurred, and that improvement would be promoted by nothing so much as by abolishing all political and civil distinctions between the different castes. He, therefore, was ready to give the petition (of the Indo-Britons) his warmest support."

Sir C. Forbes:—"He had been seventeen years in this country, after having been twenty-two years in India; the more he saw of the Old Country, the better he liked the Natives."

1833. — Mr. Buckingham:—"Above all, however, he approved of that great admission in the Bill which recognised for the first time the political rights of the Native population, which opened the door for their admission into office, and which, by elevating them in their own dignity, would enable them the better to elevate their children, and these again their future offspring, until every succeeding generation should have greater and greater cause to bless the hour when the first step was taken towards their political advancement, and gradual but certain emancipation from the treble yoke of foreign subjugation, fiscal oppression, and degrading superstition."

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\* I may here quote a similar passage from Macaulay's History of England. After describing the usual assumption against the Irish, he says—"and he (the Englishman) very complacently inferred, that he was naturally a being of a higher order than the Irishman; for it is thus that a dominant race always explains its ascendancy and excuses its tyranny."

Mr. Hume :—" If it was desired to make the Natives attached to the Government of this country, there ought to be a provision for allowing them to sit in the Councils of India. There ought at least to be one native in each of those Councils."

Mr. Stewart Mackenzie :—" That much had already been done, by internal regulations in India, to fit the Natives for the enjoyment of those privileges which the Honorable Member for Middlesex was anxious to see too suddenly communicated to them."

Mr. Frederick G. Howard "enforced the fitness of employing Natives in different situations, not only on the grounds of economy and efficiency, but because it would tend to conciliate and to give a motive to others to qualify themselves for such posts."

Now after an exhaustive debate in Parliament, and an exhaustive inquiry before the Parliamentary Committee, we see that Parliament in both Houses adopted the following enactment without any equivocation or reservation, in definite and noble terms. They deliberately enacted our first great Charter :—

" That no Native of the said territories, nor any natural-born subject of His Majesty resident therein shall, by reason only of his religion, place of birth, descent, colour or any of them, be disabled from holding any place, office, or employment under the said Company."

It should be remarked that, as it should be under the fundamental principle of the British rule—justice to all equally—the clause makes no distinction whatever between any classes or communities of Natives, Europeans, or Eurasians. Next it should be remarked, and what is of great importance, that this great Charter is a spontaneous act of our British Rulers. Macaulay says " gratitude is not to be expected by rulers who give to fear what they have refused to justice." But this Charter is not wrested by the Natives on the held of battle, or at the point of the sword ; there was no heavy pressure from Natives, no important Native voice by way of agitation either in the debate or in the Committee, to influence the decision ; it was the deliberate, calm, well and fully discussed act and decision of a great people and Parliament. It is done with grace, and the glory is all their own. It is their love of fair-play and justice, it is their deep sense of the mission which God has placed on them to lead and advance the civilisation and prosperity of mankind, it is their instinct of freedom and their desire that, " free and civilised as they were, it was to little purpose if they grudged to any portion of the human race an equal portion of freedom and civilisation," which have impelled them to grant with grace this first Charter to

us, which redounds to their everlasting credit as the greatest and best of foreign rulers. If ever a people can be reconciled to, satisfied with, and be loyal to the heart to a foreign rule, it can be only by such noble principles and deeds. Otherwise, foreign rule cannot be beneficial, but a curse.

Twenty years passed and the revision of the Company's Charter again come before Parliament in 1853; and if anything was more insisted on and bewailed than another, it was the neglect of the authorities to give effect to the Act of 1833. The principles of 1833 were more emphatically insisted on. I would just give a few extracts from the speeches of some of the most eminent statesmen.

Lord Monteagle, after referring to some progress made by Lord W. Bentinck in the "uncovenanted offices," says:—"Yet notwithstanding his authority, notwithstanding likewise the result of the experiment tried, and the spirit of the clause he had cited (that of 1833) there had been a practical exclusion of them (Natives) from all "covenanted services," as they were called, from the passing of the last Charter up to the present time."

Mr. Bright.—"Another subject requiring close attention on the part of Parliament was the employment of the Natives of India in the service of the Government. The Right Hon. Member for Edinburgh (Mr. Macaulay), in proposing the India Bill for 1883, had dwelt on one of its clauses, which provided that neither colour, nor caste, nor religion, nor place of birth, should be a bar to the employment of persons by the Government; whereas, as matter of fact, from that time to this, no person in India had been so employed, who might not have been equally employed before that clause was enacted"; Mr. Bright quotes Mr. Cameron—"fourth member of Council in India, President of the Indian Law Commission, and of the Council of Education for Bengal":—

"He (Mr. Cameron) said—"The Statute of 1833 made the Natives of India eligible to all offices under the Company. But during the twenty years that have since elapsed, not one of the Natives has been appointed to any office except such as they were eligible to before the Statute."

Viscount Jocelyn says—"When Sir George Clerk, whose knowledge of the Natives of India was, perhaps, greater than that of any other man, and who was in favour of giving employment to the Native population, was asked what was the grade in the service which he would propose should be assigned to the Native population, he said that, perhaps, in the course of ten years they might look forward to being appointed to the office of Collector."

Lord Stanley.—"He could not refrain from expressing his conviction that, in refusing to carry on examinations in India

as well as in England—a thing that was easily practicable—the Government were, in fact, negating that which they declared to be one of the principal objects of their Bill, and confining the Civil Service, as heretofore, to Englishmen. That result was unjust, and he believed it would be most pernicious.” This was said in reference to continuing Haileybury College without providing a similar arrangement in India.

Lord Stanley.—“Let them suppose, for instance, that instead of holding those examinations here in London, they were to be held in Calcutta. Well, how many Englishmen would go out there—or how many would send out their sons, perhaps to spend two or three years in the country on the chance of obtaining an appointment? Nevertheless, that was exactly the course proposed to be adopted towards the Natives of India.”

Earl Granville.—“I, for one, speaking individually, have never felt the slightest alarm at Natives, well qualified and fitted for public employments, being employed in any branch of the public service of India.”

It is not necessary for me to go into any more extracts. I come now to the greater and more complete Charter of *all* our political rights and national wants, I mean that great and gracious Proclamation of our Sovereign, of 1858.

I quote here the clauses which refer to the present subject:—

“We hold ourselves bound to the Natives of our Indian territories by the same obligations of duty which bind us to all our other subjects, and those obligations, by the blessing of Almighty God, we shall faithfully and conscientiously fulfil.”

“And it is our further will that, so far as may be, our subjects, of whatever race or creed, be freely and impartially admitted to offices in our service, the duties of which they may be qualified, by their education, ability and integrity, duly to discharge.”

“In their prosperity will be our strength, in their contentment our security, and in their gratitude our best reward. And may the God of all Power grant to us, and to those in authority under us, strength to carry out these our wishes for the good of our people.”

Glorious as was the manner of the Charter granted to us by the Act of 1833, far more glorious still and magnanimous is the issue of the Proclamation. It was not that the Empire was on the brink of being destroyed, or that the fear of a successful mutiny compelled the rulers to yield to any dictation,—no, it was at the moment of complete triumph over a great disaster. It was, as true to justice and humanity and

to noble English instincts, that the nation held out this gracious Proclamation, and thus ten times enhanced its value.

What more can we want? When this glad message was proclaimed to India in the midst of the rejoicings of the hundreds of millions, amidst illuminations and fireworks and the roar of cannons, what were the feelings of the people? It was said over and over again: "Let this proclamation be faithfully and conscientiously observed, and England would not need one English soldier to maintain her rule and supremacy in India. Our gratitude and contentment will be her greatest strength." Since the Act of 1883, more than half a century has elapsed, and since even the glorious Proclamation, more than a quarter of a century has elapsed. Intellectual, moral, physical progress has gone on steadily under the blessed educational work of our rulers. Whatever may have been the justification or otherwise for the non-fulfilment of the solemn and public promises in the past, there is now no excuse to delay a faithful, honest and complete fulfilment of those promises, which in reality are our birth-rights from the very circumstance of our having become British subjects—and that we are not British slaves.

As far as these promises have been neglected, so far has there been failure in the financial and economic prosperity of India and in the satisfaction of the people. In as much as these promises have, even though grudgingly and partially, been carried out, so far the hopeful conviction of the people is maintained that justice will at last be done, and that the good day is coming. That good day has at last come. Let us loyally, respectfully and clearly ask for what we need and claim, and what has been promised us, as well as is our birth-right as British subjects.

The question of the loyalty of the Natives, and especially of that of the educated classes, is now no longer a doubtful one. Our rulers are perfectly satisfied that the educated are for English Rule, and that the very idea of the subversion of the British Rule is abhorrent to them. I need but give you only one testimony, the latest, clear and decisive, from our highest authorities in India.

Government of India's letter to the Secretary of State, 8th June, 1880, in reply to Mr. Cairds' minute Parl. ret. [c. 2,732] 1880:

"To the minds of at least the educated among the people of India—and the number is rapidly increasing—any idea of the subversion of the British Power is abhorrent, from the consciousness that it must result in the wildest anarchy and confusion."

Our British rulers have rightly appreciated the true feel-

ings of the Indian people generally, and of the educated particularly, in their above statement. It is simple truth. In 1833 the question of our capabilities and character was as yet somewhat open, our progress in education small, our feelings towards the British rule doubtful. Half a century has passed—our capacity, our loyalty, our progress in education and the integrity of the educated have stood the trial and are now undoubted. We have had 54 years of neglect, or a grudging partial fulfilment of the noble principles and promise of 1833. Let us have now a 50 years of a fair hearty trial of the promise. As long as such a fair trial is not allowed, it is idle and unjust, and adding insult to injury, to decide anything against us. The trial and responsibilities of office will and can alone further develop our capabilities. Let the standards of test—mental, moral, or physical—be what they like, as long as they are the same for all—Natives and Englishmen—all we ask is “fair field and no favour,” an honest fulfilment of the Act of 1833, and of the Proclamation of 1858.

If this is done, I have no hesitation in saying that India will improve financially, economically, commercially, educationally, industrially and in every way, with amazing rapidity, and will bring manifold benefits and blessings to England also. And last, though not least, India's loyalty will be firmly rivetted to British rule for the best of all reasons—self-interest as well as gratitude.

This great, or rather the greatest Indian question,—*of the Services*—has now come to a crisis. A Commission is appointed to consider it. And, says the Resolution appointing that Commission, that the Secretary of State for India intends that :—

“In regard to its object, the Commission would, broadly speaking, be required to devise a scheme which may reasonably be hoped to possess the necessary elements of finality, and to do full justice to the claims of Natives of India to higher and more extensive employment in the public service.” The Natives have therefore well to realise the seriousness of the present crisis. Whatever is settled now will have to last, for weal or for woe, perhaps another half a century. This finality “and full justice” will be always opposed to any further demands or representations from us. It is practically good and essential for Government itself, that there should be some reasonable elements of finality, for the continuation and development of dissatisfaction is not only injurious to the current administration of the country, but most probably, productive of serious difficulties and troubles in the future.

Now is the time for the Natives to give their most serious

consideration to the matter, to speak out freely and loyally and firmly, to represent to our rulers what ought to be done.

We must remember that Government does not ask us for a compromise. It distinctly offers reasonable finality and *full justice* to our claims. Our business is to ask, what we should have as full justice, and we may fairly hope that Government would act honestly by us. Our claims are clear and already settled. All we have to do is to ask for their fulfilment.

The statesmen of 1833 knew well that it was a true act of sovereignty and statesmanship for them to decide what the future policy of the British rule was to be,—whether of justice, freedom, and fairplay, or despotism and subjection; whether the Natives were to be treated as British subjects, possessed of all the rights of British citizens, or as British slaves—mere hewers of wood and drawers of water,—subject to an Asiatic despotism, aggravated in all its evils by its being not even a Native but an entirely foreign domination and despotism. That policy was fully considered by those who were competent to do so. True to the English character and mission a glorious policy was spontaneously decided and solemnly proclaimed to India and the World, by a deliberate Act of Parliament.

Far from entertaining the least desire to make the British rule a galling and debasing foreign domination, the wish of the great statesmen of 1833 was, in Mr. Peel's words, "to atone to them for the sufferings they endured and the wrong to which they were exposed in being reduced to that rule, and to afford them such advantages and confer on them such benefits as may in some degree console them for the loss of their independence." And Mr. Macaulay placed the whole matter on the highest grounds to prefer India, independent and self-governing, to its becoming a British slave, to earn, the glory of the triumphs of peace, and of raising a nation in freedom and civilisation, instead of the infamy of degrading and debasing it. Can any Englishman read the speeches of those days without feeling a glow of pride and triumph for his race, and can any Native of India read those speeches without high admiration, delight, and gratitude? Again a second time, a great and extraordinary occasion arose, and it became necessary to declare unmistakeably once more the policy of the rulers, and by the mouth of the august Sovereign, England proclaimed in the most solemn and binding manner, before God and Man, what her high policy shall be towards India. Thus the contract and decision of our rights have been settled and sealed as solemnly and as effectively as the Magna Charta or the Petition of Rights—with only this difference, to the great credit and glory of the gracious Sovereign and statesmen, that in the case of English rights,

they were wrested from the sovereign by the people at the point of the sword, but in the case of India, her rights were granted spontaneously and with grace.

Our position simply then is this :—

Here are our great Charter of 1833 and the still greater one of 1858. The half of a century since 1833 has developed every phase of the question and has brought it to a simple issue ; that it is completely settled beyond all further question or discussion, that no distinction whatsoever should be made between the Natives of India and any other British subjects. The gracious words, sealed by an appeal to “the blessing of Almighty God” are these :—

“We hold ourselves bound to the Natives of our Indian territories by the same obligations of duty which bind us to all our other subjects, and those obligations, by the blessing of Almighty God, we shall faithfully and conscientiously fulfil.”

Next, here are the two solemn promises and obligations of 1833 and 1858. Of 1833—“That no Native of the said territories, nor any natural-born subject of His Majesty resident therein shall, by reason only of his religion, place of birth, descent, colour or any of them be disabled from holding any place, office, or employment, under the said Company.” Of 1858 :—“And it is our further will, that, so far as may be, our subjects of whatever race or creed, be freely and impartially admitted to offices in our service, the duties of which they may be qualified, by their education, ability, and integrity, duly to discharge.”

The issue now is a simple one ; how can these promises be “faithfully and conscientiously fulfilled” so that all the subjects of our gracious Empress “be freely and impartially admitted” in all the services ? Fortunately for us, the exact question has been already considered and decided by a competent authority.

Not long after Her Majesty's Proclamation of 1858, a Committee was appointed by the Secretary of State for India of the following members of the Council of the India Office :—

Sir J. P. Willoughby, Mr. Mangles, Mr. Arbuthnot, Mr. Macnaghten, and Sir Erskine Perry.

This Committee made its Report on 20th January, 1860, from which I give the following extracts :—

“2. We are in the first place unanimously of opinion, that it is not only just, but expedient that the Natives of India shall be employed in the administration of India to as large an extent as possible consistently with the maintenance of British supremacy, and have considered whether any increased facilities can be given in this direction.

“3. It is true that, even at present no positive disqualification exists. By Act 3 and 4 Wm IV C. 85. S. 87, it is enacted “that no Native of the

"said territories nor any natural-born subject of His Majesty resident therein shall, by reason only of his religion, place of birth, descent, colour or any of them, be disabled from holding any place, office, or employment under the said Company." It is obvious, therefore, that when the competitive system was adopted, it could not have been intended to exclude Natives of India from the Civil Service of India.

"4. Practically, however, they are excluded. The law declares them eligible, but the difficulties opposed to a Native leaving India and residing in England for a time, are so great, that, as a general rule, it is almost impossible for a Native successfully to compete at the periodical examinations held in England. Were this inequality removed, we should no longer be exposed to the charge of keeping promise to the ear and breaking it to the hope.

"5. Two modes have been suggested by which the object in view might be attained. The first is, by allotting a certain portion of the total number of appointments declared in each year to be competed for in India by Natives and by all other natural-born subjects of her Majesty resident in India. The second is, to hold simultaneously two examinations, one in England and one in India, both being, as far as practicable, identical in their nature, and those who compete in both countries being finally classified in one list according to merit, by the Civil Service Commissioners. The Committee have no hesitation in giving the preference to the second scheme, as being the fairest, and the most in accordance with the principles of a general competition for a common object."

Here then are the solemn promises and their "fairest" solution before us on competent and high authority, and nothing can be reasonably final that is short of this solution.

The question of the Uncovenanted Services is also very important. There must be some right principle and system upon which admission to these services should be based, so that no class or community of Her Imperial Majesty's subjects may have any cause to complain that the principle of the Act of 1833, and of the Proclamation of 1858—of equal justice to all—is not fairly and fully carried out.

The first National Indian Congress of last year, which met at Bombay, very carefully considered the whole question of all the Civil Services, and passed the following resolution:—

"IV. That in the opinion of this Congress the competitive examination now held in England, for first appointments in various Civil Departments, of the Public Service, should henceforth, in accordance with the views of the India Office Committee of 1860, 'be held simultaneously, one in England and one in India, both being as far as practicable identical in their nature, and those who compete in both countries being finally classified in one list according to merit,' and that the successful candidates in India should be sent to England for further study, and subjected there to such further examinations as may seem needful. Further, that all other first appointments (excluding peonships and the like) should be filled by competitive examinations held in India, under conditions calculated to secure such intellectual, moral and physical qualifications as may be decided by Government to

be necessary. Lastly, that the maximum age of candidates for entrance into the Covenanted Civil Service be raised to not less than 23 years."

With regard to the expenses of the visit to England, that will be a charge on the public revenues of India, because, already the selected candidates get certain allowances in England during their residence. The only difference will be an additional passage from India to England. Moreover, such a charge will not be at all grudged by the Natives of India, as it will be to improve the fitness and character of their own countrymen for their own service, and such charge will be amply repaid in the higher tone, character and efficiency of the services.

I am glad to say that in England this resolution has met with sympathy not only from non-Anglo-Indians, but from many Anglo-Indians also. The only thing they desired particularly was, that the selected candidates of India should be made to finish their studies and reside for some time in England and pass necessary further examinations with the selected candidates of England. When they found that the resolution proposed such visit to England, they were satisfied. The best thing I can lay before you to show this, is a resolution embodied in a letter addressed to Members of Parliament by the Council of the East India Association. The sub-committee, which prepared this letter, and which unanimously proposed the resolution in that letter, consisted of three official Anglo-Indians, one non-official Anglo-Indian, and one Native. The resolution I refer to, was this :—

"9. The larger employment in the public services of the inhabitants of India irrespective of race or creed :—

(a.) By arranging, in respect of superior appointments in all Civil departments of the service, that the examination for such appointments now held in England be henceforth held simultaneously in England and in India, the selected candidates from India being required to proceed to England and undergo the training and examinations now prescribed.

(b.) By introducing in respect to all Subordinate Civil Services for which educational training is required, the principle of competitive examinations, with such safeguards as may be deemed applicable to the particular circumstances of each Province."

The question now to be considered is, whether those gracious and solemn promises of 1833 and 1858 were made with the honest intention of being faithfully fulfilled or not? I do not think that any person, acquainted with the English

character, traditions and history, will for a moment hesitate to say that there was honest intention. My own conviction is now deeper than ever, that the British People and Parliament do mean to act justly by us, and to fulfil the gracious words which they have given to India before God and the World, by the mouth of our august Sovereign and by an Act of Parliament. Let us, therefore, respectfully and clearly place before the Commission our views as to how all the departments of the Civil Service in both superior and subordinate divisions should be hereafter recruited, and that as far as necessary, Parliament be solicited to give their legislative sanction thereto.

We should then respectfully submit to the Commission and to our Rulers, that the 4th Resolution of the National Congress of last year, is what we ask.

I do not here discuss the question of the Native Services in their important relation to the economic and financial condition of India and as an absolutely necessary and chief remedy for the poverty of India, as I have already given my views upon this subject in my papers on the Poverty of India, my correspondence with the Secretary of State for India, and others.

DADABHAI NAOROJI.

Bombay, 7th December, 1886.

## APPENDIX.

East India Company's Charter,  
Hansard's Debates, Vol. XIX. Third Series, page 169.  
*July 5th, 1833.*

## THE MARQUIS OF LANSDOWN :—

But he should be taking a very narrow view of this question, and one utterly inadequate to the great importance of the subject, which involved in it the happiness or misery of 100,000,000 of human beings, were he not to call the attention of their Lordships to the bearing which this question and to the influence which this arrangement must exercise upon the future destinies of that vast mass of people. He was sure that their Lordships would feel as he indeed felt, that their only justification before God and Providence for the great and unprecedented dominion which they exercised in India was in the happiness which they communicated to the subjects under their rule, and in proving to the world at large and to the inhabitants of Hindustan, that the inheritance of Akbar (the wisest and most beneficent of Mahomedan princes) had not fallen into unworthy or degenerate hands. Hence, it was important that when the dominion of India was transferred from the East India Company to the King's Government, they should have the benefit of the experience of the most enlightened Councillors, not only on the financial condition of our empire in the East, but also on the character of its inhabitants. He stated confidently, after referring to the evidence given by persons eminently calculated to estimate what the character of the people of India was, that they must, as a first step to their improved social condition, be admitted to a larger share in the administration of their local affairs. On that point their Lordships had the testimony of a series of successful experiments, and the evidence of the most unexceptionable witnesses who had gone at a mature period of their life and with much natural and acquired knowledge, to visit the East. Among the crowd of witnesses which he could call to the improveable condition of the Hindu character, he would select only two ; but those two were well calculated to form a correct judgment, and fortunately contemplated Indian society from very different

points of view. Those two witnesses were Sir Thomas Monro and Bishop Heber. He could not conceive any two persons more eminently calculated to form an accurate opinion upon human character, and particularly upon that of the Hindu tribes. They were both highly distinguished for talent and integrity, yet they were placed in situations from which they might have easily come to the formation of different opinions—one of them being conversant with the affairs of the East from his childhood, and familiarised by long habit with the working of the system, and the other being a refined Christian philosopher and scholar going out to the East late in life, and applying in India the knowledge which he had acquired here to form an estimate of the character of its inhabitants. He held in his hand the testimony of each of those able men, as extracted from their different published works, and with the permission of the House he would read a few words from both. Sir T. Monro, in speaking of the Hindu character, said :—" Unless we suppose that they are inferior to us in natural talent, which there is no reason to believe, it is much more likely that they will be duly qualified for their employments than Europeans for theirs—because the field of selection is so much greater in the one than in the other. We have a whole nation from which to make our choice of natives, but in order to make choice of Europeans, we have only the small body of the Company's covenanted servants. No conceit, more wild and absurd than this, was ever engendered in the darkest ages; for what is in every age and every country the great stimulus to the pursuit of knowledge but the prospect of fame, or wealth, or power? Or what is even the use of great attainments if they are not to be devoted to their noblest purpose, the service of the community, by employing those who possess them according to their respective qualifications in the various duties of the public administration of the country? Our books alone will do little or nothing; dry simple literature will never improve the character of a nation. To produce this effect it must open the road to wealth and honour and public employment. Without the prospect of such reward, no attainments in science will ever raise the character of a people." That was the sound practical opinion of Sir T. Monro, founded on his experience acquired in every part of India, in every department of the public service. Bishop Heber, during his extensive journey of charity and religion through India, to which he fell at length a martyr, used these remarkable expressions :—" Of the natural disposition of the Hindu I still see abundant reason to think highly, and Mr. Bayley and Mr. Melville both agreed with me that they are constitutionally kindhearted, industrious,

sober and peaceable; at the same time they show themselves on proper occasions, a manly and courageous people." And again—"They are decidedly by nature a mild, pleasing and intelligent race, sober, parsimonious, and, where an object is held out to them, most industrious and persevering." Their Lordships were therefore justified in coming to the same conclusion—a conclusion to which indeed they must come, if they only considered the acts of this people in past ages—if they only looked at the monuments of gratitude and piety which they had erected to their benefactors and friends—for to India, if to any country, the observation of the poet applied—

"Sunt hic etiamsua præmia laudi,  
Sunt lacrymæ verum, et mentem mortalia tangunt."

But, however much civilisation had been obscured in those regions, whatever inroads foreign conquest and domestic superstition had made upon their moral habits, it was undeniable that they had still materials left for improving and ameliorating their condition; and their Lordships would be remiss in the performance of the high duties which devolved upon them if they did not secure to the numerous natives of Hindustan the ample development of all their mental endowments and moral qualifications. It was a part of the new system which he had to propose to their Lordships, that to every office in India every Native of whatsoever caste, sect, or religion, should by law be equally admissable, and he hoped that Government would seriously endeavour to give the fullest effect to this arrangement, which would be as beneficial to the people themselves as it would be advantageous to the economical reforms which were now in progress in different parts of India.

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And without being at all too sanguine as to the result of the following up those principles, without calculating upon any extension of territory through them, he was confident that the strength of the Government would be increased by the happiness of the people over whom it presided, and by the attachment of those nations to it.

Vol. XIX., Third Series, page 191.  
*July 5th, 1833.*

LORD ELLENBOROUGH:—

He felt deeply interested in the prosperity of India, and when he was a Minister of the Crown, filling an office peculiarly connected with that country, he had always considered it his paramount duty to do all in his power to promote that prosperity. He was as anxious as any of His Majesty's Ministers could be to raise the moral character of

the Native population of India. He trusted that the time would eventually come, though he never expected to see it, when the Natives of India could with advantage to the country and with honour to themselves, fill even the highest situations there. He looked forward to the arrival of such a period, though he considered it far distant from the present day, and he proposed, by the reduction of taxation, which was the only way to benefit the lower classes in India, to elevate them ultimately in the scale of society, so as to fit them for admission to offices of power and trust. To attempt to precipitate the arrival of such a state of society as that he had been describing was the surest way to defeat the object in view. He never, however, looked forward to a period when all offices in India would be placed in the hands of Natives. No man in his senses would propose to place the political and military power in India in the hands of the Natives.

The Marquess of Lansdown observed that what the Government proposed was that all offices in India should be by law open to the Natives of that country.

Lord Ellenborough said such was precisely the proposition of Government, but our very existence in India depended upon the exclusion of the Natives from military and political power in that country. We were there in a situation not of our own seeking, in a situation from which we could not recede without producing bloodshed from one end of India to the other. We had won the empire of India by the sword, and we must preserve it by the same means, doing, at the same time, everything that was consistent with our existence there for the good of the people of India.

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· Vol. XIX., Third Series, page 533.  
*July 10th, 1833.*

MR. MACAULAY,—(See pages 79, 80, 81, and 82).

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Vol. XIX. Third Series page 536.  
*July 10th, 1833.*

MR. WYNN.

In nothing, however, more unreservedly did he agree with the honorable member, than in the sentiments which he so forcibly impressed on the House at the close of his speech. He had been convinced, ever since he was first connected with the affairs of India, that the only principle on which that empire could justly or wisely, or advantageously be administered, was that of admitting the Natives to a participation in the Government and allowing them to hold every office the duties of which they were competent to discharge.

That principle had been supported by the authority of Sir Thomas Monro, and of the ablest functionaries in India, and been resisted with no small pertinacity and prejudice! It had been urged, that the natives were undeserving of trust, that no dependence could be placed on their integrity, whatever might be their talents and capacity which no one disputed. Instances were adduced of their corruption and venality—but were they not the result of our conduct towards them! Duties of importance devolved upon them without any adequate remuneration either in rank or salary. There was no reward or promotion for fidelity; and why then complain of peculation and bribery. We made vices and then punished them; we reduced men to slavery, and then reproached them with the faults of slaves.

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Vol. XIX. Third Series page 547,  
*July 10th, 1833.*

Mr. Charles Grant, in replying, said, he would advert very briefly to some of the suggestions which had been offered in the course of this debate. Before doing so, he must first embrace the opportunity of expressing not what he felt, for language could not express it, but of making an attempt to convey to the House his sympathy with it in its admiration of the speech of his honorable and learned friend, the member for Leeds—a speech which, he would venture to assert, had never been exceeded within those walls, for the development of statesmanlike policy and practical good sense. It exhibited all that was noble in oratory, all that was sublime, he had almost said, in poetry—all that was truly great, exalted, and virtuous in human nature. If the House at large felt a deep interest in this magnificent display it might judge of what were his emotions when he perceived in the hands of his honorable friend the great principles he had propounded to the House, glowing with fresh colours, and arrayed in all the beauty of truth.

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If one circumstance more than another could give him satisfaction it was, that the main principle of this Bill, had received the approbation of the House, and that the House was now legislating for India, and the people of India on the great and just principles, that in doing so the interests of the people of India should be principally consulted, and that all other interests of wealth, of commerce, and of revenue, should be as nothing compared with the paramount obligation imposed upon the Legislature of promoting the welfare and

prosperity of that great empire, which Providence had placed in our hand.

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Convinced as he was of the necessity of admitting Europeans to India, he would not consent to remove a single restriction on their admission, unless it was consistent with the interests of the Natives. Provide for their protection and then throw open wide the doors of those magnificent regions, and admit British subjects there—not as aliens, not as culprits, but as friends. In spite of the differences between the two peoples, in spite of the difference of their religions, there was a sympathy which he was persuaded would unite them, and he looked forward with hope and eagerness to the rich harvest of blessings which he trusted would flow from the present measure.

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Vol. XX. Third Series page 323,  
*August 5th, 1833.*

DUKE OF WELLINGTON.

Then with respect to the clause, declaring the Natives to be eligible to all situations. Why was that declaration made in the face of a regulation preventing its being carried into effect? It was a mere deception. It might, to a considerable extent, be applicable in the capitals of the Presidencies; but, in the interior, as appeared by the evidence of Mr. Elphinstone, and by that of every respectable authority, it was impracticable. He certainly thought that it was advisable to admit the Natives to certain inferior civil and other offices, but the higher ones must as yet be closed against them, if our empire in India was to be maintained.

