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I M P A R T I A L L Y C O N S I D E R E D .

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L O N D O N :
P r i n t e d f o r T . P A Y N E , a t t h e M e w s G A T E .
M D C C L X X .

THE
 EAST-INDIA
 TRADE
 AND
 COMMERCE
 IN
 GREAT-BRITAIN
 AND
 IRELAND
 FROM
 THE
 YEAR
 1700
 TO
 1763
 BY
 JAMES
 OBERLIN
 ESQ.
 OF
 THE
 SOCIETY
 OF
 THE
 EAST-INDIA
 COMPANY
 IN
 1763
 LONDON
 PRINTED
 BY
 J. BARNARD
 AT
 THE
 SIGN OF THE
 SUN
 IN
 ST. PAULS
 CHURCH-YARD
 1763

AN
 ESSAY

ON THE

East-India TRADE, &c.

THE benefits of trade and commerce
 are at present universally acknow-
 ledged by all civilized nations; there can-
 not be an object of greater importance to
 this kingdom, nor has there been a time,
 perhaps, when it required to be more seri-
 ously attended to.

Every person entrusted with the power of
 instituting laws for the government of a com-
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mercial people, ought, certainly, to be acquainted with the general advantages or disadvantages to be derived from thence; but a more accurate, as well as a more extensive knowledge is required from him who assumes the direction of their ministerial affairs; for however well versed he may be in the mystery, or finesse of leading or governing in other respects, he can never be a proper, and may be a most dangerous minister to such a state.

Queen *Elizabeth*, who must be allowed to have laid the foundation of the naval power and riches of this kingdom, was happy in having ministers who could foresee the great advantages to be derived from an extensive commerce; she accordingly granted every proper encouragement and assistance towards the establishment of distant colonies, and extending the commerce of her subjects to the most remote parts of the globe. The consequence has fully evinced the propriety of her conduct; the maritime power of this kingdom could never have attained

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its present height, nor can it possibly be a long time preserved, without our Colony and *East-India* commerce; of which she laid the foundations.

However obvious this should be to any minister, unluckily the ways and means of bringing in supplies to the treasury seem to have been more carefully attended to for some time past, than the great commercial affairs of the nation; its colony trade, at present indeed in a very sickly, if not a dangerous state, has been strangely risked for a very trifling acquisition to the Exchequer, in comparison of its loss.

If the late Stamp-Act had been never so quietly submitted to by the colonies, it must have been destructive of the trade, by draining them of that money with which only they could possibly pay the balance of their trade to this kingdom; for whilst our colony trade continued in a flourishing state, the money, except what was absolutely necessary to carry on the current business, flowed into

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it in return for our manufactures. And how much more beneficial it must be to acquire that wealth, by means which must necessarily employ thousands of our manufacturers and seamen, and a considerable quantity of shipping, than by any Exchequer process, should seem needless to be mentioned.

The fortunate turn of the *East-India* company's affairs, after many losses, and extraordinary difficulties, had at last given the proprietors a fair prospect of a profitable return; but they were far from being thoroughly established, when they became an object of ministerial examination and controul; a requisition, in the nature of a mandate, was sent from the Chancellor of the Exchequer, forbidding the company to increase their dividends, until the parliament should determine relative to their affairs; and in consequence, the apprehension of being deprived of the acquisitions they had made in *India*, and losing the whole, perhaps, of what they had risked so considerable a property

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property in endeavouring to obtain, forced the proprietors, in some measure, to relinquish more than half of their profits, in order to preserve the remainder.

It is an observation founded on experience, that commercial business can never flourish under ministerial controul, or restraint. In the present situation of our affairs, when our colony trade is in a dangerous state, the decline of our *East-India* trade might be attended with very fatal consequences, which no temporary advantage can be an equivalent for, nor will any subsequent remedy probably avail.

It has been a long time the settled opinion of this, and other states who have established a trade to *India*, that it cannot be carried on to advantage, but by a company with exclusive privilege. The *Dutch* and *English* companies have been very successful by this method, though the *French* have repeatedly failed; the cause of which will appear more evidently from a cursory view of

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of the conduct of the different states towards their respective companies.

The *Dutch* were the first who made any attempt to come in for a share of the *East-India* trade with the *Portugueze*, who had discovered a passage round the *Cape of Good Hope*; which, very probably, they would not then have engaged in, if they had not been prohibited dealing with the *Portugueze* by *Philip* the Second of *Spain*, who became master of *Portugal*. They had tasted the sweets of that trade at the second hand; and were resolved, at all events, to come in for a share at the first: accordingly several merchants of *Amsterdam*, stiling themselves a company for remote countries, fitted out ships for the purpose, which sailed to the *East-Indies* in 1695, and returned happily in somewhat more than two years.

On their return, several other merchants of *Amsterdam* prepared to send out ships also; but the first company, to avoid the animosities that were likely to happen, thought

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thought it most prudent to join them in partnership.

A design of the same nature was set on foot in *Zealand*; and about the same time, several other merchants of *Amsterdam*, most of them *Brabanders*, fitted out ships for the same purpose. Other adventurers also engaged in the like scheme; but the owners of the ships, however separate in interest, were prudent enough to order them to join in one fleet, the better to defend themselves from the *Spaniards*, who used their utmost endeavours to defeat their purpose.

However successful they had been against the *Spaniards* and *Portugueze*, it was soon discovered that the trade must have been ruined by the misunderstanding that prevailed, and ever must prevail, amongst a plurality of companies; many ships being fitted out to the same place, which reduced the value of the goods they carried out, and enhanced the value of those they wanted in return;

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return; greatly to the loss of the owners, and discouragement of the failors.

The States General, who saw the great advantages of this trade, and the consequences of the disunion among the different adventurers, prudently interposed their authority, and obliged them to unite in one body; to whom, in 1602, they granted very considerable powers, and exclusive privilege.

The company, by being thus united and supported by the state, soon became a very considerable body; and were enabled not only to defend themselves, but also to defeat the greatest forces the *Spaniards* and *Portuguese* could send to oppose them.

The *Dutch* were so thoroughly convinced of the great importance of this trade, that, however advantageous or necessary a peace with *Spain* might have been at that time to the nation in general; and although the *Spaniards* offered for the first time to own them for a free state, if they would relinquish

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quish it; yet the States, who considered the support of the company as an essential article, not to be receded from, were so tenacious of the point, that the *Spaniards* were, at last, obliged to admit their pretensions, by a truce for twelve years, agreed to in 1709; and, on the conclusion of the general peace, shewed themselves equally regardful of the company's affairs as their own, by obliging the *Spaniards* to relinquish all claims and pretensions to the conquests and settlements they had made in *India*.

There cannot be a stronger instance of the invariable determination of the State, to support the company in all their proceedings, even the most unwarrantable, than their behaviour relating to *Amboyna* and the spice trade; but it is certain, no nation understands its own profit better, nor adheres more closely to it. They wisely consider the success of the company as a national concern; and have accordingly granted them every power and privilege that could be thought necessary to ensure it in that part of

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the world. No people are more tenacious of liberty at home, yet they have invested the company with absolute sovereignty in *India*. No nation affects less grandeur at home, yet they oblige the governor general at *Batavia* to appear in all the pomp of *Eastern* magnificence, to place him on a more respectable footing with the *Indian* princes, whom he may have occasion to treat with.

In fine, the States General have demonstrated by all their proceedings relative to the company, how true a sense they have of its importance to the public. They consider their acquisitions in *India*, and the profits of their trade, as so much national profit: and notwithstanding the large dividends that have been annually made to the proprietors, for a hundred and sixty years successively, amounting upon an average to somewhat more than 24 *per cent. per annum*; notwithstanding the distresses the State has suffered; notwithstanding the heavy debts it had contracted to support the expences of the several wars that happened within that period; it has always paid

paid so strict a regard to private property, that no exigence could be an inducement to appropriate any part of the company's profits by trade, or other acquisitions, to public use; but in the same manner, and on the same footing, as lands and other funds are taxed.

There are few kingdoms, whose monarchs have assumed arbitrary power, that have been more happy in ministers than *France*; nor has that country been deficient of great princes, some of whom have perfectly well understood, and also laboured to promote the interest of their subjects in a commercial way.

Henry the Fourth, one of the wisest, greatest, and, what is still superior, one of the best kings that ever sat on the *French* throne, or perhaps on any other, was the first who erected a *French East-India* Company, by an arret in 1604; which prove, indeed, of little advantage, by the divisions that happened among the merchants, and their inability to

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raise a proper fund for such an undertaking.

On the failure of this company, which soon happened, letters patent, with all further privileges that could be required, were granted to a new company in 1611, by *Lewis* the Thirteenth; which, notwithstanding the fairest appearance of success at the beginning, soon failed also.

The great Cardinal *Richlieu*, who saw the advantages the *Dutch* and *English* derived from their *East-India* trade, undertook the establishment of a *French* Company the third time, with great spirit, and indeed with great appearance of success. The royal privileges granted to them were as ample as might be expected for a company under the patronage and protection of so great a minister; which were not, however, sufficient to establish it thoroughly. The business went on but weakly, and continued so for sixty years, notwithstanding the great encouragement it had received from the crown and

ministry

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ministry during that time; which shews how difficult it is for the greatest kings, or ablest ministers, to establish trade by dint of power.

The famous *Colbert*, minister to *Lewis* the Fourteenth, to whose prudence and activity the great success of the first part of that monarch's reign may, with justice, be attributed, was determined to revive the *East-India* Company, notwithstanding all former miscarriages, or misfortunes. No man could take more pains to make himself thoroughly acquainted with the causes of their former insuccesses, and the means of avoiding any future: he consulted all those he thought most conversant in *India* affairs; and, after the most mature deliberation, formed a plan, which, as it was then imagined, could not possibly fail of the greatest success.

A fund of six millions of livres was to be established; one tenth of which was to be advanced by the king, and the best part of

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the remainder by the nobility. The king granted the Company an exemption of half the duties inward and outward, and agreed to take upon himself all the losses that should happen in ten years.

Notwithstanding all these promising appearances, there were still many obstacles to its success. The farmers general of the king's revenue attacked the company; their employment led them often to the ear of the minister; the demands of the crown were often pressing; the minister was extremely well inclined to the Company, but the advancement of the royal revenue ever was, and ever will be a prevailing argument with ministers *of that kingdom at least*; the privileges of the company were not absolutely taken away, but they were abridged; for in *France (perhaps in other countries too)* there are methods of eluding the law, without the appearance of violation.

To complete their misfortunes, they lost their best benefactor and support Monsieur
Colbert.

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Colbert. There rose up a new spirit of distressing the Company, under colour of easing the public, by an augmentation of the revenue. The new minister, unacquainted with the delicate and extensive nature of commerce, slighted all applications made to him by the Company, and promoted all the schemes of the farmers of the revenue; and the decay of their commerce, though chiefly produced by these measures, was made an additional reason for continuing to oppress them.

From the interruptions the company met, both at home and abroad, they continued in a declining state to the death of *Lewis* the Fourteenth; when their affairs were in a most ruinous condition. They owed ten millions of livres: they could not carry on the trade themselves, and were obliged to hire out their remaining privileges for what they could get: they accordingly, in 1712, entered into an agreement with some private traders of *St. Malo's*, by which they yielded them all their privileges as a Company.

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pany. And what may appear very extraordinary, these private traders, though they paid a considerable sum on that account, were able to carry on the trade to *India* with great profit to themselves under the authority of a company that was become bankrupt.

The duke of *Orleans*, who had defeated the will of *Lewis* the Fourteenth, and in some measure established a new government, seemed, at the beginning, to give great encouragement to trade and commerce; but, with a view, chiefly, to what was stiled the System.

He established the capital of the *West-India* Company at one hundred millions of livres; and thereby procured an opportunity of lessening the immense quantity of paper money, which the necessities of the long war of *France* had created.

By an edict in 1719, which was called the Edict of Union, he annulled all the privileges of the *East-India* Company; took away all their

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their possessions in *India*, and elsewhere; and granted them to the *West-India* Company, which had absorbed all the other Companies of *France*; and was stiled the Company of the *Indies*.

This new company had agreed to discharge all the debts of the old; and the better to enable them to do so, and to carry on the trade, there were new actions created, to the amount of twenty-five millions, to be purchased for ready money only.

The edict for this purpose had much a greater effect than was expected from it: There was such an eagerness for subscribing, that instead of twenty-five, the subscription soon amounted to fifty millions; which induced the minister to venture on further regulations; the principal of which was, that the subscribers should take off four times the quantity of old actions to be entitled to the new.

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By another arret in 1720, the affairs of the company were so blended with those of the state, that, in fact, it was a ministerial, not a commercial one. By this edict it was to be perpetual, and stiled the Perpetual Company of the *Indias*; which it seems however to have forfeited by its late dissolution.

On a comparative view of the *Dutch* and *French East-India* Companies, it may be observed, that the constant success of the one, and the repeated failure of the other, have proceeded chiefly from the nature of their respective governments.

The States General, who saw clearly the great national benefits to be derived from an *East-India* trade, and that it would not possibly be carried on to so distant a part of the world by separate adventurers, either to the advantage of themselves or the public, obliged, in some measure, the several parties who had first attempted it to unite into one body, to whom they granted the most ample powers that

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that could be deemed necessary. Every territorial, or other acquisition of the company in *India*, was considered by that wise body as a national one. Their property at home, or abroad, was held as sacred as any man's private property. The full yearly profits arising from their trade, or revenue in *India*, were fairly divided among the proprietors, even when they amounted so high as 75 per cent.

As the powers and protection afforded to the company were the acts of the state, they were always steady and constant. The proprietors were under no apprehension of not having them continued, as long as the trade should be found beneficial to the public, of which there could be no doubt.

There was no need of the favour or mediation of a minister, nor apprehension of being obliged to pay an exorbitant fine on any renewal of their charter; and as the state never interfered with the concerns of the

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company

company, but for their general advantage, the management of their affairs was left to those who were appointed by themselves to preside over them.

The several edicts that had been published for the establishment of a *French East-India* Company, and the extensive privileges granted to them, though necessary to their being, could never be sufficient to secure their duration, in a kingdom where so much depends on the favour of a single person, who, as he grants, may likewise take away; where the obtaining, or continuance of that favour depends chiefly on a minister, whose interest it must ever be to prefer the advantages of the revenue, to any commercial; where those who are to be intrusted with the management of the affairs of a trading company, must be appointed or approved by the minister, under the heavy penalty of losing his favour and protection: I say, in a kingdom where a commercial company lies under any of these disadvantages, there must always

always be a doubt of its success; where all of them occur, it is almost impossible it should succeed.

That the constant interfering of ministers was one great cause of the failure of the *French* Company, may fairly be inferred from the success of the private traders at *St. Malo's*, who, although they had paid a large sum for the hire of the few privileges that were let to remain with the company, made a very considerable profit by the trade in a few years; because, being at a considerable distance from the court, and free from ministerial restraint, they were at the liberty to conduct their affairs in whatever manner appeared most advantageous to themselves.

The first establishment of an *East-India* Company in *England* was by Queen *Elizabeth*, who, in *December* 1602, granted a charter to several merchants, by the stile of the Governor and Company of Merchants trading to the *East-Indies*, with proper powers and exclusive privilege; by which the

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the benefits of the public and the company seem to have been equally attended to.

In consequence of this charter, a joint stock of 72,000*l.* was immediately raised, and five ships sent out to begin a correspondence in that part of the world; which failed in *May* following, and returned with good success.

This was the only voyage undertaken by the company in the reign of the queen; but they found a kind protector in her successor King *James*, who shewed them all the countenance they could desire; which, with the profits they had made by the first voyage, encouraged them to make a second; in which they met with strange treatment from the *Dutch*, who by this time had got some footing in the *East-Indias*; and had already lost all sense of gratitude to a nation, who had so very lately preserved them from destruction.

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As it is not intended to give a minute detail of the transactions of the company, it may be sufficient to observe, that this second voyage was not successful. They undertook another, however, immediately, though with but with three ships, which proved extremely prosperous, notwithstanding the repeated ill usage of the *Dutch*; and with this very extraordinary mark of good fortune attending it, that they did not lose a single man in the whole voyage.

The company, which was still more successful in the next voyage, began to make a considerable figure. They employed a great number of seamen, and exported large quantities of *English* goods and manufactures; by which the advantages derived from the trade became so evident, that King *James* not only enlarged the term of their charter, but also made it perpetual.

On this encouragement, the company began to build a fine large ship of 1200 tons, which was the first great ship ever built in *England*.

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And, what may be remarked to the honour of the company, since that time, there has not been one great ship built for this kingdom by any other nation. So that, in reality, they may be said to have laid the foundation of our navy by their example, as well as by their commerce.

The *Portuguese* were determined to exert their utmost endeavours to hinder the *English* from trading on the coast of *India*; and fitted out an armada, as they called it, at extraordinary pains and expence, to oppose them; which, however, was totally defeated by the company's ships, and a factory established, in consequence at *Surat*.

The *English* and *Dutch* had got so good a footing in *India*, that they began to extend their dominion; but the *English* had not sufficient force to maintain the possession of what they had obtained, of which the *Dutch* did not fail to avail themselves effectually.

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Had the company been sufficiently strong, or properly supported by government at the time, they must have secured a very considerable share of the spice trade, which would have been of the greatest advantage to the nation. But as their affairs were then circumstanced, the attempt only opened a way to their destruction.

The transactions of the *Dutch* relative to the spice trade, and their behaviour to the *English* on that occasion are too well known to require being mentioned at present. King *James* was certainly forward enough in supporting the rights of the company, in the way he thought he excelled; but the *Dutch* availed themselves so effectually of the time taken up in treating and debating matters, that the company was obliged to accept the terms they thought proper to give; which were too trifling to be deemed a compensation, though, undoubtedly, an acknowledgment of their injustice.

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How faithfully they intended to preserve the terms even of that agreement, at the time it was offered by them, has been proved too evidently by the massacre at *Ambayna*; which was certainly too shocking a scene to be ever forgotten, however it may have been forgiven, by the *English*.

The death of King *James*, and the various troubles that soon began to disturb the reign of King *Charles*, prevented the company from any redress from the *Dutch*; and was the cause also of great hardship at home; for the king, in order to distress the *Dutch*, and to preserve, as he thought, the *East-India* trade, granted, by his royal signature, a power to Sir *William Courten*, and other rich merchants of *London*, to send a squadron of ships there to trade and settle; but expressly, without prejudice to the company.

It was, certainly, a strange method of redressing the injuries the company had sustained, by divesting them of their greatest privilege, that of an exclusive trade. The
adventurers,

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adventurers, however, fitted out six large ships, which had good success in *India*; but the *Dutch* were determined they should not easily get their riches home, and accordingly way laid them so effectually, that they sunk two of the largest, with every person on board, and a cargo of the value of 150,000*l.* Sterling. A second squadron they sent out, was also as unsuccessful; by which the adventurers lost 175,000*l.* and were all absolutely ruined.

King *Charles* indeed, in his greatest distresses, endeavoured to obtain some redress from the *Dutch*, and prevailed on them to pay 85,000 guilders, which must be deemed rather an acknowledgment of a second injury.

These last losses, with the losses the company had sustained in *India*, and the general confusion at home, caused the trade to be entirely abandoned for several years; in which time, the *Dutch* had so effectually established

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themselves,

themselves, that they engrossed the whole trade to *India*.

The immense wealth, and extraordinary increase of shipping the *Dutch* had acquired by the ruin of our commerce to the *East-Indias*, and elsewhere, during the time of our distractions, encouraged them to think of establishing their naval power effectually, by a total suppression of ours; but the parliament, as it was called, and the protector, however either came by the title or power, behaved with the true spirit of *Englishmen*; and after defeating them repeatedly, forced them to do that justice they had refused to King *James* and King *Charles*, by making some satisfaction for the massacre at *Amboyna*; on which account they engaged to pay 3615 *l.* to the representatives of those who had suffered there; and 85,000 *l.* to the *East-India* Company, for the injuries they had done them.

It was one of the first acts of King *Charles* the Second's government, to revive
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the *East-India* Company, and endeavour to establish its commerce. He confirmed all their former privileges by a new charter in 1661, and added others. He granted them authority to establish civil and military power, and to make peace and war with the infidels in the *East-Indias*.

He afterwards made them a grant of *Bombay*, which the *Dutch*, according to their wonted custom, endeavoured to deprive them of, before they were thoroughly established in it; but they met with the reception they well deserved; and left it quietly in their possession afterwards; though they steadily pursued their plan of distressing and driving them out of the *Indias*, if possible, by attacking them directly in time of war; and in time of peace, by attacking the *Indian* princes with whom they carried on a trade, and obliging them, from a principle of preservation, to exclude them from it.

Upon the accession of King *James* the Second the company had powers granted
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them to erect fortresses, raise armies, execute martial laws, and coin money ; which were certainly necessary to place them in some degree on a level with the *Dutch*, and enable them to secure so beneficial a trade to the nation.

On the accession of King *William* and Queen *Mary*, the former charters of the company were confirmed, and a new one granted ; by which, and by another in 1694, several new regulations were made, relative to the conduct of their affairs.

Notwithstanding all these charters and regulations, which, seemingly, had so fully confirmed and enlarged the powers of the company, they never were in a more precarious situation. Their rights were publicly disputed ; and, what was more extraordinary, the ministers, instead of supporting the rights of the crown, which had granted them their charters, joined their opponents, in their attempt to defeat them ; which they effected completely, by getting a new company

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pany incorporated by act of parliament, on their advancing two millions to government by way of loan.

This very extraordinary proceeding must have been the absolute ruin of the *East-India* trade, if it had not been timely prevented by the prudence and discretion of those in the management of the affairs of the respective companies.

The effects of that animosity, which must ever be the consequence of jarring interests, were soon severely felt by both parties : they also saw the *Dutch* availing themselves of the opportunity given by their disunion ; of which they were so sensible, that they took the only wise method that was left in such circumstances, and agreed to proper articles of union ; which were as effectually carried into execution.

This creation of a new company was imagined by many, with too strong an appearance of probability, to have been a political

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scheme of the *Dutch* at bottom, to ruin our *East-India* trade; which, however, by this prudent measure was not only prevented, but the companies, by being thus united, were established on a firmer basis than ever, with respect both to their capital, and privileges; which were then founded on an act of parliament, that put an end to all disputes relative to the royal prerogative of granting, or annulling their charters.

It may not, perhaps, be improper to remark, as it is hoped it may be a lesson to futurity, that although the companies were known to be thoroughly united at home, it was found extremely difficult to reconcile their officers and servants in *India*; who had acted with the greatest animosity against each other, whilst the companies were divided, and could never be brought to proper temper, after they were united.

Were a comparison to be drawn between the *French* and *English*, with respect to the support given by each state to its respective
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East-India Company, from their first establishment to the time that one was absorbed in the *French* Company of the *Indias*, and the other, in the United Company of Merchants trading to the *East-Indias*; I doubt whether it would appear much in favour of the latter; but from that time, each company is to be considered in a very different light.

The *French*, though still a trading company in appearance, with a capital of 50 millions subscribed by the public, was carried on and supported entirely by government; and the dividends agreed upon were paid out of the royal revenue, without any account of profit or loss by trade.

The *English East-India* Company, since it has been established by act of parliament, under the sanction of which, the property and privileges of the subject will ever be deemed secure, may be placed in some degree, on a level with that of the *Dutch*. And the consequence has fully proved, that *Englishmen*, when they deem their property
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and privileges well secured, are capable of advancing as far in trade, and with as much spirit, as any nation in the world.

With respect to security, they may certainly be placed on a level; but the terms on which the charters of each have been since renewed, are extremely different. The one, notwithstanding the great sum with which it had assisted the government, in time of greatest need; notwithstanding the most evident proofs of its great utility to the public; has been obliged to pay very considerably for the continuance of its privileges, on every subsequent renewal of its charters; whilst the other has had its charters constantly renewed, from the single motive of its being found beneficial to the public.

The cause has generally been attributed to the ministerial influence supposed to prevail in one state more than the other; but however that may be supposed to operate occasionally, I am inclined to think, it rather proceeds from the superior knowledge of the

the *Dutch* in general, with respect to the benefits of this trade. For it cannot well be imagined, that gentlemen of landed property, of whom the much greater part of the legislature consists, who were thoroughly sensible how much the rents and value of their estates have been increased by the success of this trade, and how certainly they must decrease by its loss, or decay, could ever be induced to lay it under difficulties, that might in any measure retard its progress, or endanger its continuance.

I would not be understood to infer, that the *Dutch* are a wiser nation than the *English*; but as the existence of that state may be said to depend, in a great measure, on its trade and commerce; and as its policy is directed chiefly in all its views, towards this point; their general knowledge of the benefits derived from thence may reasonably be deemed superior to other nations.

It is an error, often attributed to men of great learning in this kingdom, that they

think matters relative to trade and commerce below their attention. But however well versed a man may be in the laws, customs, and politics of ancient *Greece* and *Rome*; however attentively he may have considered the errors and advantages resulting from each system; he will be a very incompetent judge of the policy of the present times, or the measures that may be most advantageous to a commercial people, until he has also considered the alterations that have been made in the customs and manners of the different states of *Europe*, by the introduction of arts, manufactures, and commerce.

Dr. Davenant, who may be ranked among the eminent writers of this nation, has shewed, that the learning of a scholar, and the policy of a statesman, are not incompatible with the accuracy of a merchant.

In his treatise on the *East-India* trade, he has demonstrated the general advantages derived from thence to the public; the particular advantage it has been to the landed interest

interest of the kingdom; and the constant support it has afforded to the state. He has also confuted the popular and partial arguments that had been urged against the trade in general; or its being carried on by a company exclusive of others. Since his time, indeed, the trade has been greatly increased; and the public benefits derived from thence have advanced in proportion.

At the time the *East-India* Company was established, the rents of all the lands and houses of *England* were estimated, on the most exact calculation, at six millions *per annum*, at which time, the current value of the lands was twelve years purchase; consequently the value of the whole cannot be estimated at more than 72 millions. At the same time the stock of *England*, including silver and gold coin, bullion, wrought plate, mines, jewels, furniture, stock in trade, and cattle, was computed at 17 millions,

The present yearly rents of lands and houses, at a moderate estimation, may be deemed

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deemed 25 millions, which, at twenty-five years purchase, amounts to 625 millions, and the stock, at the lowest valuation, may be estimated at 262 millions; so that on a moderate computation, the nation must have gained 887 millions since that time, by its trade and commerce, as it has neither gold, nor silver mines, by which it could have increased its wealth.]

It is a difficult matter to estimate with any degree of precision, what part of this increased wealth should be placed to the account of the *East-India* trade. The national profit it has produced, when uninterrupted, including what it has brought in, in return for *India* commodities exported from hence to other countries, and what it has saved the nation, with respect to its own consumption, by keeping that money at home, which must have been sent out for the purpose, has been estimated at 1,200,000 *l. per annum*, before the establishment of the new company.

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Since both companies have been united, the trade has been increased very considerably; and the profits may, very reasonably, be computed at two millions *per annum*. So that, taking the profits before the companies were united at one million *per annum*, on average, and since that time at two millions, the whole profits will have amounted to 220 millions.

But when it is considered, that the wealth introduced by this trade has been employed in establishing and advancing several valuable branches of our manufactures; that these manufactures have, in consequence, become considerable articles of our exportation; that the money brought into the kingdom, on this account, has, by enriching and increasing the number of our manufacturers, been the principal cause of the increased rent and value of lands; that the considerable fortunes that have been acquired in *India*, or by that trade, have been chiefly employed in the purchase and improvement of lands and houses. It seems more reasonable to estimate the national profits

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fits that have arisen immediately, and in consequence of that trade, at one half of the increased value of the lands, and stock of the kingdom; which would then amount to 399 millions.

The increase also of our maritime power, which should be considered as a matter of still greater importance to this nation than the increase of its wealth, may, in a great measure, be attributed to this trade. It may be observed from general history, that whatever nation, from the days of *Solomon* to the present time, has been in possession of any considerable share of the *East-India* trade, has also arrived to a proportionate degree of maritime power; and that the maritime power of such nation has constantly declined, or sunk, in proportion to the decay or loss of this trade.

The *Hebrews, Phœnicians, Egyptians, and Romans*, were the greatest maritime powers in the world, whilst they were possessed of the *East-India* trade. The lesser states also,

as *Tyre, Sydon, Alexandria, Carthage*; and even *Venice*, and *Genoa* in later times, were each possessed of a considerable naval power, whilst they enjoyed a share in this trade. And it may be observed, that the maritime power of each declined, and sunk on the loss of it.

The *Portuguese*, by finding a passage round the *Cape of Good Hope*, ingrossed the whole trade of *India*; and from a very inconsiderable state, became, in a short time, the most formidable maritime power of *Europe*.

The *Dutch*, who first began to flourish in their commerce, by supplying the Northern nations with *India* commodities from *Lisbon*, were, by that means chiefly, enabled to attempt coming in for a share of the trade to *India* directly; and their assiduity and perseverance soon gave them such a superiority in that part of the world, as reduced the maritime power of *Portugal*; and raised their own to a greater height than any nation,

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perhaps, of equal native strength, had ever attained.

The *English* could hardly be deemed a maritime power, before the establishment of the *East-India* trade. The royal navy, in Queen *Elizabeth's* time, consisted but of thirteen ships, which at present is superior to that of any other state in *Europe*. And, however this may be considered as a consequence of this trade, it is most certain, that the maritime power of this, or any other kingdom, could never have been raised to any considerable height, nor can ever be supported for any considerable time, by other means than a flourishing, and extensive commerce.

The support afforded to the state by the customs, and excise paid on *India* goods, can hardly be determined with precision, but by the proper commissioners, or their officers. It is asserted to amount at present to two millions *per annum*; but supposing it a million and a half, which probably may be
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near the mark; this, with the 400,000 *per annum* paid by the company, amounts to as much, as pays the interest of 63 millions of the national debt; which must be allowed to be a matter of the utmost consequence to the public; and not to be risked on any plausible pretext, or even the most specious appearance of greater advantage.

And when it is further considered, how greatly the export of our manufactures has been increased of late, which has been chiefly the cause, of the decline of our colony trade not being felt as severely, as it otherwise would; that instead of sending silver to *China*, as usual, for the investment of that trade, the whole has, lately, been paid by the produce of our manufactures, and the profits of the company's revenue in *India*; that the profits arising from this trade to merchants, who export *India* commodities from hence, and to shopkeepers, and others who deal in them at home; to whom, in general, it brings four times as much as to the company; that the employment it affords to many thousands of

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manufacturers, shipwrights, sailors, &c. &c. not only enables them to maintain their families comfortably, but also to pay the numerous taxes on the necessaries and conveniences of life: I say, when these great supports of the revenue, and these other numerous benefits, are seriously attended to, one would imagine, this company most justly intitled to the favour and protection of government, and to the highest regard and esteem of the public.

Notwithstanding the numerous benefits derived from this trade to the state, and to the public in general, the late successes of the company in *India* could not escape the vigilance of a quick-sighted administration. The revenues they had acquired, became a spacious field for the searchers of ways and means to display their talents in; but as private property has ever been held sacred by the public of this kingdom, it became absolutely necessary to surmount that bar, before a pretence could be formed of laying hold on any part of them; accordingly the newspapers

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papers were stuffed with severe reflections on the company, who were publickly charged with having robbed the lawful princes of the country of their birth-rights and inheritance.

Several pamphlets were also published on the occasion, with an apparent view of prejudicing the rights of the company in the opinion of the public; though with little reason or argument to support the allegations they contained; the substance of which may be reduced to two points: that the company should be obliged to reimburse the expences the public had incurred in supporting them against the *French*, in the last war; and the second, which was still more alarming, that the company could not legally hold any territorial revenue; and therefore, that the whole of what they had acquired in *India* belonged, and ought to be appropriated to the use of the public.

It is not very difficult to persuade a person into an opinion that appears to be greatly for his

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his advantage; but however individuals may be swayed by interest, when a claim in favour of the rights of the public appears to be founded on false facts or assertions, it is required only to lay the whole fairly and clearly before them, and they will ever be on the side of justice; I shall therefore, to avoid entering into arguments on the occasion, state the matters of fact relative to each of these points, as fairly as possible, and submit them to their determination.

It may be proper to inform those who have been persuaded to believe the company has invaded the rights of the lawful princes of *India*, what kind of right, or title, these Nabobs, or princes have to the provinces in question.

Whilst the *Mogul Empire* flourished, the provinces were governed by Nabobs, who were a kind of viceroys (generally some of the *Mogul's* family) or great officers appointed by him to superintend the civil, and military affairs.

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He appointed also another officer, called his *Dewan*, or *Treasurer*, to superintend the affairs of the revenue of the province; out of which, the expences of the civil and military business were to be defrayed; and the remainder, to be remitted to the royal treasury at *Dehly*.

These were distinct offices and officers, each independent of the other, accountable to the *Mogul*, and appointed or displaced by him, at his pleasure; until, by the invasion of *Couli Khan*, the empire became so enfeebled, that the orders of the emperor, wanting the usual enforcing power, several of the distant Nabobs, having the military under their command, laid hold of the opportunity of seizing the revenues also; and by a proper application of a part among the emperor's ministers, which has ever been a prevailing argument with ministers of all kingdoms, except our own, and a promise of remitting a certain sum annually to the treasury, were often allowed to continue in the possession of the remainder.

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Souffraz

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Souffraz Khan, who had first been appointed dewan of *Bengal*, and afterwards Nabob of three provinces, *Bengal*, *Babar*, and *Orissa*, unfortunately admitted a brace of *Tartar* adventurers, *Hodjce Hamet*, and *Alliverdi Khan*, into his service; these brothers were, at first, in a very low situation; but the elder, who had extraordinary talents for court intrigue, soon perceived the great foible of his master to be an extraordinary passion for women, and by shewing himself the most assiduous of his panders, became, in a short time, his chief favourite, and at last the chief minister of the affairs of his government, as well as of his pleasures.

In the last of these offices he continued so diligent, that he never came into his master's presence, even when prime minister, without one of the most beautiful women that could be found, in his hand; by which means he kept him so constantly intoxicated, that he found sufficient opportunity to carry on his villainous designs.

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These brothers were extremely different in their dispositions; the elder, who had a head to contrive, and carry on the most refined, and consummate villainy, was timorous in his nature; the younger had no great share of policy; but he was endowed with the most invincible bravery and resolution. They were united by the strictest bands, the necessity of each other's assistance; for what the one could contrive, but dare not execute,-- the other, who could not contrive, had the courage to carry into execution, however hazardous or difficult.

Without entering into a minute detail, it may be sufficient to mention, that *Souja Cawn* died in 1739; and his son *Souffraz Cawn* succeeded him in the government; who, although apprized of the designs of the brothers, instead of taking proper measures to prevent them, indulged himself in the most excessive debaucheries, even so far as to disorder his faculties; so that *Alliverdi Khan* soon

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became powerful enough to meet him openly in field, killed him in battle, and then took possession of the three provinces, which he maintained by the most extreme villainies, as well as by the most consummate military skill and courage, to the time of his death; which happened to be a natural one, in 1756.

He was succeeded in the government of the three provinces by *Surajad Dowla*, his more inhuman grandson, whom he had adopted his son; whose barbarities to the *English* at *Calcutta* are too horrid to be described.

The villainy of this *Surajad Dowla* was deservedly chastised by Lord *Clive*, to whose courage and conduct, on that, and succeeding occasions, it must be allowed, the company owes, chiefly, its re-establishment, and subsequent successes in these provinces; but he received the proper reward of his barbarity, from a creature of his own, *Mirr Jaffier*, who murdered him, and became Nabob in his stead; chiefly, indeed, by the favour of the *English*, whom he soon at-

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tempted to requite, by calling in the *Dutch* to his assistance, and endeavouring to drive his benefactors out of the country,

For this, and other enormities, he was deposed, and *Cossim Ally Caron* placed in his stead; who, however dubious his conduct might have been in other respects, was most deservedly driven out of the country, for his inhuman massacre of the *English*, at a time they were negotiating a treaty of peace with him.

I shall not offer any arguments to prove the usurpations of these late Nabobs; for if any one, on considering the kind of tenure by which they held these provinces, can still be of opinion they were the lawful princes of the country, I am certain, no reasons can be of sufficient force to convince him of the contrary.

As to the justice of obliging the company to reimburse the expences of the government, in supporting them during the last war; the placing that transaction also, in a clear light, may probably be sufficient.

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It has before been observed of the *French* Company of the *Indias*, that although their affairs were seemingly conducted as a trading company, yet the whole business, in reality, was carried on, at the risk and expence of the crown, without any account of profit, or loss to the proprietors of the actions; which is a circumstance, that has not failed to involve our *East-India* Company in every war that has happened since, between the two nations; for the *French* Company, being merely an engine of the state, has been constantly employed at such times, in endeavouring to destroy our trade on the coast of *India*; which is thought the surest means of distressing the state, to which it affords so considerable a support.

In the war of 1744, they sent a considerable force to *India*, which succeeded so far as to deprive us of our chief settlement there; and were it not for the divisions that luckily happened between their governor in *India*, and the commander in chief of the forces
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sent from *France*, they had probably ruined all our settlements on that coast.

In the last war, they seemed determined to destroy all the company's settlements effectually, by the number of regular forces sent there; which was much greater than ever had been sent at one time from *Europe* to *India*, and commanded by one of their bravest, and most experienced officers.

It must be admitted, that their designs were, in a great measure, prevented by the vigilance of the ministry, and the bravery of the forces sent to their assistance; which, joined with those of the company, not only repelled the *French*, who had besieged *Madras*; but also destroyed all their settlements and trade on the coast of *India*.

It is hoped it will not be understood, as intended to depreciate the assistance given by government, or the bravery of the forces sent on the occasion, to say that the reduction of *Pondicherry*, and other *French* settlements,
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could not have been effected without the company's forces; and probably, the destruction of these settlements was as important a service to this state, and as injurious to the *French*, as any that was performed in the course of the last war.

It may be mentioned, in justice to the company, that they assisted also with their forces in the reduction of *Manilla*; which belonged to an enemy, from whom they were under no apprehension on their particular account; but abstracted from any plea of merit on the side of the company, it is, probably, the first instance, where it has even been alledged, that a particular body belonging to any state was chargeable with the expences of the public in its support or assistance against a common enemy, in time of war; and if the contributing a proportionable part to the general expences of government, can entitle any particular body belonging to it, to its assistance and support in time of war, probably, no part of the community will be found more largely entitled: and on the

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the strictest examination it will appear, that the whole expences of government in supporting the company, and in distressing the common enemy, in that part of the world, have been, already, more than fully repaid by the revenue that has, since that time, been received on account of this trade.

As to the pretended illegality of the company's holding territorial revenue in *India*, I shall not encroach on the province of the gentlemen of the profession, by entering into law arguments; but shall observe, as matters of fact, that the first territorial revenue they were possessed of in *India*, was by grant from King *Charles* the Second, of *Bombay*, which was part of the dower of his *Queen*; since which time, they have been in possession of the island, and all the revenue of it. That they have been a long time in possession of *Madras*, *Calcutta*, and other settlements; and the territorial, and other revenues arising from them, to the amount of about 40,000*l.* *per annum*; and it has never been imagined, till very lately, that they had not a just right and title to them. The

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The company has been empowered by charters, confirmed by acts of parliament, to make war and peace, and to conclude treaties with the infidel princes in *India*; which, to common reason, seems to imply a power to conquer; and, consequently, to retain, if they are able; or they must fight, certainly, at a great disadvantage; and the power of concluding treaties seems also to imply beneficial ones, or the company had been much better without it.

But, however clear this right of the company may be, to hold whatever territory, or territorial revenue they acquire by conquest, or treaty, for the security or advancement of their trade to that part of the world; it is, in reality, foreign to the case in question, relative to the revenues of *Bengal, &c.* which are rented from the *Mogul*, who, it is to be presumed, must be admitted the lawful owner.

On the death of *Mirr Jaffier*, the late Nabob, those who were in the management of the company's affairs at *Bengal*, saw the improbability, almost the impossibility, of pre-

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preserving the trade of the country, or the lives of their people in safety, without securing them effectually against the tyranny of future Nabobs; whose friendship they had found, from fatal experience, could not be ensured by gratitude, or any other obligation; whilst the power of injuring them remained in their possession. They took, therefore, the only effectual, and legal method too, if necessity requires the assistance of law, to preserve themselves, and the trade of the country, by becoming dewan of the emperor, and in consequence, paymasters of the military of the provinces; which is the only way by which the soldiers of that part of the world can possibly be held in proper obedience.

The company have, accordingly, received a phirmaund, or grant of the revenues of these provinces from the *Mogul*; and have agreed to pay him annually 400,000*l.*; which is as much as ever had been promised, and had seldom been paid by any of the Nabobs. They have engaged also to pay 450,000*l. per*
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annum to the Nabob of *Bengal*, to support the civil establishment of the provinces; besides the expences of the military, necessary for the defence of the country.

Whilst the Mogul Empire flourished, the mandate of the emperor was a sufficient protection to the trade of the company, and the lives and property of their people; but since the usurpation of the Nabobs, their situation has been most dangerous. The privileges formerly granted to them have been totally disregarded; their trade entirely stopped; their property pillaged; their settlements destroyed; their people massacred; and no less than their total extirpation intended by a compact with the *Dutch*; who, however amicable in Europe, have never failed grasping at any favourable opportunity that offered, of ruining our trade in *India*.

However the power of the Mogul may have been weakened, there can be no doubt of his right of appointing a dewan, or of granting the revenue to whom, and on what terms

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he thought proper. And the company's right of accepting, and holding the possession of this revenue under his grant, as long as they perform the conditions annexed to it, must certainly be as little doubtful. This right is freely acknowledged, and acquiesced in by the natives of that country; and the company might very reasonably have presumed it would have remained undisputed in this.

There never has been a transaction perhaps less liable to exception; there was hardly a possibility of preserving the trade of that country, or the lives of the people employed in it, but by accepting this grant of the revenue, and consequently becoming paymasters of the soldiery of the country; yet on this account, chiefly, has the company been charged with exceeding the bounds of their charter.

When one considers the weight of all that has been objected to the company, and the little danger there was of the legislature

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being ever prevailed on to deprive them of their evident rights; it must appear very surprizing, that a majority of the proprietors could possibly have been induced to agree to the payment of so great a sum as 400,000 *l.* for the liberty of dividing 64,000 *l.* of their own property; which is above 600 *per cent.* for the company had usually divided eight *per cent.* in time of peace, and were admitted to increase their dividends to ten *per cent.* only, the first year. Yet when it is, also considered, that the company had been publicly threatened to be deprived of their charter, which was alledged to have been forfeited by their acceptance of a grant of the revenue of the provinces; that several of the proprietors, who were entirely ignorant of the rights, or transactions of the company, might be easily intimidated, and glad to compound at any rate; that the company had received a formal order from the Chancellor of the Exchequer, not to increase their dividends until the parliament should determine relative to their rights; that many of the proprietors had purchased great quantity of stock,

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and contracted for a great deal more, with a view merely of selling to advantage on the increase of their dividends; that several of them had been privately promised, that the company should be admitted to advance their dividends to the full amount of what they could be induced to pay to the government; and it will account, in some measure, for the largeness of the sum; and its being agreed to by a small majority, after a long debate, which lasted till three o'clock in the morning.

But notwithstanding the numbers that may be supposed to have been influenced by these motives, it is highly probable the person who was Chancellor of the Exchequer at that time, however ingenious, or enterprising, would not have attempted carrying a scheme of the kind into execution, were it not for the unfortunate divisions that subsisted between the leading men in the direction of the company's affairs; for, had they been properly united, he must have known the impossibility of procuring the consent of

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a majority of the proprietors, by any stratagem; and without their consent, he could never have expected the concurrence of the legislature.

It must be allowed, that he shewed his skil in profiting by their divisions; and played the contending parties so dextrously against each other, that the peaceable proprietors became the victims of his success; and they found themselves, at last, duped into an agreement, by which they were deprived of the value of half of their property; but it is to be hoped, as they have bought their experience so very dearly, they may have learned the danger of putting their affairs into the hands of those, who cannot be expected to agree in conducting them; or, if possible, of ever suffering ministers to interfere in the private concerns, or the party divisions of the company.

Among the reasons publicly assigned, for the extraordinary proceeding of the Chancellor of the Exchequer, in assuming a
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power to stop the company from increasing their dividends, which they were authorized to do by law; the danger of a second *South Sea* scheme, and the unreasonableness of suffering the company to divide their profits, until their debts should be discharged, were strenuously urged. But however specious such reasons might have appeared on the occasion, they lost their force, immediately, on the company's agreeing to pay 400,000*l.* a year for five years, for being admitted to increase their dividends to ten *per cent.* the first year, eleven the second, and twelve and a half to be the *ne plus ultra*, for that term; but it is evident from this agreement, which was carried into execution by act of parliament, that there could not have been the least danger of imposing on the public, by the company's increasing their dividends as far as 25 *per cent.* which, however, had not been thought of; for the 400,000*l.* paid to the government, added to what they are admitted to divide, amounts to just as much.

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But it was necessary the phantom of a *South Sea* bubble should still be held up; and the dangers to be apprehended from this terrible apparition, were to be effectually prevented by a restriction, which limited their dividends to twelve and a half *per cent.* whatever the company's profits might amount to; without considering, that it must frustrate, in a great measure, the chief end of their establishment, the attempting new discoveries for the extension of trade and commerce; for it is hardly to be imagined, that men in their senses will risque their property in searching for new settlements, or new markets for our manufactures, however advantageous, or promising to appearance, when they are absolutely debarred from receiving any benefit by the success.

It must be allowed to be somewhat too late at present, to offer arguments against any part of an agreement, which has been confirmed by parliament; but it is to be hoped, it is not too late to apply to the justice, and equity of the legislature, for a
renewal

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renewal of the charter of the company; which may be deemed some kind of compensation for so great a sum as two millions, they have agreed to pay; and for which they have not received even the shadow of an equivalent; more especially, as the general benefits of this trade are so very manifest, and the impracticability of its being carried on to public advantage, but by a company, has sufficiently been evinced from the experience of this, and other kingdoms.

A renewal of their charter will be the surest means of securing their present acquisitions to this country, and promoting its trade to that. And a reversal, or at least an enlargement of the restrictive clause, by which their dividends have been so narrowly limited, seems requisite to incite them to endeavour the establishment of new settlements, and the extension of their trade and commerce; which, under the present restriction,
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common prudence must absolutely prevent them from attempting.

The *French East-India* trade has been repeatedly ruined, by some of the greatest of their ministers interfering too much in it; for, though a minister who guides the helm of a state, may naturally conclude himself capable of conducting any other business in it; yet there ever has been found something too delicate, or perhaps too free, in the nature of trade and commerce, to bear the restraint or controul of any minister.

Were it ever unfortunately to happen, that our *East-India* affairs should be brought under the management, or controul of any minister; however able or upright, might not the same fate be reasonably apprehended? and that it would be destructive of that trade and commerce, upon which the maritime power and riches, and, consequently, the safety and welfare of this nation depend in so eminent a degree? were it even possible
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that the riches of *India* could be brought into this country, through the hands of any minister, they must inevitably be destructive to the constitution.

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