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STRICTURES  
AND  
OCCASIONAL OBSERVATIONS

UPON THE SYSTEM OF  
BRITISH COMMERCE with the EAST INDIES:

WITH  
REMARKS AND PROPOSED REGULATIONS, FOR ENCOURAGING  
THE IMPORTATION OF SUGAR FROM BENGAL; AND HINTS  
FOR AN ARRANGEMENT OF THE TRADE, AFTER IT  
SHALL BE SEPARATED FROM THE REVENUE, OF  
OUR TERRITORIAL ACQUISITIONS.

TO WHICH IS ADDED,  
A SUCCINCT HISTORY OF THE SUGAR TRADE IN GENERAL,

BY

THE AUTHOR OF "A SHORT REVIEW OF THE TRADE  
OF THE EAST INDIA COMPANY."

L O N D O N:

PRINTED FOR J. DEBRETT,  
OPPOSITE BURLINGTON-HOUSE, PICCADILLY.

MDCCXCII.

ADVERTISEMENT.

THE whole of this publication was prepared for the press in the month of February last; under a general belief that Government had given it to be understood, that the duties and drawback upon sugar from East India should be put upon equal footing with those from the West India islands.

It now, however, appears that the measure is not yet positively determined upon; the reasoning, therefore, must be taken as founded on a supposition, instead of an established fact.

While this pamphlet was under the compositor's hands, the writer has been favoured with the perusal of a "General View of India Affairs," published by a Gentleman in office under the Board of Control; in which appear many statements correspondent with some of those herein produced, and which strongly corroborate the facts now laid before the reader.

From a hasty perusal of the book, nothing yet occurs to induce the writer of the Short Review to alter his result of the India imports for the five years comprehended in his statement. It is therefore

iv      A D V E R T I S E M E N T.

therefore again produced in Appendix, F. in contrast with one for the year 1790-1791.

Should any thing appear, upon a more careful examination of Mr. Anderfon's accounts, to induce a conviction that he is right, and the author of the Review mistaken as to the value of the trade for that period, an acknowledgment of the error will be found at the conclusion of this publication; his purpose being solely the establishment of truth for general information, not to mislead, or disseminate error, from any party motive whatsoever.

E R R A T A.

Page	Line	
52	3,	instead of carry with them, read carries with it.
ib.	9,	for elder, read Elder.
58	16,	for cloth and adventures, read cloth-adventures.
67	(note, line 2)	for and of the districts, read and of the capacity of the districts.
72	14,	for occupations, read occupations.
85	2,	for expedient shall, read requisite.
95	ult.	for this individual, read his individual.
100	17,	for here, read in Great Britain.
112	3,	for some or other, read some one or other.
137	17,	for encourages, read encourage.
144	(note)	for have called, read have call, i. e. demand.
150	15,	for muslin worn, read muslin afterwards worn.
168	8	for are, read is.

I N T R O D U C T I O N.

“ T H E R E cannot be any thing more  
“ worthy of a good citizen in a free state,  
“ than to study public affairs with candour  
“ and assiduity. It is his privilege, it is his  
“ birthright to apply himself to the know-  
“ ledge of those things, which as they be-  
“ long to all, ought to be the care of all;  
“ and in order to this all ought to under-  
“ stand them. In a free country, every man  
“ who is properly qualified may be called  
“ to take a part in government, and there-  
“ fore every man who finds he has ta-  
“ lents requisite to such enquiries should  
“ pursue them, that, whenever occasion of-  
“ fers, or his duty requires, he may be in  
“ a capacity to serve his country; that is

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“ to

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“ to serve it effectually, with utility to the  
 “ common weal, and with honour to him-  
 “ self. For these are circumstances insepa-  
 “ rable, and the public must be usefully  
 “ served, otherwise a man cannot be said,  
 “ or be conscious to himself, of having  
 “ served the public with honour.

“ It may be truly affirmed of this, as of  
 “ every other virtuous and honest employ-  
 “ ment, that a man finds his interest com-  
 “ bined with his duty. The study of pub-  
 “ lic affairs enlarges the mind, strengthens  
 “ the faculties, and extends all the powers  
 “ of his understanding. It was this, that  
 “ elevated the great men of antiquity to that  
 “ height of reputation, and made them seem  
 “ not only equal, but even superior to the  
 “ most exalted stations. It enabled them,  
 “ and will enable us if prosecuted with  
 “ due application, to judge of things from

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“ our

( iii )

“ our proper lights, to have opinions of our  
 “ own, and consequently to be out of the  
 “ reach of imposition, which is the only  
 “ method that leads to steadiness in conduct,  
 “ and to an invariable pursuit of our own  
 “ interests, by promoting those of our coun-  
 “ try. This is rational and intelligible patri-  
 “ otism, by which the happiness of the  
 “ individual springing from the welfare of  
 “ the public, he never can be tempted to  
 “ digress from the right road, or be flattered  
 “ with the foolish hopes of aggrandizing  
 “ himself or his family, at the expence of  
 “ his country, which this study will con-  
 “ vince him is a practice as weak as it is  
 “ wicked.

“ As the turning men’s minds to the con-  
 “ sideration of such things would be pro-  
 “ fitable to the state; so it would at the same  
 “ time be useful and serviceable to govern-  
 “ ment.

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“ ment. The views of an administration  
 “ can only, in the opinion of sensible people,  
 “ procure it either the denomination of good  
 “ or bad: and as the welfare of the state  
 “ must be the sole object of an upright ad-  
 “ ministration, it is impossible that such a  
 “ one should disapprove or discourage such  
 “ studies, or, to speak with greater propriety,  
 “ should not esteem and cherish them.

“ A good administration can derive its  
 “ stability from nothing else; for they will  
 “ be best supported by those, by whom their  
 “ designs are best understood. If then the  
 “ generality of the nation, or at least the  
 “ men of family and fortune, bend their  
 “ thoughts this way, and become thereby  
 “ both able and candid judges of their con-  
 “ duct, ministers who mean well, can never  
 “ have any thing to fear. Factions take  
 “ their rise, and are strengthened from im-  
 “ positions

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“ positions on weak understandings, and  
 “ have always a bias to luxury and licen-  
 “ tiousness, because they divert the thoughts  
 “ of men from the serious consideration of  
 “ their true interests to the gratification of  
 “ their humours, or their passions: but if  
 “ the real, certain, and permanent sources  
 “ of national happiness were closely and  
 “ candidly examined into, and clearly and  
 “ thoroughly understood, there would be no  
 “ room left for these delusions, *and the na-*  
 “ *tion, feeling its own felicity, would fear*  
 “ *nothing so much, as an alteration in its*  
 “ *circumstances; and a change of those mea-*  
 “ *sures, from which so many benefits had been*  
 “ *derived.*”

The meaning and motives of this publi-  
 cation are so much better expressed in the  
 above quotation (from a sensible book writ-

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ten in the year 1753\*), than the author of the following sheets could have done for himself, that the public, it is imagined, will readily excuse his adopting them.

The concluding remark appears peculiarly applicable to the present occasion. And the general sentiment so justly expressed therein, of the duty incumbent upon every citizen to enquire into the material interests of his country, it is hoped, may rouse the sleeping attention of the people of this kingdom to the contemplation of the state of our interests and connection with India.

In this view, this pamphlet is now offered to their notice, as well for giving an opportunity to the public to judge of the sub-

\* "Considerations on the Sugar-Trade: printed for Baldwin."

jects

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jects treated in it, as for enabling Ministry to adopt what they shall find useful and applicable to the state of existing circumstances.

Upon the principles laid down by this author, which no one at this time of day will attempt to controvert, every man ought to be able to deliver an opinion upon public measures. To form that opinion, he must have leisure to deliberate upon them, and a full state of facts before him, on which to form his judgment: he may otherwise be liable to similar mistakes with those upon which we have had frequent occasions lately to animadvert.

But it frequently happens, that many of those who wish to exercise their judgment upon topics of national importance, are precluded by the want of sufficient previous in-

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formation.

formation. Even the publicity which sanctions every act of our legislature, and which is one glorious characteristic of our constitution, has not been always able to secure to the members composing it either time or materials competent to correct properly their determination.

Had there been time for a sufficient investigation of the subject, the last motion, for an augmentation of the East India Company's capital, would not have been supported upon the grounds which were then adduced.

Happily this has not been the case with respect to our general interests, as connected with the East Indies or the East India Company. The frequent enquiries of the proprietors into their own situation; the dazzling splendour of our acquisitions of territory; the very difficulties into which seem-

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ing prosperity and success have thrown the whole India system, and which have repeatedly called for the correcting and protecting hand of the legislature, have altogether produced a body of information, which perhaps no other object of public attention ever brought forth in any government whatever.

But such is the magnitude and variety of the subject, that it requires no common abilities and application to form any just idea of the whole system, even admitting that a correct and faithful abstract shall be stated of the different branches which compose it.

Too great credit cannot be given to the present Administration, for the candour and openness of their conduct, in laying annually before Parliament both the materials and the result of their own labours in this department.

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They are undoubtedly entitled to the public gratitude by this line of conduct, and have acquired by it a degree of confidence, seldom before given to a British Ministry.

The time is now come when that confidence is going to be put to the fullest proof. A revolution is about to take place in the affairs of the East India Company, which certainly will materially change, and probably either improve or injure the general system of British commerce.

Upon this subject Ministry had precluded themselves by act of parliament; though not from acquiring information, yet from all efficient, active interference. It may therefore be a matter of doubt whether they themselves have as yet been able to collect all the information which the subject requires; and if Government do not, how can the other members of both Houses obtain

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obtain such lights, unless individuals, whose pursuits and occupations have thrown them into the way of acquiring knowledge of these matters from their own experience, will acquit themselves of their duty, by furnishing the result of their information to the public?

Aware of the danger of disturbing existing establishments, to make room for new ones, the following observations would never have been offered to the public, if it was not understood from authority, that great and important changes are determined upon.

A system is said to be actually framed for the regulation and future government of our commerce with the East Indies and China, which waits only the news of a peace in the Carnatic, to be submitted to Parliament;



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ment ; but no part of it is at present suffered to transpire.

The following hints and observations are the result of some experience, and much reflection upon this subject. If any of them coincide with the principles adopted by the servants of the public, they will confirm the author in his private judgment ; and if any new lights should chance to be thrown out, they are much at the public service.

The brief account of the Sugar Trade has been added in the Appendix (A), as a paper which cannot but prove acceptable to the public at this juncture, when the importance of it to Great Britain, and the encouragement proper to be given to the attempts at furnishing this commodity from Africa  
and

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and from the East Indies, are immediately under discussion.

The statements of Bengal accounts (C, D, and E) are given to support facts stated in these remarks.

The two profit and loss accounts (F and G) of the Company's import commerce, are contrasted, to shew the writer's impartiality, who trusts he is influenced by no party or private motives whatever, and in order to justify the remark (p. 20 of his short review), that the trade would probably become more beneficial under the present improved management, than it has been heretofore.

The writer has already explained his reasons for having changed his sentiment, at the conclusion of that performance, regarding the seeming impropriety of suggesting  
hints

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hints for the future management of the India commerce, before the plans of Government are submitted to Parliament ; and he trusts that every candid reader will justify his having, upon maturer reflection, adopted a different opinion.

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STRICTURES, &c.

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CHAP. I.

EAST INDIA SUGAR.

SINCE it has been wisely determined \*, at some future period, to put this necessary of life, imported from the East, upon the same footing with that brought from our dominions in the West Indies, by equal rates of duty and drawback, and in the mean time to encourage importations from thence ; and it has been demonstrated, that the commodity is obtainable from India in

\* When this was first written, it was generally understood to be the intention of our Government to equalize the duties on the next importation of East India sugar. We now find the measure postponed.—Mr. Dundas's answer to the West India planters, March, 1792.

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any quantity \*, upon terms which, even at the present chartered freights, promise a mercantile

\* Extract of a letter, dated Calcutta, the 19th August, 1791.—“ The kind of fugar usually exported comes from Benares, and is something like our West India clayed fugar; for it undergoes a second boiling; is cooled in pots; and refined, by passing the liquid through a sort of Jewaffee grass, instead of the West India method of claying; afterwards ground, to make the fugar soft and of a fine grain, which of course injures it in the same proportion for the European market. This was the kind of fugar sent home for the Company.

“ I think our strong grained fugar, fit for refining, would answer best; however, time will soon point out that which is most adapted to the home market.

“ All sorts of fugar and jaggery are now very cheap; but Benares fugar at 6 to 6½ current rupees the factory maund; Rungpore 4½ to 5½.

“ Jaggery, little inferior to Muscovada fugar, from one C. R. eight anas, to two C. R. the factory maund. I mention factory maunds and current rupees for the sake of easy calculation; as you know that one factory maund and a half is one hundred weight.

“ These are the present Calcutta prices, where I have always

mercantile profit, it obviously is become the duty, as well as the interest of the East India Company, to adopt the earliest and best measures for supplying the markets of Europe, through the port of London, with the quantity required.

The acquisition of revenue and naval

always found it cheaper, than purchasing, by advances, at the places of manufacture.

“ Sugar arrives at market about this time, and can be had here now in any quantity.

“ Benares fugar could at present be laden on board of ship, all expences included (viz. charges, transport and package, with Company's duties, and agent's commission added to the invoice-cost), at 20 s. 6 d. sterling the hundred weight.

“ Coarse fugar at 12 s. to 16 s.

“ Several of the distillers on the banks of the river are increasing their works, in order to convert their jaggery (the juice of the cane, as first expressed) into fugar and fugar-candy.”

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strength which this country will gain, by the restriction of this trade as much as possible to British bottoms, ensures the cordial support of Government to any wise expedients which the directors of the Company shall judge necessary to its success.

Although the private interests of any, however powerful, body of men, in whatever manner connected with the Company, may seem likely to be affected by the necessary reduction of freight upon this article, such consideration must not be permitted to prevail against the interest of the kingdom at large, which is deeply involved in the success of the sugar-trade.

Sugar, it is well known, is procurable in most parts of India; but Bengal was formerly the country which supplied the

greatest quantity for exportation. The cheapness of labour and provisions; the nature of the soil and climate on the banks of the Ganges and Berhampoota, with the extreme facility of internal transport by water-carriage, account for its being the principal mart for supplying all bulky produce required in the trades to Muscat and the eastern parts of Africa.

Sugar was never brought from India to Europe in any considerable quantity, since it became a branch of American trade. The Dutch Company have been sometimes obliged to import it refined from Batavia, when their funds abroad were insufficient for filling up the tonnage of their homeward-bound ships with more valuable commodities.

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This article has long been an object of importance in the eyes of individuals there, who contemplated with satisfaction the many valuable, though dormant, resources that country possessed for enriching our own; but no man ventured to embark in it while loaded with the Company's freight and impositions, and while the sugars from our West Indies sold in Europe at reasonable prices.

Notwithstanding which, a direct application was made to Government, at the close of Lord North's administration, pointing out this and other branches of cultivation; and an agent was sent to England expressly for the purpose of explaining them: but very little attention, and less encouragement, was at that time given to any thing which appeared likely to interfere with our West India islands.

Other

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Other reasons, besides the local advantages already mentioned, concur to recommend a preference of Bengal in the encouragement now at last intended to be given to East India sugar. The territory producing it is our own, and yields a considerable revenue, which may be improved by increasing its cultivation. Our possession of that country affords security to the Capitals employed in trading thither, and a certainty of regular supplies of merchandise in return.

These two points—the propriety of encouraging the importation of East India sugar at this period, and the preference of Bengal for its supply—being admitted, it will only remain, to adopt the most rational plan for purchasing it there on account of the Company. Much ability and intelli-

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gence will doubtless be employed in suggesting hints for the purpose. The following, it is possible, may afford some little assistance.

C. H. A. P.

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## C H A P. II.

## PROPOSED REGULATIONS.

**B**ENGAL sugar is an article of produce rather than of manufacture; equally so with salt and opium: the provision of it, therefore, on the Company's account, should be confined to the revenue department, until deposited at the port of Calcutta.

The zemindars and farmers should be allowed to furnish sugar, according to the nature and extent of their lands, at a reasonable fixed price, deliverable to the collector of each province at certain periods, on the spot most convenient for water-carriage to the presidency; and be permitted to pass the value, by instalments, in ac-

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count

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count of their respective annual rent or land-tax.

The ryots ought to be encouraged in this cultivation, by a reduction of the arbitrary nereck, or extra rent, exacted on all lands employed in sugar-cane; and by the liberty of choosing henceforth whatever cultivation they find most beneficial\*. Where, as in Bahar, the ryot pays his rent in kind, by delivering a proportion of every crop, the farmer's purchase-rate of so much as is given him in this way is ascertained without dispute. But, for all above, and where

\* As the success of this plan must greatly depend upon the emancipation of the cultivator of the soil from all arbitrary influence over his landed possessions, and this regulation goes to innovate upon the revenue principle at present in practice, though perhaps foreign to the immediate subject we are here treating upon, it may not be improper to consider a little what are the inherent rights of this description of men; a short chapter, therefore, follows upon this particular subject.

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the rents are discharged in money, an adequate price should be fixed for each district by Government; at which rate the farmer should be obliged to advance his ryot in money, or pass the amount of what sugar he receives, in the annual account between them,

No ryot should be compelled to contract at all, nor to part with more of his produce to the farmer, than he shall voluntarily have contracted for.

No farmer should be obliged to engage for thus supplying sugar, unless he shall see an evident benefit to himself by so doing.

The provincial revenue-collectors should make contracts with the farmers, and attend to the improvement of the cultivation.

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They should be charged with the reception and dispatch of the sugar to the export warehouse in Fort William, and take credit in their respective treasury-accounts for the sum allowed the farmers, as cost and for the subsequent charges.

A modification of the last improved regulations respecting the Company's weavers, the opium-makers, salt and salt-petre boilers, will enable the judicial officers of Government to protect the sugar-planters also against oppression.

The Kalfa, or general treasury, should be directed to charge the commercial board with the amount, cost, and charges of what is sent to them, in part payment of the general sum allotted for each year's investment.

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The board of trade will then ship what they have tonnage for to Europe, supply stores to the other settlements when required, and may put up the remainder to public auction; previously apprising the supreme council of their intention, and of the quantity remaining to be thus disposed of.

This article, if it can be brought home to advantage, cannot be carried on too extensively, while tonnage is obtainable; for it will improve the cultivation of our provinces, and absorb but a small proportion, compared to the bulk of the funds annually allotted for Bengal investments.

Should there at any time be obtained by the foregoing plan a greater quantity than wanted by the Company, the surplus (as  
salt-



salt-petre has often been) may be sold at auction, in the manner above recommended, to very considerable advantage.

C H A P. III.

PROBABLE BENEFITS OF THIS PLAN.

- I. **B**OTH ryot and farmer would be very considerable gainers. The influence of the one, and the industry of the other, would acquire new energy, from the certainty of a constant and profitable demand for what sugar Government required; without being limited in their plantations, or prevented from selling any surplus to others wherever a good market offered.
- 2. No advances would be required of the Company in this branch of investment;—no risks of bad balances.
- 3. The Company, becoming the most considerable purchasers, would be able to regulate

regulate the price, as to preserve it at a proper medium between the cultivator and exporter.

4. The Company would obtain this commodity at first hand without adulteration, and at the lowest possible rate; unclogged with the interest of money upon expensive buildings\* and heavy capitals, nor with inter-

\* The mill used by the natives for grinding sugar-canes is composed of two pieces of bamboe with the knots smoothed off, and the thick end of one piece turned to the thinner of the other, confined by ropes and four other bamboes staked in the ground under the tree most contiguous to the spot whence the canes are cutting. This mill does not cost two-pence all together, for materials and workmanship.

The rest of the process is proportionally cheap—a few earthen pots for boiling and refining, with coarse hempen bags to pack it up for market.

The fodder which the canes afford to the ryots cattle,

intermediate profits between the manufacturer and exporter, and without giving

cattle, goes a great way towards paying for the extra labour of this cultivation.

The lands require previous cleaning, and manure where to be had.

Two obstacles will probably obtrude to prevent this article, in the beginning of the speculation, proving beneficial to the company as traders.

The first that suggests itself is, the competition which individuals have meditated for monopolizing what shall be found at market, in order to bring it home on foreign bottoms.

The other, and more material, is the prescriptive right assumed by the farmers over the ryots, of exacting an extraordinary rent upon such of the lands as are employed in this branch of cultivation. In the lower part of Bengal, where the general Mahlgurarry, or rent, has been from ten to fourteen anas, or 1s. 3d. to 1s. 9d. sterling; three rupees and half, and four rupees, or seven shillings, and eight shillings, have been collected upon the sugar-grounds. Whether the difference goes into the farmer's pocket altogether, or is divided between him and Government, the writer of this paper is unable positively to determine.

occasion

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occasion to exert either influence or power, in order to induce the natives to increase the growth of this important article of produce.

5. The management of this trade would principally remain in the hands of the natives; and assist in maintaining a number of those, whom the late improved system of collecting the revenue has probably thrown out of public employment.

6. The cultivation of waste-lands will be much promoted by a liberal encouragement of sugar-cane plantations, which answer best upon soils that have lain some seasons unemployed.

7. The obvious good effects of this plan, with regard to the Company's interest, will deter Europeans from hastily commencing expensive sugar-works, and embarking large  
sums

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sums of money in buildings, mills and plantations: and if it succeed, afford them a cheap method of obtaining this and every other native produce for exportation, deliverable at the port of Calcutta, or even on ship-board, on the most advantageous terms.

Should the Company hereafter deem it expedient to adopt tobacco or any other product as articles of investment for Europe, this proposed method of providing sugar, if it succeed, will afford a ready and practicable precedent for collecting them.

Should the India Trade to this country be thrown open at any future period; responsible individuals would always be ready to substitute themselves in the Company's trading capacity, for taking off this commodity at a fixed rate, and hypothecating  
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it to Government, as collateral security with their own bills (upon registered shipping\*) for any remittances of surplus revenue to Great Britain. This mode of advancing part of the value under such security, is now beneficially practised in the article of Bengal indigo; and while it affords the Company a secure remittance at the exchange of 2s. 3½d. the current rupee, has all the effect of a bounty in the encouragement of that branch of cultivation.

The resources of Bengal are innumerable, and inexhaustible. If, therefore, the India Trade should be laid open, it will be no very sanguine idea to indulge the hope of soon after seeing employed in it annually, instead of nine ships of seven thousand and ninety-

\*The outlines of a plan for this purpose, traced out in the year 1791, is added in appendix H. for the reader's consideration.

five tons, taken up by the Company this year for Bengal, as many as shall make up the difference of British export freight, between the years one thousand seven hundred and eighty-nine, and one thousand seven hundred and ninety, which Mr. Chalmers states at no fewer than eight hundred eighty-six vessels of ninety thousand one hundred and nine tons burthen!!!

C H A P. IV.

PROBABLE CONSEQUENCES OF ADOPTING THE FOREGOING REGULATIONS.

IT seems a consideration of no little magnitude, to examine how far the opening this branch at all with India, may change the commercial system of the empire at large. Not merely how far it may affect the property and capitals employed in our West-India islands: that point, it is presumed, had been previously determined, before Government resolved upon equalizing the duty\*. The public voice has called for, and approved the measure.

We are now to trace the probable conse-

\* Refer to note 1, chap. i.

quences

quences and effects of encouraging large importations of sugar from the East-Indies.

Many people continue to doubt, how far it may be practicable, to obtain any considerable supply at all. But, if they will take the trouble of looking into the matter, sufficient evidence will occur, to establish the fact, that sugar, if not indigenous, is at least a plant so naturalized and congenial to the soil of Bengal; and that there are in it such large tracts of uncultivated land, and people in sufficient numbers so accustomed to the cultivation and manufacture of it in its first and marketable state, that a very short period only is requisite for enabling that country to answer the demand of the whole of Europe.

And whoever shall attentively examine the preceding regulations, will clearly perceive,

ceive, that, under proper management, those provinces are able to furnish to any amount required, and at a *cheaper rate than any other country on the face of the globe*, without slavery or oppression of any kind whatever.

How highly important, therefore, does it appear, to adopt the wisest measures at the beginning, for placing this culture and commerce on the footing most likely to produce extensive benefits to both the conquered and the mother country, with the least possible injury to the interests of our fellow-subjects in the West India islands!

In order to determine properly, it is necessary that all circumstances be fully stated. The question involves great national interests, moral, political, and commercial; it ought, therefore, to undergo the most candid and ample discussion.

The navigation of this kingdom is stated to have fallen off near one hundred thousand tons in the year 1790. How far it may have recovered during the last twelve months, cannot yet be ascertained.

Sugar, next to hemp and flax, is one of the most bulky articles imported on British bottoms\*.

Before the disturbances in St. Domingo, this article had been gradually rising in price; a pretty sure indication that the consumption was fully equal to the supply from America. It has since risen to an alarming degree.

Our own islands have been long threatened with a similar convulsion. Should one happen, from what quarter can Europe ex-

\* Most of our timber comes from Norway, in ships of that nation only.

pect to draw this necessary of life (for a necessary it is now become, equally with salt for our table), if not from the East Indies?

The laudable exertions of the society established for producing it in Africa, if crowned with a success beyond the most sanguine expectation of its warmest friends, can never, in this century, equal the growth of our smallest West India island\*.

The state of government and cultivation in the Brazils†, the earliest seat of American planting of sugar, tobacco and indigo,

\* The island of Barbadoes is said to have produced, between the years 1660 and 1760, hogheads sixteen thousand, or twelve thousand tons annually. This island is not larger than the Isle of Wight.

*Considerations on Sugar Trade, Baldwin, 1753, p. 27.*

† See page 7. of ditto.

gives

gives no great encouragement to expect any large additional imports from thence.

How far Spanish America may furnish beyond her usual crops, it may be difficult to calculate.

The Dutch planters at the Cape, are oppressed by every baneful effect of jealous monopoly, and colonial tyranny. They neither exist in numbers sufficient to be formidable, nor possess intelligence or Capitals competent to the purpose, even if the soil were proper for this branch of cultivation.

Our Government, then, would be without a shadow of excuse, were they to pass the present occasion of improving the British Trade from the East Indies, and securing, while in their power, the possession of this important

important branch of commerce and navigation.

It is much easier to retain than to acquire. We at this moment possess the means of securing a lead in this commerce; other states may be again \* encouraged, if we relax, to attempt a recovery of it.

Away then with all mystery or hesitation. Let every obstacle be removed that interferes with the national interest, with the sinews of our national strength.—But let the measures of Government be maturely determined upon, and gradually developed. The object is certainly obtainable, if proper measures are adopted: but it is obtainable only, by allowing them time to produce their natural effects.

\* Refer to appendix, A.

The

The late letters from India agree in reporting, that sugar, in the month of August last, was to be had in any quantity. Mr. Law produces an account of an increase in one district (where it had met with encouragement), in one year, from 100 to 1000 begas\*.

Sugar there, as here, (as hath been before observed with respect to salt) is equally a necessary of life, without which the natives can hardly subsist: they eat it with their victuals, drink it in their beverages, and smoke it with their tobacco. At the season for supplying that metropolis of our dominions, and the usual demand for exportation, which happened to be the time when these letters were written, Calcutta doubtless would contain a great quantity—a whole year's supply for home consumption and exportation. The calls of a few foreign Euro-

\* See Law's Rising Resources, p. 62.—Three begas of land make one English acre.

pean



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pean ship-owners for one or two years back, joined to the success of the samples brought hither since 1787, when the first East India sugar made its appearance, and the high prices our London prices current exhibited to the merchants there, may have occasioned some inconsiderable increase in the quantity brought down last season to Calcutta.

But, if our East India Company should require a loading for only three or four of their chartered ships, it would presently be found, that the demand there, exceeded the supply at market. The immediate consequence, every commercial man will perceive, must be such an advance of price, as will render a speculation in this article a ruinous one to the adventurers.

But this is by no means all the mischief. Ships sent out on purpose, must return with  
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something; they must therefore load with this or some other losing cargo. Sugar, therefore, would be enhanced, not only to the Company and the Foreign Trade, but to the Natives themselves—and the cultivators, once taught to expect this high rate, would expect it hereafter. The farmers would take an immediate advantage of the ryots, and, instead of lowering, would rise in their demand of extra rent for sugar-lands. A steady, gradual increase in the demand for produce and manufacture, is the true criterion of flourishing commerce and national prosperity, and is always accompanied by a gradual, progressive augmentation of price in proportion.

The experience of all civilized countries has demonstrated the fatal effects of any sudden increase of price in produce or manufacture. In the latter, it renders workmen  
exorbi-

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exorbitant in their demands for wages ; and idle, because they can live by labouring only a part of their time : it seduces the cultivator from his frugal habits of industry, and leads him into expensive modes of living, and slovenly husbandry. Merchants are tempted thereby into deep speculations, and compelled to enlarge their Capitals.

Whenever a stagnation happens in the demand, or a fall in the price, either from rival supply, or any other cause whatever, ruin is the merchant's lot, and beggary the other's ; and the country loses for a time, a beneficial branch of its commerce and revenue.

Such may be the consequences, if our East India Company too hastily or extensively enter into this enticing and popular speculation. It is earnestly to be hoped, that  
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the Directors have either limited their price or their demand, or have hesitated embarking in it at all for the present ; and that, if no better offer, they will have the candour to adopt some of the hints which are here humbly suggested for their information.

CHAP.

## C H A P. V.

CLAIM OF RYOTS TO THE RIGHT OF FREE-  
HOLDERS CONSIDERED.

THE admission of claim in behalf of the ryots or cultivators of the soil, to be considered as the only freeholders of Bengal, has been stated in the second chapter, as necessary to the success of the regulations there suggested for a proper extension of the cultivation of sugar in that country. This claim it may here be proper to examine.

Sir C. W. B. Rous, and most of the writers upon the landed property of India, have deduced the tenure of it from the sovereign to the farmer only; and seem not to have given sufficient weight to the consideration  
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of whom these sovereigns were composed; although they concur in representing them to have been a succession of conquerors, of different religions and principles, each governing by a despotic system of his own, which was dependant entirely on the temper and circumstances of the prince on the throne.

The government, of consequence, was rigid or mild, oppressive or benevolent, rapacious or moderate, according to the turn of mind or education, necessities or opulence of the conqueror himself, or of his immediate successor.

Titles to landed property of any considerable value, derived from such a source, must in their very nature, and in proportion to that value, be vague and capricious, without any settled principle or precedent; subject to be arbitrarily invaded by every suc-  
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ceeding conqueror: and, therefore, as Sir Charles W. has justly observed, considerations of equity and experience only, added to length of possession, ought to be admitted as important, in deciding upon the establishment of permanent titles to land under a government guaranteed by the British legislature.

In all these enquiries, little notice and less importance appears to be given to the most numerous and useful class of subjects, the ryot, or tiller of the soil. Though Mr. Grant begins his book with admitting them in their fullest extent, yet their titles seem hardly to have deserved attention: nevertheless, if the true end of all civil institutions be rather to secure the rights and happiness of the many, than the opulence and authority of the few, surely the rights of this description of people ought to have been ascer-

ascertained and established with particular precision.

Had the enquiries begun below, instead of at the upper end of the chain—ascended instead of moving downwards—instead of stating a capricious dispensation of property through favour from the monarch to his subject—had they admitted the dereliction of inherent rights of the people to the sovereign—the chain of connection would have appeared much more intelligible to a mere English reader, and the natural dependencies of one class of society upon the other might have been more readily traced, and more equitably established in future.

The original jurisdiction of the ancient Hindoo government may with great appearance of plausibility be supposed, like those of Syria and Egypt recorded in Scripture,

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ture, to have been purely patriarchal. Every trace left us of their primitive manners and habits of life carry with them a strong resemblance that tends to justify this supposition.

In those remote ages of pastoral simplicity, fixed property no where existed. The small societies, or rather families under direction of the elder most respected for wisdom and experience, wandered, like the modern Arabs, from place to place, directed solely in their choice of a temporary residence, by the convenience of water and pasture.

But in the progress and improvement of civil society, as arts and population increased, men became of necessity more confined to particular spots; and by long possession acquired property in the soil,  
which

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which they and their forefathers had cultivated and improved.

Such are the claims of the ryots of India at this day, and such the only real titles to any landed property whatever.

The Hindoo rajahs may be considered originally to have been the patriarchs of that country, and in process of time to have become its sovereigns; and the zemindars, and other subordinate characters of this period, to have been in after times created by them, and to have held no other authority than that delegated to officers employed in collecting the contributions of the people, in proportion to the property they possessed for the necessary support of Government.

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It is somewhere mentioned to his honour, that one of the ablest of the Mogul emperors made it a fixed principle of government, that no ryot should ever be dispossessed while he paid his full established rent. Were this rule now admitted, the ryot must be acknowledged the only freeholder, and all waste and abandoned spots of land become of course escheat, and lapse to the sovereign as lord paramount. The admission of this doctrine would amazingly simplify the revenue-system, without in the smallest degree weakening the title of zemindars and others to the posts of collecting the quit-rents, or land-tax of the districts of which they have been left in possession. Industry is the comfort, and property the offspring, of civil liberty.—Admit the cultivators of the soil to an absolute property in it, and to what they cultivate, and every stimulus to labour

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arises spontaneously from the boon, if that can be called a boon, from whence all titles are admitted, by the ablest writers on the subject, to have been originally derived.

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CHAP.

## C H A P. VI.

## PRINCIPLES AND CAPITAL OF THE COMPANY'S COMMERCE.

**I**T is taken for granted, that Government is satisfied of the necessity which exists for permitting the Company to comply with the public call for importing sugar from the East Indies.

They must therefore have maturely considered the remote, as well as immediate consequences of such permission.

On the footing it is here proposed to begin on account of the Company, the supply from Bengal will be gradual, certain, and productive of benefit. As it shall increase, the tonnage employed must also be augmented. If it ever shall acquire that importance,

portance, which circumstances and past experience in another part of the globe at present encourage us to expect, may it not be supposed likely to become too great an object to be left under a monopoly?—It is ardently wished that it may.

The East India Company have long been envied their exclusive privilege; but, generally, from mistaken ideas of the benefits of their trade. The papers so candidly produced annually, of late years, before Parliament, confute every idea of their having been gainers, upon the whole, by their commerce\*. Ever since their acquisition of the territorial revenues, the Company has been in the same situation as an Irish gentleman of five thousand a year, who, residing in this country, should allow

\* Vide Short Review, and the statements exhibited in Appendix.

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his steward in that to expend two thousand of it in repairs and establishments, and direct the other three to be laid out in the linen-manufactures of Colraine or Antrim, or the salt beef of Cork, to be sold in England by his factors in the city.

The steward, perhaps a tolerable judge of the value of land, and the method of managing tenants, becoming thus suddenly a dealer in linen and provisions, would fall into the constant blunder of those who undertake what they do not understand, and would make his purchases accordingly.

If the rental of the estate by any good fortune should increase, its lord of course directs the amount of his cloth and adventures to be augmented in proportion: and as he possesses little more knowledge (if so much) in directing the assortments proper for

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for this market, than his agent abroad in the method of buying, bleaching, and shipping off, it may easily be computed what kind of a remittance would be realized from the estate.

Such, for many years, has been the commerce of the East India Company—it may indeed be said, ever since they quitted their primitive character of merchants, and became a corporation of trading sovereigns.

This will appear the less extraordinary, when it is found that the Company has actually been carrying on its commerce from the date of the exclusive charter, to the present time, *without employing any real Capital\* whatever*, upon the circulation of its

\* Whatever Capital the Proprietors have raised, has been immediately applied, or the greater part of it, as an aid to Government.

In



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its own bonds, the sale of annuities, or upon the anticipated income of its mortgaged estate\*.

To justify this assertion, there only needs a reference to the repeated enquiries of the

In the year 1698 they raised 2,800,000 l. by payment of 87 l. 10 s. per cent. on 3,200,000 l. and after paying 400,000 l. to the old Company for the dead stock in India, two millions of the remainder was lent to Government at 8 per cent.

In 1701 the interest was reduced to 5 per cent. and a new loan made at the same rate, of 1,200,000 l.

In 1744 another at 3 per cent. without any call upon the Proprietors, 1,000,000 l.

In 1729 a douceur was paid of 200,000 l. and the interest upon the 3,200,000 l. was reduced to 4 per cent. per ann.

In 1750 the interest on the whole loan, at that time more by a million than the whole nominal capital of the Company, and amounting to 4,200,000 l. was continued to Government at 3 per cent. the rate at which it now remains.

\* Great part of the China, and nearly all of the purchases in India, have been made upon credit since the year 1780, and paid for either in bills in England, or in bonds or certificates bearing interest; all which were accepted on the security of the territorial revenues, not on their credit and property in a trading capacity.

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alarmed proprietary into the state of their affairs, and a perusal of the reports of several committees of the House of Commons appointed to examine them. It will there be discerned that neither the reports of proprietors nor committees, nor the different acts of parliament for instituting regulations and reform (suggested and passed, it must be supposed, at the request of the Court of Directors), exhibit any proofs of intelligence, or capacity in that body, at all adequate to the administration of so important a trust as they have held for above thirty years past.

C H A P.

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## C H A P. VII.

RETROSPECT INTO THE ERRORS OF THE  
SYSTEM OF CONDUCTING IT.

**I**T might be thought harsh or invidious to attribute this series of mismanagement to the men; let us therefore look for it in the system.

We shall there find, that, immediately after the acquisition of the territory, the attention of the Directors was diverted from the calm pursuits of regular commerce, to the contemplation of that immense wealth which was expected to flow spontaneously into Leadenhall-street, from the revenues of the new acquisitions.

A violent struggle took place between the set of men in possession, and those who, to  
justify

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justify their past conduct, and ensure success to their future plans, wished to obtain the administration of the Company's affairs.

Professional qualifications ceased to be considered as essential in candidates for the direction. Men of different professions, totally unconnected with the Company's interests or objects, intruded themselves into it, by means frequently not the most allowable; and, in order to keep themselves in power, every improper influence was for a long period exerted, to the ruin of the discipline of the service, the discouragement of merit, and the total subversion of all rule and subordination.

This must be allowed to be a true picture of affairs at home, until very lately.

Abroad, the rapid transition in the Com-  
pany's

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pany's affairs in Bengal, from impending ruin and extirpation to wealth and prosperity, as rapidly enriched those few of the senior servants who survived the Black Hole.

Unlooked-for affluence brought with it carelessness of public duty, and licentious contempt of order and regularity.

The departments of commerce and revenue, and the superintendance over the native administration of justice, all centred in the same persons; mostly young and inexperienced men, who had been educated for the service upon its original footing of a trading company. Here, however, the reader has an opportunity of observing the justness of the observation, that great occasions make great men. Some of these gentlemen have shewn a vigour of mind, and

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an integrity of heart, which do honour to the human character, and proved them equal to the occasion.

The natural consequences soon after appeared notorious. It became necessary to transplant servants from the other settlements, to take the vacant seats of those who had resigned, or been dismissed from the council. A set of thirteen *experienced factors* were sent from England, to govern the commerce, with orders to increase the investment in proportion to the supposed augmentation of the means for carrying it on. These latter gentlemen, on their arrival, soon found it convenient to blend the character of merchant with that of supervisor and judge, and became almost immediately incorporated with the other servants.

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Of those who went to Bengal from the other settlements, most of them were shortly after removed back again, on the plea of their having superseded the regular establishment.

The contagious example and success of our arms on the banks of the Ganges, inspired and encouraged similar attempts at conquest on the coasts of Malabar and Comorandel; and had, in a proportionate degree with their extent, the same ruinous effects upon the system of conducting the Company's trade, which in every part of India became more and more neglected.

The supervisors sent out in the year 1770 had, no doubt, strict orders to make this branch an early object of their attention: but the loss of them all in the Aurora fri-

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gate, again put off the period of this necessary reform.

In the mean time, our exports to India dwindled to a mere trifle. Our commerce with China, though better conducted, because really carried on more upon the principles of trade, was chiefly supported upon the credit of individuals, and with specie sent out thither from England.

The Directors were constantly pressing for larger India investments than the manufactures were able to furnish\*; and the go-

\* So little knowledge did they possess of the extent of the applicable funds for investment, and of the capacity of the districts for furnishing goods, that the annual indents, for many years, exceeded by one-half the amount which the Bengal government were able to appropriate; and in many instances the number of pieces demanded from an aurung was ten times that ever manufactured, and in much the same proportion beyond what could have been sold to profit, had the order been completed.—See Abstract Statement, in Appendix, D.

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vernment abroad imprudently encouraging the call, and accepting whatever goods were tendered for the supply, to the general debasement of the standard fabrics, and increase of their first cost.

This indeed would have been in some measure the case, if the allotments had remained on a lower scale, from the effects of blending all public employments in the same person, as already stated; but still more so, from the frequent changes of gentlemen from one station to another, before it was even possible for them to have become tolerably conversant in the local duties of any one of their three occupations:

The Directors did not long remain ignorant of the abuses which had crept into their commercial system, nor of the alarming debasement of the India fabrics. About the  
year

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year 1772 their letters breathed sentiments of great displeasure at the conduct of the Bengal council; and some members of it were removed on that account: but the functions of revenue and commerce continued even then in the same persons. Professional superintendants had about this time, as on former occasions, been sent over, for the improvement of the silk and cotton manufactures; and much might have been expected from the abilities and experience of the gentlemen fixed on, *had they been properly supported*: the neglect of one single precaution, it may fairly be inferred, prevented many of the good effects of their appointment. None of the professional silk or cloth superintendants, since Mr. Clerembauld, were admitted within the pale of the civil service. It will not be readily conceived what injury this omission has done to the purposes of their appointment, which, as it carried an implied censure upon the

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service in general, might naturally have been expected to excite jealousy and distrust; and, therefore, required every possible support of the persons entrusted with it, for rendering them respectable in their private characters, and responsible and independent in the line of their public duty.

Sufficient care was not taken of either; accordingly, we have seen them on their arrival reduced to the situation of subordinate, instead of superior officers, in their respective departments; instead of holding the controul under council, acting in the lower class of the executive branches, without the smallest portion being left them of that discretionary authority which had been conferred by indentures, and was expressly intended to be applied for their own credit and the benefit of their employers.

This degradation became the more mortifying

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tifying to them, and was the more injudicious in those who sent them out, because these gentlemen had frequent opportunities of perceiving others, certainly not better qualified than themselves, promoted to civil rank in the service; several of them merely upon the plea of that professional knowledge and experience which it had been the employment of their own lives to acquire; and of which the want of equal interest with their common masters, ought not certainly to have formed a sufficient consideration to deprive them.

By the regulating act of parliament, which instituted a supreme council and court of judicature, the commercial was first separated from the other branches of administration; but the inferior servants employed, continued to be taken from one into the other, as interest or inclination dictated.

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The superior servants, or members of the board of trade, were directed to be chosen according to seniority in the civil service, and to succeed in rotation. Experience has shewn this to have been a wrong measure; though doubtless suggested by a liberal desire of compensating the senior servants for their being cut off from succeeding in future to seats in council. The salaries fixed for them were much inferior to the emoluments of their juniors in several other departments, and to those from whence they themselves were immediately promoted. Their own former occupations in political and financial stations had little tended to qualify them for their new employment. Nor indeed ought it to have been expected, that men, whose lives had been spent in studying the principles of the governments of the countries connected with ours, or developing the intricacies of the revenue system of our provinces, should all of a sudden become experi-  
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enced merchants, and judges of mulmuls and raw silk.

The former of these errors was shortly after corrected, by reducing the number, and increasing the value, of seats at that board; and the second regulating act left the choice of persons to fill them with the governor general. But neither took place, till experience of all the mischiefs which ought to have been expected from such an arrangement had actually followed.

C H A P.

## C H A P. VIII.

## IN CONTINUATION.

THE resources afforded by the revenue to the commerce, which, for some years previous to the late war with Hyder, had been superabundant, soon after its commencement, failed altogether. The Company, having no Capital of their own, and having been accustomed to rely on the revenues for the supply of all their commercial funds, were unable to afford the smallest assistance from England; and *yet persisted in demanding large investments from abroad.* A fatal and ruinous expedient was adopted to furnish the supply. Their cargoes were provided upon contracts, at credit, payable in paper instead of money: at first in bills on England, and afterwards in bonds and certificates,

certificates, which, though bearing an interest of eight per cent. per annum, continued all through, and long after the war, to suffer a heavy discount. The evils of this expedient, the best that offered at the time, do not seem to have been apprehended at home till their consequences were severely felt; and perhaps at this moment, may not be fully understood by many. To those who do comprehend them, it will be matter of surprize to be informed, that the investments sent home at that time deserved and obtained the approbation of the Directors and of the buyers at the Company's sales: that the fabrics in general were well kept up, and the nett value received for them by the contractors was very little, if any thing, above the rates given at this present time for the same commodity. These are facts deliberately asserted, and which can be proved by  
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unquestionable evidence. Though the system was defective, yet there was certainly some merit in the conducting that part of it in which the administration at home had no share whatever.

This partial retrospect of the late commercial system of the Directors, is here given in order to shew some of their errors in principle and practice, which will in a great measure account for the constant and increasing loss the Company have incurred by this part of their commerce; and that the mismanagement abroad, to which only this loss has been generally attributed, was the natural and inevitable consequence of the mistakes and misconduct of the former administrators at home; who, if they had really meant an earlier reform, ought to have taken the same pains, and might have obtained the same

same full information, which have enabled the present court of Directors to effect such great and beneficial alterations abroad.

The few instances here produced, are such as principally contributed to the general neglect of the true interest of the Company. Numberless others might be adduced, if they were at all necessary to prove this position.

It would be in the last degree illiberal to attribute all these abuses to the want of knowledge and attention in the Directors of that period, though many of them can be ascribed to no other cause: or to withhold, in this place, the testimony which such conduct deserves, that of late, indeed, since the accounts of the commerce as well as revenue have been annually laid before Parliament, greater attention appeared to have been

been paid to the trade than heretofore; and the effects of that attention are visible in the improving state of the profit and loss account of the Company\*.

The reform, however, has only been completed abroad; and was effected there, more by the integrity and persevering firmness of Lord Cornwallis, than by any respect for the example which had been heretofore set the servants in India by their superiors and fellow-servants in Leadenhall-street.

\* To illustrate the truth of this remark, see Appendix, F. for a profit and loss of five years trade, between 1784 and 1789, and G. for one of the year 1790-91.

## C H A P. IX.

EXPEDIENCE AND PRACTICABILITY OF  
DISSOLVING THE PRESENT COMPANY.

**M**UCH the same struggle for power, and intrigue for confining the direction to the *aristocracy of the house-list*; the same secret influence of a powerful combination of ship-owners; the same expensive home-establishments, continue, at the present hour, to burthen and embarrass the real interest of the proprietors. Most of the persons employed in it are attached to the system by long intimacy, and by such a variety of complicated interests, connections, and dependencies, that, notwithstanding there are others among them, of the first ability, unshackled with these trammels, yet it may well be doubted whether it is even possible

possible for the existing Company, upon a separation of the revenues, ever to return to its primitive character of a trading corporation, with equal advantage to that of a new association, founded upon the enlightened principles of modern commerce, and unencumbered with the prejudices of the old system, or with the evil consequences of long perseverance in error and difficulty. No one will deny, that there exists at this moment a spirit and intelligence in the merchants of Great Britain, with competent funds at their command, for framing and conducting a commerce of this magnitude, without depending upon Government for a Capital, who will be ready to undertake either the whole China and India trade together or separately, with or without the exclusive privilege, *provided all restraints upon India importation be totally abolished.*

If Parliament are of opinion that a character

ter is at all necessary, and that the present should be abolished, the measure to be taken is obvious, and practicable without danger, at an inconsiderable expence.

The present Company's nominal capital is 5,000,000 l. on which a dividend of 8 per cent. is now received, or 400,000 l.

Government owe the Company 4,200,000 l. at 3 per cent. interest, and pay annually 126,000 l.

The proprietors, independant of the territorial revenues, admit themselves to be insolvent.

Parliament has repeatedly decided, that these revenues are the property of the State: they now lapse to it *unconditionally.*

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Government has promised them a liberal consideration, whenever the revenues are taken away.

Instead, therefore, of entering into account with the Company, for the value of forts and garrisons, floating or fixed stock, factories, or marine establishments; if Parliament will vote only to insure the proprietors a continuance of their present dividend, which will cost two hundred and seventy-four thousand pounds per annum, all the world will regard it as a most liberal arrangement, worthy of the nation who makes it: not the liberality of the lion dividing his prey, nor the liberality of a mere statesman dispensing his patronage; but a fair, equitable compensation, for the risks which the corporation has shared with this country, in acquiring and preserving the three provinces. The value of them appears adequate

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quate to recompense both. The occasion of doing so now presents itself; and the necessity, as well as justice, of the measure, must appear obvious to every man who will reflect upon the subject.

In proportion to the extent of the Capital, and the privileges of the new Company, they will require more or fewer of the buildings and stock of the old, for which they of course may be expected to pay a reasonable price: such others as can be disposed of, may be sold by public auction, and both go a great way in reimbursing Government for this compensation, if the sums they produce do not entirely repay it.

By such an arrangement, and the Government taking all the debts upon itself, those of the trade as well as of the territory, the creditors will readily be induced,

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on better security being given, to accept of lower terms for the liquidation.

In granting a dividend of 8 per cent. to the proprietors, the present high price of the Government funds operates to the disadvantage of the State, inasmuch as it will be paying an extravagant interest upon five millions, the amount of their capital stock. But, in funding whatever of the Company's debts shall be transferred to England, it operates the contrary way upon a much greater sum.

The Company are now paying from 8 to 12 per cent. on their debts abroad, and 4 per cent. on that which runs at interest in England. Government may at once reduce the latter to three; and, very soon after the accounts of the conclusion of the present war shall have been published by authority, will find no difficulty in obtaining the consent

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of the India creditors to accept of five, until as much of it as shall be thought expedient shall be paid off. In this point of view, it surely becomes both safe and expedient, for an administration so completely in possession of the public confidence, to lose no longer time in waiting for that event; since every protraction of a measure universally admitted to be necessary, occasions so great a loss of interest and credit upon a Capital, for which it seems agreed that the nation is to be ultimately responsible.

Many and greater advantages appear likely to result to Government from the establishment of a new corporation, than a continuance of the present; some of which perhaps were in contemplation, when a minister asserted last year, and repeated in this, that India was more likely to assist England

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with

with its finances, than to call upon it for support.

All the abuses of the old system will be done away, without personal investigation or punishment.

All the funds arising from sale of the quick and dead stock, cargoes, and commercial buildings, which can be converted into money, beyond the actual English debts of the Company, will go towards redeeming so much of the public debt of the nation.

All discussion and disagreement with the old proprietors about the value of this property, and the expence of a commission of liquidation for adjusting the business, will be totally unnecessary.

The terms granted to a new set of proprietors,

proprietors, whether under an exclusive charter, or a mere power to trade corporately, may be settled, as the lotteries are, by acceptance of those proposals which hold out the most beneficial and safe conditions.

If it be considered that 274,000 l. per annum, the proposed compensation, will be too heavy a burthen for the kingdom to take upon itself, in addition to that of the accumulating debt upon the revenues, it may be made a stipulation with the new proprietors, that part of it shall be paid by a small additional duty upon tea, which will now bear an increased impost. Much of the remaining sum may be expected to arise from the customs upon sugar, rum, and the other new branches of importation, which will every day open upon us from the East Indies.

But granting that Parliament immediately

ately take the Company's affairs out of their hands, it may very properly be asked, how are they to be administered until an agreement takes place with a new set of proprietors? It is incumbent upon us to be ready with a reply.—A plan pursued upon something like the following outline, may perhaps be immediately adopted without risk or inconvenience.

Declare all the property, debts and demands, of, and upon the Company, to be those of the state: and, for the present, continue all the servants in their stations and appointments; but liable to all the penal statutes to which the officers of Government are already subject in cases of malversation or breach of trust.

Separate entirely the department of commerce, and place it immediately under the  
 controul

controul of the board of trade and plantations, to whose department it naturally belongs; and let that board act independantly of the India board of commiffioners, in liquidating all commercial accounts, carrying on the trade, and effecting a settlement with the new corporation.

## C H A P. X.

TENDENCY OF AN ENCOURAGEMENT OF  
THE SUGAR TRADE FROM EAST INDIA,  
TO COMPEL THE THROWING OPEN THE  
TRADE ALTOGETHER. ADVANTAGES  
TO BE EXPECTED FROM THAT MEAS-  
SURE.

**T**HE relative situation of the Company  
at this crisis with the kingdom at large,  
will, it is hoped, justify this long digres-  
sion.

We left the growing resources of Bengal  
(for from these only of our India posses-  
sions, have we any resources adequate to  
our establishments) in a train of increasing,  
from one single article, sugar, to a magni-  
tude

tude which must stagger and astonish those  
who have not before considered the subject.

When it is also considered, how many  
other unexplored branches of native pro-  
duce have been stifled, and are still locked  
up by the narrow influence of an exclusive  
privilege, and what an extent of British  
navigation would have been now employed,  
had the trade been laid open, every liberal  
mind will regret, that the apparent necessity  
of its continuance has so long sanctioned  
this exclusive charter of the East India Com-  
pany. Till of late no opportunities have  
occurred of fairly investigating the question;  
but it is hoped and expected, that the  
period is now arrived, for giving it a full  
and candid discussion.

Already the mounds of this monopoly  
have been sapped and weakened, by the  
admission of individuals to a considerable  
share



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share of the import trade, under express licence of the company itself, who by this permission have tacitly acknowledged the insufficiency of their own capital, for carrying on the trade to an adequate extent, for loading back even their own chartered shipping.

However disastrous it may have proved in the outset, to those who availed themselves of this licence, yet it will soon appear, that individuals will find means of employing it to more advantage, than the corporate body can, or have done, since the year 1757. The acute industry of people, where their own interest is at stake, will always go beyond the official zeal and activity of the most faithful servant of another, especially of a public body, constituted like our East India Company.

The Company's duty of seven per cent. upon this private trade and privilege, already  
amounts

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amounts to too large a sum \* to be hastily abandoned. In the present state of their affairs, it may be highly inexpedient to do so. If the permission is to be continued, through the Company, burthened as it is with this duty, with high freight, and enormous fees of office, time will sanction that as a right, which at first was an indulgence; and the legislature will at length perceive the hardship imposed upon a great part of his majesty's subjects †, in favour of a smaller number.

The shipping ‡ necessary for bringing home sugar and gruff, if that trade succeeds to our wishes, will be found to increase. Let us then cherish the pleasing hope, that the period is fast approaching, and that

\* On a medium to nearly 70,000l. per annum.

† Refer to Appendix, E.

‡ Refer to Appendix, H.

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many of us may yet live to see the day, when the capital and credit of a Harley himself shall be incompetent to the building, and the docks of a Parry too small to careen, the shipping employed in the British commerce with East India. Let every man contribute his ideas for the improvement of the minister's plan for producing these national benefits now said to be under deliberation; and let us candidly and cordially assist, to give it full credit and effect. In this spirit, and with these sentiments, have the observations, now submitted to the reader, been suggested.

Let the philanthropy of a Smith banish all narrow, selfish principles; but let the philosopher in trade remember, that he is a *British* merchant. It may undoubtedly be *expedient* to continue the whole exclusive privilege for some years longer; but this is certainly the moment, for giving its com-  
merce

merce such a turn, as shall render it safe and proper, hereafter, to throw open all the resources of India indifferently to the nation at large, and to our sister kingdom on the other side of the British Channel.

It is impossible that ministers can be ignorant of the variety of these resources; and whenever their importance is justly calculated, and the advantages of employing them become generally known, it will be as impossible as impolitic to leave them much longer hampered by the shackles of monopoly, or stifled by the incapacity of any existing company, to furnish the funds for collecting them. The resources of a great body, like the Company, for obtaining assistance when necessary for extending their speculations, are infinitely fewer in number, than those of an independent merchant of credit and known capital. This individual  
acute

acute attention will find out, and successfully prosecute, numberless channels, which are either below the notice, or escape the observation of the managers of such a corporate body of traders.

What then must be the comparative extent and advantage of any such corporate body, against the collective intelligence and capitals of a whole nation of merchants? All that Mr. Adam Smith says of the advantages of a division of labour in manufacture, may here be applied to a division of monopoly in commerce.

## C H A P. XI.

DISADVANTAGES TO THE REVENUES  
ABROAD, AND TO THE STAPLE MANUFACTURES OF BENGAL.

AND yet, to take the other side of the argument, a very serious objection will occur, whenever the India trade shall be laid entirely open—an objection, which our friends of Lancashire and Scotland will gladly find started here. It is this: that \* throwing open the exclusive trade in muslins and cotton cloths will inevitably debase, if not entirely ruin, the staple manufactures of Bengal; and therefore, to a certain degree, injure our revenue from that quarter.

This point it is highly necessary should

\* For a more extensive view of this subject, and its influence upon British manufactures, see Extract of a Letter written in the year 1790; printed in Appendix, B.

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be well understood: it, therefore, calls for some explanation in this place.

The annual purchases of cotton and silk, piece goods made for the East India Company in Bengal, have amounted, since the year 1757 \*, from forty to one hundred lacs of current rupees—400,000l. to a million sterling.

These goods in general have been bought by advances to the weavers, and, conformable to standard musters, or sample pieces, lodged at the export warehouse in Fort William, with which samples all the goods are compared before package for exportation.

Whatever complaints the Directors have seen occasion to make, from time to time, of the supposed debasement of their invest-

\* Vide Appendix, C.

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ments from India; it has yet appeared, to the credit of those intrusted with their dispatch to Europe, that the buyers in Leadenhall-street, have ever been justified in relying upon the standard fabric and dimensions of the goods packed in Bengal; and that foreigners were, and are, able to send over their commissions with safety from year to year, in confidence that the marks upon the packages *would faithfully indicate the quality and denomination of their contents*. It is this single circumstance more than any other which has preserved our ascendancy in this trade, over that of the other foreign companies, whose samples have all fallen into our hands; and over private adventurers to India, who have no means of applying to them, and whose method of conducting their business obliged them mostly to purchase what our Company rejected. A weaver, working for the latter,

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knows

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knows his cloths are to be submitted to a severe comparifon, and applies materials and attention accordingly; and his attention, with that of the workmen in most of these fabrics, operate as much as the quality of the material upon the value of the joint production.

The preservation therefore of these standards, and the continued obligation upon the greater number of people employed in manufacturing cloths, to keep up to them, have been the means of preserving to that country its hitherto unrivalled excellence, or superiority: the withdrawing such a call would very shortly occasion its loss.

An opinion may here be hazarded, though with infinite hesitation and diffidence, that our manufacturers here are no more prepared to avail themselves, *all at once*, of such an advantage (if it should now

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be thrown in their way), than the merchants of the kingdom, of the commerce at large, if the exclusive charter should now be abruptly taken from the East India Company. To pave the road for both seems therefore to be the present business.

It appears, then, that there are other objections to the total abolition of the Company, besides that of the necessity of providing for a safe remittance of the surplus revenues of Great Britain.

On that head, the writer of these observations humbly presumes that it would be even practicable, at this moment, to depend upon secure and certain means of realizing them, without leaving the exclusive trade from India any longer in the hands of the Company. The recep-

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tion which these sheets shall meet with, may determine him to lay them also before the public.

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A P P E N D I X.

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APPEN-

## APPENDIX. (A.)

*A short Account of the first Introduction of Sugar into America: taken from a publication in the year 1753, entitled "Considerations on the Nature of the Sugar-trade." Printed for Baldwin, Paternoster-row.*

**T**HE canes, which produce that sweet liquor of which sugar is made, grow in all the four quarters of the globe; and in three of them spontaneously. They were certainly known to the ancients, though what we call sugar was not; for the manufacturing the sweet juice of the cane into that form was the invention of the Arabians, who bestowed upon it the name it bears, calling it, in their own language, *succar*. It was brought by the Moors into Spain, and cultivated by them with the greatest success,

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success, in the kingdoms of Granada, Valencia, and Murcia.

In the two last it is made in great perfection, though not in great quantities, at this day; for though it is computed that the Spaniards import to the value of at least a million of pieces of eight, in foreign sugars, yet this is owing entirely to an error in government, and the insupportable tax of thirty-six per cent. which has already reduced their sugar-works very low; and, notwithstanding all the remonstrances that have been made upon this subject, may very probably in process of time put an end to them.

About the beginning of the fifteenth century, the Spaniards introduced the manufacture of sugar, and very probably the canes, into the Canary Islands, where they thrived exceedingly; producing great wealth

to

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to the inhabitants, as well as a very large revenue to the crown. In 1420 the infant Don Henry of Portugal, the great promoter of discoveries, directed sugar-canes to be carried from the island of Sicily to that of Madeira, where they prospered so happily, as that, within a district of nine miles in compass, the fifth, which that prince reserved to his military order, amounted to fifteen hundred hogsheads of sugar, each of a thousand weight; and consequently the whole produced seven thousand five hundred such hogsheads; which in those early times, and when the vessels employed in trade were so small, was thought, and with great reason, a very considerable improvement.

The same nation, having discovered and begun to plant the country of Brazil in America, turned their thoughts to the cultivation of the sugar-canes, *which they found naturally*



*naturally growing there*, and prosecuted their endeavours with such effect, that, chiefly from the profit they derived from this commodity, they began to form to themselves very extensive views; believing that from *the advantages of situation, climate, soil, and rivers*, they might be able to carry their commerce higher than any other nation; to which predilection in favour of Brazil, *some authors of good authority have ascribed the decline of their affairs in the East Indies*. But these hopes, whether well or ill-grounded, were frustrated by the invasion of the Dutch. The Spaniards, having the like views with the Portuguese, by the direction of Ferdinand the Catholic, carried sugar-canes from the Canaries to the island of St. Domingo, where they were first planted by Pedro de Atença, and the first sugar-mill was erected by Gonzales de Velosa in 1506: but finding the natives unfit for these labours, they

they introduced negro slaves; and thus we have traced the history of this commodity and manufacture, *which had flourished from time immemorial in the EAST* to its introduction in the WEST-INDIES.

At what time sugar was brought into England, it is difficult to say; but that it was in common use in 1466, appears from the record we have of the feast given by Dr. George Nevil, when he was installed archbishop of York, where, it is said, "there were spices, sugared-delicates, and wafers plenty." In that very old treatise, entitled, *The Policy of keeping the Sea*, the author, inveighing against the useless things brought by the Venetians from the Indies, adds, "that they furnished but very few of *the necessaries of life* except sugar." In succeeding times we had this commodity, as may be collected from our old writers upon trade,

trade, from Spain, Sicily, Portugal, Madeira, Barbary, and other places; which, as the use of it increased, may very probably be supposed to have created a desire of obtaining some country for ourselves, in which it might be cultivated in a degree sufficient for our consumption.

The famous Sir Walter Raleigh, by his voyages to South America in the reign of queen Elizabeth and king James, had raised so high an opinion of the riches of Guiana, that, after his unfortunate death, the project of planting that country was pursued by Sir Olyff Leigh, who sent his brother thither; and afterwards by other gentlemen, who at length desisting from their pursuit of gold and silver, were content to form plantations there; and after occupying and deserting several places, at length fixed upon the mouth and banks of the river Surinam, which,

which, though very little notice has been taken of it by our writers, seems to have been the first sugar colony we ever had, and to have grown by degrees to more importance than perhaps it has been judged proper to preserve in remembrance, as this country was ceded to the Dutch by the treaty of Breda. It may however be proper to take notice, in support of what has been said, that it appeared, a few years before it was given up, to have had sixty thousand inhabitants, *two-thirds* of whom were *whites*, who made there great quantities of sugar, ginger, indigo, and cotton; and by allowing all nations to live and trade there freely, without any civil, religious, or commercial restraint, employed about two hundred sail of ships, amounting in the whole to upwards of fifteen thousand tons. But though the country was given up, it was stipulated that the people should have full

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full liberty to withdraw with their effects ; and, in consequence of this, the greatest part of the English retired to some or other of our plantations.

According to some accounts, a ship sent by Sir Olyff Leigh to the country of Guiana, first touched at Barbadoes ; but according to others, this island was discovered by a ship of Sir William Curteen's, returning from Fernambuco, in Brazil, about the beginning of the last century. It afterwards, as we shall more than once have occasion to mention, was granted by king Charles the First, by patent dated 1627, to the Earl of Carlisle, together with other islands, upon pretence that he had been at great expences in settling them. The inhabitants spent near forty years in raising indigo, ginger, cotton, and tobacco, and then bethought themselves of sugar-canes, which were brought

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brought hither from Brazil ; and this in the very short space of *ten years* so changed their affairs, that the planters, from being poor, grew to great opulence, and, either importing or purchasing great numbers of negroes from Africa, extended their plantations, not more to their own emolument than to that of their mother-country ; and it was owing to the sudden and surprizing fortunes they made, that the *value of the sugar-trade came to be understood*, and cherished as one of the most beneficial in which the English had ever engaged ; in consequence of which, several of the most eminent planters were by king Charles the Second created baronets, that it might appear the temple of honour was open to those who added to the strength of the nation by improving the arts of peace, as well as such who signalized themselves in her defence in a time of war.

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Those who were settled in our other islands, led by the example of the people of Barbadoes, introduced the manufacture of sugar likewise into them, and Jamaica being added to our dominions, produced a vast augmentation of sugar territory; so that, during the latter moiety of the last century, *we greatly exceeded all the other nations* who had hitherto dealt in this commodity; and no new, formidable rivals as yet appearing, we carried it on with such advantage, as to export great quantities of sugar even into those countries from which we had imported this commodity heretofore, particularly into the Levant, where, by selling our sugars cheaper than they could make them, all the plantations formerly settled in the Turkish dominions gradually declined, and, except in Egypt, at last wore out.

But, in consequence of our making such immense quantities of sugar, it became

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requisite

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requisite to take every method of promoting its consumption at home, in order to the support of our colonies; the foreign market having only a certain extent, the commodity was in danger of becoming a drug if this expedient had not been found to keep up its price: this however clearly shews what a mighty change was made in our circumstances in respect to this very valuable article of commerce.

The French came somewhat later than we into these parts of the world, as will appear even from their own writers, and were not so early in making sugars, though they found the canes actually growing in the island of Martinico; nor did they make any great progress for many years after they began to plant sugar, notwithstanding they had the assistance of many of the Dutch, who took shelter in their islands after the

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Portuguese

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Portugueze drove them out of Brazil. This was owing to a great variety of causes, but more especially to most of their islands remaining a long time in private property, being transferred from one proprietor to another; their desire of grasping more islands than they could occupy, their depending too much upon a military force, and their not having a sufficient number of negroes. Many of these errors were corrected in time; but then they had new difficulties to struggle with; so that after all, though they did proceed but slowly, and made little or no figure in the sugar-trade till after the conclusion of the treaty of Ryfwick, when the nature and consequences of commerce began to be thoroughly understood, and vigorously prosecuted under the auspice of Colbert, who wisely considered the acquisition of trade as a more solid foundation for power than the acquisition of territory, and *who*

*was*

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*was very careful in drawing his lights from the most experienced merchants, not only in France, but in all other countries in Europe, which he again farther improved, by submitting all the informations they gave to the ablest politicians.*

The acquisition of part of Hispaniola was another very great, though not an immediate advantage to the French; for they acquired it gradually, and not without considerable resistance, which, as it hindered them from planting, so it prevented, at least in a great measure, the apprehensions that otherwise would have arisen from so great a conquest. After they had effectually fixed themselves there, they quitted their sugar plantations in the island of Tortuga, which had succeeded very well, but appeared insignificant in comparison of what was expected from St. Domingo, to which the in-

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habitants

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habitants removed. The war, on account of the succession to the crown of Spain, gave a temporary check to their improvements; but at the same time it was beneficial to them in another point of view, as it delivered them from any further disputes with the Spaniards; and though we were already jealous of the progress of their sugar colonies, yet we were so much occupied by the war in Europe, and the efforts we made in America *were so indifferently conducted*, that, though they did suffer, yet still they suffered much less than otherwise they might have done if we had been more attentive to our interests, and to the favourable opportunity we then had of effectually preventing them from becoming, as they have since been, our most formidable rivals. By the treaty of Utrecht, indeed, we acquired the cession of those quarters which they possessed in the island of St. Christopher's; but  
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the French planters removed from thence into their other islands; and, as they did not want land, this cession of their part of St. Christopher's was no disadvantage to them, though it has certainly proved a very considerable benefit to us.

From the conclusion of the peace of Utrecht, they have been much more attentive to their interests in this particular, have thriven accordingly, and have had many other incidental advantages. Their islands were *full of people* when they began to set in earnest about their sugar plantations. Their government has been very attentive to their interests, *more especially in point of duties*, which, notwithstanding all the exigencies of their state, have ever continued low, which has been a great encouragement to their planters. Besides this, many wise regulations have been made in respect to  
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fending *white people*, as well as black; and great encouragements have been given, not only for the support of their industry, but also for supplying them with negroes. But possibly with all these advantages they never could have carried their improvements so high, if it had not been for the assistance given them by the inhabitants of *our* northern colonies, in taking off *their rum and melasses*, which was a benefit their own government could not give them, and a detriment to us, which, though early discerned, and loudly complained of, never could be effectually redressed.

The Dutch came first into America with an armed force, and with a strong fleet attacked Brazil, being in the hands of the Spaniards, who were at that time masters of Portugal; made a great impression there in 1624, which they prosecuted with such effect,

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effect, that they became masters of six of the fourteen captainships into which that country is divided; which they held about thirty years, and in which they made *annually about twenty-five thousand chests of sugar*.

After the Portuguese had thrown off the Spanish yoke, they endeavoured to expel the Dutch from Brazil, which at length, in consequence of the long war the republic had with the English, they accomplished; though the cession was not made till the year 1661, when, amongst other advantageous articles, the states obtained the sum of eight millions of florins, which they condescended to take in sugar, and other merchandise, under the title of an equivalent. In the first Dutch war in the reign of Charles the Second, they took from us the country of Surinam, which was ceded to them in exchange for New York, by the treaty

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treaty of Breda in 1667; and that cession confirmed by the treaty of Westminster in 1674, during which period, and for some time after, that is, *till the French king suppressed his West India Company*, the Dutch availed themselves of most of the sugars made in the French islands, in which commerce they are said to have employed an hundred sail of ships. To their colony of Surinam they have now added Brebecie, and Ifaquepe, upon the same continent; and though the whole *of this country is very marshy and unwholesome, yet they are thought to make a quantity of sugar there, not much inferior to what they brought from Brazil while it remained in their hands.*

Besides these colonies which are on the continent of South America, they have likewise the islands of St. Eustatia and Curacoa, &c. places that would be very  
infig-

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insignificant in the hands of any other nation; but as they manage them, they are very advantageous; for being a kind of free ports, to which the ships of all the European nations resort, they avail themselves in time of peace by a smuggling trade to a very large amount, and in time of war they are still greater gainers by a contraband commerce. The vast magazines of all kinds of European and East India goods which they have constantly well supplied in these isles, and the conveniences they afford to the ships of all nations that resort to them for the sake of trading with each other for commodities, and in a manner not permitted any where else, brings them at all times a great resort of vessels; by which the Dutch inhabitants are vastly enriched; and by keeping their duties low, and taking the advantage of all sorts of trade, they send home very considerable returns annually.

But



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But besides all this, they have always drawn, and still continue to draw, immense advantages from their art *in refining sugar*, particularly at Amsterdam, to which port they brought amazing quantities formerly, not only from Barbary, Portugal, and Madeira, but also from the Levant and Egypt, as they still do from their own colonies, from England, France, Brazil, and, when it can be done with profit, from their settlements in the East Indies, particularly in Java, where they make vast quantities. These refined sugars, by means of the great rivers in Germany, the Weser, the Elbe, the Rhine, the Mein, and the Moselle, they vend through all that extensive and populous country, and exchange them for various kinds of raw commodities, which are afterwards manufactured in their own provinces; and thus by their perpetual attention to the wants of all their neighbours, their dexterity  
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in turning those wants to their own advantage, their indefatigable industry, and the cheapness of their navigation, they are much greater, and also much surer, as well as more constant gainers by sugar than is generally imagined, or, if this matter was more fully explained, would be easily credited.

The Danes have been long in possession of St. Thomas, an isle that lies the most to the west of any of those that are styled the Virgins. It is, in truth, little more than a very high mountain, with a narrow skirt of flat ground round it, not quite twenty miles in circumference, but with a tolerable good port; and that, when once entered, safe and commodious. The use they formerly made of this island, was much the same that the Dutch still make of St. Eustatia and Curacao; that is, they admitted ships of all nations, and took no exceptions at any kind of  
trade.

trade. In this they went even beyond the Dutch ; or rather, the Dutch carried on in this Danish port that sort of commerce with privateers, which they did not think it quite so safe to carry on in their own ; and by this means left the odium of such practices upon the Danes, and drew the profit arising from thence to themselves. But things are now quite altered. When the French quitted Santa Cruz, which lies five leagues from St. Thomas, the Danes entered into possession of that island, which is much more considerable in extent, being thirty miles long, and nine or ten broad ; and though there are eminences, yet there are no mountains. Upon those rising grounds they have abundance of different sorts of fine timber ; but the water is bad, and the air unwholesome. Both these islands were in possession of the Danish West India Company till very lately, when his present Danish majesty, *having*  
*bought*

*bought up their actions*, dissolved that company, and gave every sort of encouragement that could be devised or desired for the improvement of these small islands. In consequence of this, the sides of the great mountain in the before-mentioned small isle of St. Thomas, are at this time so thoroughly cultivated, that it yields between two and three thousand hogsheds of sugar annually ; and this last-mentioned island of Santa Cruz, under all its disadvantages, is in a very fair way of being also very completely planted, though chiefly by British subjects ; and by this means Denmark will be fully supplied with sugar for the future, and will also have some to spare for foreign markets.

By thus tracing succinctly the history of sugar, or rather the trade in sugar, we see through how many different hands it has  
passed.

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passed. We may also, without any great difficulty, discern the causes that have produced those alterations. It will from hence appear, that it is not the bare power of cultivating the canes, *which is very practicable in different parts of Europe*, and it has been shewn that they grow naturally in the three other parts of the globe, nor yet the skill of manufacturing it, which will preserve this trade to any one nation. From thence it follows, that the hopes of monopolizing sugar, and, in consequence of this, selling it at an advanced price, is a mere commercial chimera; the very attempting of which would very probably transfer it back to some of its former possessors, or, which is full as likely, fix it effectually in the hands of the inhabitants of Holland, who owe their success in commerce to their steady adherence to a very simple and plain maxim, “ That  
 “ those who can sell the best commodity  
 “ cheapest,

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“ cheapest, will always command the market.”

There might be many more points of great utility deduced from a larger history of this very lucrative commerce; but attempting that would too much swell this little work, in which what has been said was principally with a view to introduce a very succinct enumeration of the advantages that arise from the share we have in the sugar-trade; for without having a general idea of the whole, it is simply impossible to judge with any degree of certainty or precision of any of its parts; as the particular benefits that arise from them are chiefly derived from the relation they bear to the whole; and therefore the surest, as well as the clearest way of rendering these visible, is to point out and illustrate the several circumstances by which our sugar colonies

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lonies prove, in various respects, serviceable to Great Britain, and thereby amply repay the protection they receive from, and at the same time merit the continual attention that, for her own sake, ought to be paid by them to, their mother-country: for without thoroughly understanding, and keeping constantly in our minds, this natural, this inseparable connection of interests, we shall be liable to continual mistakes; as in truth all the errors into which we have ever fallen in this respect, have been owing to no other cause than that of supposing, in consequence of some plausible pretences, that there might be a difference between the interests of this nation in those colonies, and the interests of our countrymen settled in those colonies, which can really never happen: so that, in consequence of our being deceived by such appearances, the wrong measures into which we have been so deceived

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ceived have been always equally dangerous, and in some instances fatal to both.

The inhabitants of those of our American islands which, from their principal commodity, or rather manufacture, are denominated the sugar-colonies, are composed of whites and blacks, or, in other words, of British subjects and African slaves. It is from the skill and industry of the former, supported by the painful and indefatigable labour of the latter, that not sugar only, but various other commodities also to an immense value, are raised in those countries, and exported to different parts of the world. It is the cheapness of the labour of these poor people, who likewise procure from thence the greatest part of their own subsistence, *that those costly and extensive works, which are necessary in a sugar plantation,* are derived, as well as all the other necessaries

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that it requires, and whatever else contributes to the support, conveniency, and the affluence of our countrymen in these isles, who are their masters: and indeed it is to this circumstance of the cheapness of their labour, that the sugar-trade, with regard to Europe at least, is in a great measure confined to America, as, on the other hand, its being confined to America is the principal cause of its affording such a variety of advantages, and more especially of its contributing so highly to the support of navigation, and, in consequence of that, to the maintenance of naval power.

A P P E N-

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## A P P E N D I X. (B.)

*Extract of a Letter written in 1790: occasioned by the frequent Application of the Manchester and Glasgow Manufacturers to obtain certain Restrictions and Limitations of the Cotton and Silk Piece Goods, usually imported by the East India Company.*

— **W**ITHOUT a total deficiency of all public spirit, and of every liberal principle, it is impossible to avoid acknowledging and applauding the indefatigable, persevering industry, with which the manufacturers of Great Britain are struggling to rival and excel the cotton fabrics of India. The prodigious abridgment of labour obtained by their spinning-machines, and the improvements of the

K 3                      looms

looms at Manchester and Glasgow, have inspired most sanguine expectations of success.

No man wishes better to the interests of his country than myself, or would be more averse to suggest any obstacle to its prosperity. I could easily point out the difficulties our workmen have still to overcome; but for the present shall confine myself to examine whether benefit or injury would be likely to happen to the sale of British muslins and calicoes, were the supplies from India prohibited, greatly reduced, or diverted from our market altogether.

I am perfectly aware that India piece-goods have gradually enhanced in price, and been debasing in fabric, for some time past. This may as well be acknowledged to have  
been

been really the case ever since the recapture of Calcutta in 1757.

But it has not therefore followed, that they have sold here at proportionably lower prices. The auction-rates have been, and always will be, governed by the extent of the demand and supply.

My countrymen have, no doubt, already informed themselves of the medium rates at which every article has sold which they mean to imitate. Its cost was immaterial to them, so long as the commodity was certainly to be brought to market, and sold here to the highest bidder.

If a British weaver can bring piece-goods for sale, upon equal or lower terms, and retain a living profit by his labour, his end is

K 4                      answered,

answered, and the state reaps the benefit of his skill and industry.

But as these rates are liable to constant fluctuation, he will carefully examine what have been the highest, and what the lowest rates in a certain period; and estimate thereby whether he may expect to subsist for a length of time upon the probable medium profit.

All this, it appears, has been maturely investigated. The raw material will be constantly supplied for the future, and improvements continue to be made for applying it to the best advantage.

I have seen a pamphlet\*, printed about

\* An important Crisis in the Calico and Muslin Manufactory of Great Britain.

two years ago for private circulation, in which it is sanguinely asserted, that our weavers *are entitled to more than a fair opportunity of entering into competition with those of India; because the revenues of that country, remitted hither in manufacture, instead of proving a benefit, are, on the contrary, a serious misfortune to us.*

Upon which there occur to me the following observations:

The taste and perfection of British and fancy goods may have secured a constant demand; the rage of the mode for all kinds of muslins and cotton fabrics, may warrant and take off an increase of supply; and the influence of the manufacturing towns encourages a renewal of the application to Ministry for a restriction or prohibition of India piece-goods: but a total, or considerable

able abrupt stoppage of them, though either might raise the price of our own for the moment, I think myself able to demonstrate would be the occasion of more ruin and distress than the bankruptcies of 1787.

The first consequence would be felt abroad. The foreign companies, and adventurers established on the banks of the Ganges, knowing that the English had stoppt their annual purchases, would suspend their own, till the manufactures should have fallen to so low a rate, that they should be able to carry them to the continent of Europe upon terms infinitely *lower than any British competitor could come to market.*

A glut of goods there will first follow the suspension of the Company's provision, from the necessity of employing the raw material which had been prepared for its  
manufacture,

manufacture, and upon the consequent fall in price, a scarcity will ensue; for the weavers must leave off when they can no longer subsist by their profession; and the spinners, who generally cultivate no more of the cotton than they consume, finding the demand cease, will pluck up their capafs, or cotton plant, and sow grain and vegetables in its stead, for sustenance of themselves and families.

The spinner and weaver having nothing to exchange for money, must necessarily subsist upon the product of their gardens, or of the lands they may undertake to cultivate, and pay their quit-rents thenceforward in kind out of the surplus production. Whereas at present the chain of intercourse is kept up between the ryot and manufacturer, by a barter of the necessaries of life produced by the one, for the money  
received



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received in payment of merchandise manufactured by the other.

The great mass of the people of India wear very few clothes themselves: most of the lower class manufacture their own, at intervals between the seasons of sowing and reaping their grain.

The weavers by profession depend almost entirely upon foreign demand, and require advances before they can purchase the thread for beginning the process. Few of them have any stock beforehand, or are able to dispense with a supply of work for a few months only.

A disappointment, therefore, reduces the family to misery and distress, and cuts off all expectation, not only of that government receiving the land-tax due from the

weavers

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weavers themselves, but from the ryots also, who regularly supplied them with provisions while they had money to give in exchange.

I agree perfectly with the author of the *Important Crisis*, that, when any preference should be suffered to exist, the manufacturers of the mother-country ought to have the scale turn in their favour. I must also accede entirely to his opinion, that there are just and equal rules for encouraging fair competition, which affords infinite advantage to a state, and improvement of its manufactures. The spirit with which he has asserted the rights of British manufacturers of cotton cloths, does honour both to his head and heart; at the same time his demand of a complete possession of the home market for British cottons, appears both unreasonable and impolitic.

3

He

He seems not sufficiently aware of one insuperable objection to the whole of his reasoning against imports of an occasional surplus of goods abroad; which is this: having been manufactured, they must be brought to market. Had this market been shut to them, the owners must have either sold at an under-rate to foreigners, or have sent them to be disposed of on the continent of Europe, on still lower terms than they have produced at Leadenhall.

In this case, not only the price at the Company's sales would have been affected in a greater degree than he states to have happened; but the evil he himself complains of, in the name of the British weavers, would also have been increased.

Again, the India revenues are certainly worth more to Great Britain than *the amount*  
of

*of the raw material* of goods remitted hither in manufacture.

In the first place, they afford considerable aid to our customs and excise.

2dly, An employment of the national marine, and a school for some of the first navigators the world can boast of.

3dly, The possession of them keeps down the other maritime powers, by excluding them from these resources.

4thly, It already supplies Great Britain with some raw materials for its own manufactures, and is capable of affording many more.

5thly, It levies a tribute upon the Continent, in proportion to the sum paid to us for their purchases of India goods; with-  
out

out which the balance of trade would alter by an equal amount, and which, if not supplied by us, would be fetched by their own shipping.

Indeed I have always calculated in the gross, that the national stock of this kingdom has been annually increased to the amount of the gross sales of India and China goods, after deducting what has been sent abroad towards paying for them, and expended in acquiring and defending our territories there. I conceive this to be a short and correct mode of appreciating the value of our connection with that country\*.

For

\* This proposition has been lately confirmed by Lord Hawkesbury's declaration in the House of Lords, that "our manufactures have called for more goods, than they have raw materials for working up."

The object, therefore, is to find out a method of obtaining

For enabling that country to pay any revenue at all, the manufacturers must find employment — that employment can only be continued by a demand for its product. The question then is clearly this, whether as much of that product as possible shall be brought to Europe on English bottoms, and pay freight, duties, commissions, and charges to this kingdom, or to its rivals in East India commerce? I conceive there can be no difficulty in pronouncing for the former.

While East India imports are obliged to be fairly sold by auction to the lowest bidder, at one open market, and at stated periods, there surely does exist a fair and politic competition between British and India

taining the raw material on terms low enough to enable us to make use of it to profit, and in the mean time to supply the market with the deficiency wanted, at the smallest possible cost to this country, by drawing it from those tributary or dependent upon our own government.

L goods,

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goods, which affords opportunity to benefit by every proper advantage which the former derives, from an ample supply of the raw material, and the immense abridgment of labour in its machinery. To go farther, and either limit the foreign imports below their present quantity, or prohibit them altogether, would answer no purpose whatever, except throwing the reduced quantity *at a still lower price* into the hands of Dutch, French and Danish competitors.

Happily for the manufacturers abroad, we now know that they are at length emancipated from the necessity of working at any fixed price against their inclination. This humane decree is most certainly an *important* and happy *crisis* for them. It seems also to promise no small benefit to their brethren of this country, as it will produce, in a few years, a proof how low each species of  
goods

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goods can be made *abroad*, to afford the maker and the exporter each a livelihood.

Till this shall appear, I must still continue to think that our enterprising countrymen are proceeding too rapidly, and are actuated by much more sanguine expectations, than the event will probably justify.

Good government, while it cherishes this patriotic energy, will always continue to check its exuberance, by keeping in view all the possible bars to success.

While India muslins and calicos shall be fairly purchased, and openly brought to this market, the British weaver will have a compass to steer himself by without risk, and to point his industry to productive imitations; or, which will be still more beneficial, to ingenious *substitutes*.

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I can-

I cannot resist enforcing upon his mind the importance of preferring the latter. Imitation of any article, though ever so exact, even if improved upon the original, is only bringing an additional supply of the same kind to market; whereas the invention of a substitute constantly acquires the preference given to novelty, and often induces a demand for both.

The different species of muslin and calico at this day made abroad, though they are something debased in fabric, are almost universally of the same kind with those imported by the first adventurers round the Cape. Whereas, we at home have the opportunity of varying ours *ad infinitum*; of leading the wearer through all the labyrinths of fancy, or catching immediately every caprice of the mode.

If it be true, as I have every assurance and reason to believe, that they have already spun finer yarn in Scotland than any employed on the Company's fabrics at Dacca or Santipore, in the proportion of 240 to 163, *and that this thread will bear manufacture*, there can be little doubt of their soon producing finer muslins than are brought home; and thus they will get possession of the superfine as well as the fancy branches, upon both which there is no doubt of their being able to put their own value.

They already enjoy the advantage of receiving ample supplies of the raw material from India itself, and all other quarters, without paying any duty, while the Company are charged 15 per cent. on all muslins, and from 37 to 46 per cent. upon the coarser cotton cloths.

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The public spirit of the nation is laudably giving a preference to the produce of its own looms, which it is the business of our own people to retain ; by every possible attention to preserve, vary, and perfect their fabrics of all the different articles which afford a profit to the maker.

But, to attempt to exclude India piece-goods at this early period, which our ladies might perhaps think ungenerous or ungrateful, would very probably make it fashionable to wear no other, and thus open a fresh road to smuggling ; which would carry off double the sum now paid for every piece of foreign muslin worn in Great Britain.

The British weaver need be under no apprehension that individuals trading in piece-goods occasionally, under the Company's licence, will long continue to bring what shall

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shall yield a loss instead of a profit. I have elsewhere shewn, that some late speculations which have given great alarm, were the necessary expedients of persons who found themselves loaded with what they could not sell abroad ; or the rash adventures of unexperienced people, who erroneously calculated upon profitable remittances, and have suffered severely by the experiment.

No danger can be expected again from this quarter.

It should be recollected, that the Company's cloths are made from standard musters or samples ; that the weaver's price has been long fixed, with little variation ; and therefore, that while an Indian investment, to the amount of only a million prime cost, shall continue to be annually provided, very

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inconsiderable reductions will be made in the rate given for it by the Company; whose purchases will of course influence the price of what is bought there for other markets.

Whereas, if the Company's demand should cease, not only the goods on hand at the time would be thrown into foreign markets at an under price, but the necessity of subsistence would at length force as many of the weavers, as could find employ, to continue supplying those markets upon much lower terms than they are at present obliged to pay.

And while the low rate of produce afforded profit to the importer, no funds would be wanting to furnish the foreign demand with India fabrics without stint or limitation;

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limitation; so as effectually to exclude those of this country from the continents of Europe and America, at any profit whatever.

The preceding arguments have been principally applied to the British manufacturer; to the British merchant will be obvious, both the advantage and necessity of India goods for framing *assorted cargoes* for foreign markets. As long as India commodities are in demand, he *must* have them for that purpose, or lose not only so much of his trade as their individual amount, but moreover, that of all the other articles which are the immediate or cheaper product of the country which supplies what he cannot, and which else it would have been his province to furnish.

Inattention to this most important  
maxim

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maxim has often lost a nation very beneficial branches of its commerce: ours is too intelligent and clear-sighted to forego those advantages it has long been in possession of, from attention to this single circumstance.

APPEN.

A P P E N D I X. (C.)

ABSTRACT shewing the Value of Remittances in Merchandise from BENGAL to GREAT BRITAIN, on Account of the EAST INDIA COMPANY, between the Years 1757 and 1788-9 inclusive,



ABSTRACT of Cargoes dispatched by the BENGAL Government to ENGLAND on Account of the EAST INDIA COMPANY, including Package and Boat-hire, exclusive of Factory and Establishment; from 1757 to 1764.

	Ships.	Redwood Maunds.	Saltpetre Maunds.	Bales.		Value.
1757	3	2,700	18,000	2,709		23,56,310
1758	4	3,600	24,000	4,803		36,65,618
1759	6	5,100	37,400	4,887		37,64,134
1760	4	3,600	7,708	3,275		26,04,980
1761	4	4,215	44,286	3,626		31,72,000
1762	5	5,760	34,650	3,559		30,20,805
1763	4	3,150	20,100	4,008		33,38,000
1764	3	2,700	27,000	3,344	2,759,630	
		Deduct from Ship Bute, returned and lost		-	309,141	24,50,489
	33	30,825	213,144	30,211	Cur. Ru.	243,72,336

ABSTRACT

ABSTRACT of Cargoes dispatched by the BENGAL Government to ENGLAND, on Account of the EAST INDIA COMPANY, including Package and Boat-hire, exclusive of Factory and Establishment, from 1765 to 1784.

	Ships.	Bales.	Tons.	Piece Goods and Raw Silk.	Total, including Charges, Merchandise, Crs.
1766-7	6	6,497	2,687	48,20,411	14 9 50,18,200 0 0
1765-6	5	4,706	2,117	37,58,937	12 0 38,75,320 0 0
1767-8	6	7,639	3,285	55,80,087	2 3 58,51,894 2 9
1768	8	8,509	3,343	62,88,815	11 9 65,98,100 0 0
1769	7	6,368	3,257	53,65,921	0 6 56,45,500 0 0
1770	8	8,235	4,203	76,65,873	13 3 80,43,150 0 0
1771	9	8,677	4,189	73,21,493	0 0 80,03,083 0 0
1772	6	6,459	3,422	52,98,722	8 9 56,28,400 0 0
1773	5	6,006	2,524	55,30,996	5 0 58,11,381 0 0
1774	6	8,238	3,981	79,68,090	9 3 83,35,500 0 0
	66	71,334	33,008	Current Rupees	628,10,528 2 9
1775	6	6,368	3,416	69,08,217	11 0 72,42,400 0 0
1776	7	9,192	4,288	96,18,100	0 0 97,23,800 0 0
1777	9	9,629	5,131	103,11,221	13 3 108,40,565 5 0
1778	9	11,382	6,622	124,20,792	6 6 131,54,460 8 6
1779	3	4,173	2,167	45,10,009	15 3 47,75,418 7 3
1780	6	8,270	4,277	86,94,462	13 6 93,83,410 0 0
1781	3	4,284	2,187	40,34,158	9 6 44,74,352 0 0
1782	4	5,392	3,565	57,81,675	9 0 62,98,300 0 0
1783					
17 Ships	18	21,778	12,760	184,41,317	15 0 211,70,133 0 0
1 Packet					
1784	13	10,933	7,159		104,41,195 0 0
	78	91,401	51,572	Current Rupees.	975,04,034 4 9

Every ship carries 13 tons, St. Helena stores.  
 N. B. The bales are included in the tonnage, and the indigo chests among the bales, with 15 tons privilege from the year , and 50 tons since, and 80 kentledge throughout.

The tonnage of salt-petre to Bombay, and the half cargo to Fort St. George, are comprehended the three last years; but none of the supplies to Bencoolen or China.

ABSTRACT

ABSTRACT Amount of Cargoes  
shipped from BENGAL at different  
Periods since the Year 1757.

Between		
1757	and 1764-5.	243,72,336 0 0
1765-6	1774-5.	628,10,528 2 9
1775-6	1784-5.	975,04,034 4 9
*1785-6	1788-9	303,36,204 0 0
Current Rupees		<u>2,150,23,102 7 6</u>

\* From an account laid before the House of Commons,  
and ordered to be printed the 24th March, 1790.

A P P E N D I X. (D.)

ABSTRACTS of the Amount of In-  
vestments directed to be provided  
annually at BENGAL between the  
Years 1765 and 1783-4 inclusive;  
together with the Sum annually al-  
lotted for that Purpose by the Go-  
vernment there, and the Receipts  
of Goods in Consequence.

ABSTRACT of Piece Goods and Raw Silk ordered annually by the COURT of DIRECTORS, the Allotments formed thereon, and the annual Receipts at the Warehouse in FORT WILLIAM, from 1765 to 1774.

	Order of the Directors.	Allotment.	Receipts.	
1765.	68,50,000	66,78,600		39,57,300
1766.	68,50,000	45,03,000		47,66,186
1767.	93,03,000	48,00,000		54,16,734
1768.	137,34,000	48,00,000	65,07,423	
Ready Money.	- -	Piece Goods	1,53,648	
				66,61,071
1769.	172,02,000	58,00,000	54,43,082	
Ready Money.	- -	{ Piece Goods	7,89,840	
		{ Raw Silk	6,57,596	
				68,90,518
1770.	168,79,700	45,00,000	44,94,676	
Ready Money.	- -	{ Piece Goods	14,41,622	
		{ Raw Silk	4,61,401	
				63,87,699
1771.	158,64,200	55,17,000	58,83,137	
Ready Money.	- -	{ Piece Goods	7,09,520	
		{ Raw Silk	2,06,855	
				67,98,512
1772.	163,99,300	53,20,000	- - -	52,83,934
1773.	198,92,400	57,03,000	57,46,840	
Ready Money.	- -	Piece Goods	3,01,350	
				61,48,190
1774.	177,44,900	62,80,000	83,78,390	
Ready Money.	- -	{ Piece Goods	8,702	
		{ Raw Silk	4,76,150	
				88,63,242
Totals.	1407,19,500	539,01,600		611,73,386
Medium of ten Years.	Cr. 140,71,950	Cr. 53,90,160	Crs.	61,17,338

ABSTRACT

ABSTRACT of Piece Goods and Raw Silk ordered annually by the COURT of DIRECTORS, the Allotments formed thereon, and the annual Receipts at the Warehouse in FORT WILLIAM, from 1775 to 1785.

	Order of the Directors.	Allotment.	Receipts.	
1775.	162,01,900	67,81,372		69,36,927
1776.	178,94,200	81,25,000		77,49,374
1777-8.	165,68,400	97,50,404		102,99,522
1778-9.	183,86,944	126,21,944		120,19,098
1779-80.	176,85,500	143,89,335		115,54,355
1780.	182,17,200	94,79,186		99,50,837
1781-2.	155,43,301	71,68,301		49,35,947
1782-3.		30,00,000	65,92,151	15 8
	Ready Money	and Salt-petre.	9,85,246	7 3
				75,77,398
1783-4 *.	1st Allotment.	70,80,000	74,91,089	9 3
Augmentation	- -	31,52,000		
	Ready Money	Piece Goods.	15,68,825	3
	Do.	Salt-petre.	23,314	10 9
		Dutch Goods.	18,19,324	10 9
				109,02,553
				15
		Total Crs.		819,26,013
		Medium of ten Years.		81,92,601
		Medium of twenty Years.	Crs.	71,54,970

\* For these two years the amount of the orders was not calculated.

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APPEN-

APPENDIX: (E.)

*Estimate Value of British fixed Property in Bengal, in the year 1785.*

CALCUTTA.

THE average assessment for the town of Calcutta since the establishment of the commissioners of the police, amounts to Sicca Rupees 1,93,156

Collected 1,90,000

Which states the year's rents to be

Sicca Rupees 30,40,000

The value, at 6 years purchase 182,40,000

In pounds sterling, at 2s. 6d.

the Cr. Sicca Rupee - £. 2,280,000

It is reckoned that two-thirds of this property

property belong to European inhabitants, or their heirs at law.

This tax extends only to the ancient boundary of the place, excluding the garden-houses, and all the new buildings at Chyringey; which it is but fair to estimate at an equal sum with all the black property within the limits.

State therefore British property, in and near Calcutta, to be	£.
of the value of - - -	2,280,000
Fourteen silk-works -	} 125,000
Three sugar-plantations	
Fourteen indigo-plantations	
Private buildings, at subordinates only - - -	45,000
	<hr/>
Pounds sterling	2,460,000

This estimate is greatly under-rated; for, in the first place, the lowest rents are taken by the assessor, who is frequently imposed

on by the inferior class of Europeans; and from this rate is deducted ten per cent. for repairs, as well as suspension from the tax upon all houses reported to be empty.

If we add to the fixed property of British-born subjects, the sums lent by them on Company's bonds, and employed in discounting Treasury orders, it will appear, that the total of British property, exclusive of that employed in trade and shipping, exceeds the capital stock of the India Company.

A P P E N -

A P P E N D I X.

STATE of the Profit and Loss Account upon the Imports of the  
Taken from the Papers laid before the HOUSE of COMMONS

Dr.

		China.		India.		£.	No. of References.	
		No. 2.	No. 3.					
1785.	To goods unfold, value 3,230,663 l. at half, reference No. 1.					1,615,331		
1784-5.	To cargoes shipped from China and India	642,559	1,211,788			1,854,347	1785. 1	By Sales between March, 1786.
1785-6.	Ditto	—	—	1,112,512	768,089	1,880,601	1786. 2	Ditto to do. 1786-
1786-7.	Ditto	—	—	1,893,971	939,561	2,833,532	1787. 2	Ditto to do. 7-
1787-8.	Ditto	—	—	2,008,521	844,828	2,853,349	1788. 2	Ditto to do. 8-
1788-9.	Ditto	—	—	1,691,118	1,015,642	2,706,760	1789. 3	Ditto to do. 9-
To cash for tea purchased on the Continent, No. 4.						£. 13,743,920	1790. 4	By Goods unfold,
						1,684,731	1 March.	
To five years commercial charges abroad, at 210,000 l. per ann.						15,428,651		Deduct for
To one year's interest on 13,743,920 l. at 8 per cent.						1,050,000		* Customs.
						1,099,514		
						Sterling £. 17,578,165		
No. 1.	see No. 7. and 8. } of 17th March, 1790.						1785. 1, 2.	£. 574,641
and 3.	4. } 31st March.						1786. 7.	537,452
No. 2.	do. No. 1. } 25th March.						1787.	465,384
3.	9. } 24th.						1788.	506,175
4.	7. } 17th.						1789.	483,204
5. and Abstract A.								
No. 9. No. 1. include value, 442,342 l. of the tea purchased.							6	By proprietors of p
And 4. makes paid in all 1,853,206								Total nett proceed
Deduct, due 1 March, 1785, 1,684,75								Loss upon five year
Makes ut supra £. 1,684,731								

\* This head is corrected from Appendix from 1,302,704 l. to the above sum of 1,211,788

- 1. Reference, No.
- 2. Mr. Dundas's A
- 3.
- 4.
- 5.
- 6. Treasury account
- 7. Mr. Dundas's A
- 8.

A P P E N D I X. (F.)

STATE of the Profit and Loss Account upon the Imports of the EAST INDIA COMPANY for Five Years.  
Taken from the Papers laid before the HOUSE of COMMONS in the Years 1789 and 1790.

Dr.

Cr.

1785. 1 March.	To goods unfold, value 3,230,663 l. at half, reference No. 1.	£.	1,615,331
1784-5.	To cargoes shipped from China and India	China. No. 2.	India. No. 3.
1785-6.	Ditto	642,559	1,211,788
1786-7.	Ditto	1,112,512	768,089
1787-8.	Ditto	1,893,971	939,561
1788-9.	Ditto	2,008,521	844,828
		1,691,118	1,015,642
		£.	13,743,920
	To cash for tea purchased on the Continent, No. 4.		1,684,731
			15,428,651
	To five years commercial charges abroad, at 210,000 l. per ann.		1,050,000
	To one year's interest on 13,743,920 l. at 8 per cent.		1,099,514
			Sterling £. 17,578,165
	No. 1. see No. 7. and 8. } of 17th March, 1790. and 3. 4. } 31st March.		
	No. 2. do. No. 1. } 25th March.		
	3. 9. } 24th.		
	4. 7. } 17th.		
	5. and Abstract A.		
	No. 9. No. 1. include value, 442,342 l. of the tea purchased.		
	And 4. makes paid in all 1,853,206		
	Deduct, due 1 March, 1785, 1,684,75		
	Makes ut supra £. 1,684,731		

No. of References.		China.	India.	£.
1785. 1	By Sales between 1st March, 1785, and 1st March, 1786.	£. 2,357,158	£. 2,290,210	4,647,368
1786. 2	Ditto to do. 1786-7.			4,666,554
1787. 2	Ditto to do. 7-8.			4,874,614
1788. 2	Ditto to do. 8-9.			4,256,518
1789. 3	Ditto to do. 9-1790.	2,631,959	1,785,329	4,417,288
	Total gross Sales in five years			£. 22,862,342
1790. 4	By Goods unfold, value 3,972,337 l. at half			1,986,168
	Total sales, and cost of remainder			£. 24,848,510
	Deduct for customs, freight, and charges.			
	* Customs.	Freight and Demurrage.	Charges of Merchandise.	Total.
1785. 1, 2.	£. 574,641	No. 5. £. 1,017,160	No. 5. £. 2,78,841	£. 1,870,642
1786. 7.	537,452	6. 883,001	6. 359,673	1,780,126
1787.	465,384	6. 819,848	6. 414,522	1,699,754
1788.	506,175	6. 951,405	6. 327,823	1,785,403
1789.	483,204	6. 849,680	6. 336,757	1,669,641
				8,805,566
6	By proprietors of private trade, for the same period			£. 16,042,944 318,068
	Total nett proceeds, and cost of remainder			16,361,012
	Loss upon five years imports			1,217,153
				Sterling £. 17,578,165

1. Reference, No. 1. and 2. of 31st March, 1790.
2. Mr. Dundas's Appendix, No. 19. of 8th July, 1789.
3. 3. and 4. of 17th March, 1790.
4. 3. and 4. of 31st March, 1790.
5. 1. and 2. of same date.
6. Treasury account, No. 7. of 17th March, 1790.
7. Mr. Dundas's Appendix, No. 22. and 23. of 17th June, 1789.
8. No. 2. and 3. of 17th March, 1790.

\* This head is corrected from Appendix D. of the Short Review, and changes the balance from p. 10 of that pamphlet from 1,302,704 l. to the above sum of 1,217,153 l.

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hipping, exceeds  
a Company.

A P P E N -

A P P E N D I X. (G.)

An ACCOUNT exhibiting the Profit and Loss upon the EAST INDIA COMPANY'S Trade from INDIA and CHINA for the Year beginning the 1st March, 1790, and ending the 1st March, 1791. Taken from Papers laid before the HOUSE of COMMONS in March and April, 1791.

Dr.		Cr.	
References. No. 3.	Nett Value of India Goods unfold	£.	References.
31 March, 1790.	1st March, 1790, per Computation £. 772,239		No. 21.
No. 4.	And No. 38. of } Ditto, of China		7 April, 1791.
Ditto.	6 May, 1791. } Goods — 3,200,098		India — — Gr. 24,03,684
		£. 3,972,337	Deduct Customs 5,75,620
No. 19.	Prime Cost of Indian Cargoes ship-		Freight — 2,48,262
8 April, 1791.	ped for Europe in 1789-90, a 2s. 1,015,616		Charges Merchandife 1,44,220
No. 41.	Full Cost and Charges of China,		
10 May, 1791.	a 7-4 <sup>20</sup> / <sub>100</sub> — — 1,629,285		9,68,102
		2,644,901	Nett £. 1,435,582
		£. 6,617,238	No. 22. Do. China — — Gr. 26,87,571
	Commercial Charges Abroad not		Customs — — 49,260
	included in the Invoices.		Freight — — 4,68,041
No. 40.	Bengal Cr. 837,343		Charges Merchandife 1,61,254
10 May, 1791.	Madras 125,000		
Estimated.	Bombay 129,000		6,78,555
Do.	Bencoolen Estimate 343,990		2,009,016
No. 10. (b.)	St. Helena Ditto 271,080		3,444,598
8 April. 10 (c.)	Ditto from Bengal 10,451		
No. 27.	Prince of Wales's Island 81,427		4,343,031
5 May, 1791.			£. 7,787,629
Do.	1,798,291 £. 179,829		
No. 39.	Stores from England to		Gain by the Company's Trade on
10 May, 1791.	St. Helena £. 14,324		their own Account — £. 416,998
	Bencoolen 4,230		Profit on Licence or Privilege Goods
	China 3,482		fold for Individuals to the Amount
			of 930,930 l. at 7 per cent — 65,165
		22,036	£. 482,163
	China Supra-Cargoes Commission payable in England,	201,865	
	if not added to Charges Merchandife in No. 41. 10		Note. The Charges Merchandife above
	May, 1791, or No. 22. 7 April, to be inserted		on India Goods — — 144,220
			China — — — 161,254
	Interest thereon—say 8 per cent. — —	£. 6,819,103	
		551,528	Amount 305,474
			Are less by 70,659
		7,370,631	
	Balance — —	416,998	£. 376,130
			Than the Sum credited by this Head in No. 20; which,
		Sterling £. 7,787,629	inclusive of Supra-Cargoes Commission, and Interest,
			is stated at 376,130 l.

A P P E N

M E M

INDIA

I. (G.)

the EAST INDIA COMPANY'S Trade  
 Arch, 1790, and ending the 1st March,  
 MONS in March and April, 1791.

		Cr.
Sales between 1st March, 1790, and 1st March, 1791.		
India	Gr. 24,03,684	
Deduct Customs	5,75,620	
Freight	2,48,262	
Charges Merchandise	1,44,220	
	9,68,102	
	Nett £. 1,435,582	
China	Gr. 26,87,571	
Customs	49,260	
Freight	4,68,041	
Charges Merchandise	1,61,254	
	6,78,555	
	2,009,016	
	3,444,598	
Goods on Hand, 1st March, 1791,		
at nett Value	India 8,26,842	
	China 35,16,189	
	4,343,031	
	£. 7,787,629	
Gain by the Company's Trade on their own Account	£. 416,998	
Profit on Licence or Privilege Goods sold for Individuals to the Amount		
0		

APPENDIX. (H.)

M E M O I R

U P O N

INDIA SHIPPING.

Short Review, and changes the balance from p. 10 of that pamphlet



EAST INDIA NAVY, 1790.

THE freight-ships employed by the East India Company, two \* only excepted, are chartered for four voyages, and the commands purchased by the captains, at large premiums.

The number of these bottoms, as they are called, exclusive of the Company's own ships above-mentioned, are ninety-three.

Their tonnage, for which freight is paid, varies every time a new ship is built. It now amounts to 77,950 tons; of which thirty-one are abroad, homeward bound, chartered at 26,113 tons; thirty are taken

\* Britannia - 770 tons.  
Admiral Hughes 957  
— 1727.

up

up for this year, at 25,375 tons; thirty-two are on the stocks, and in dock, under repair for the ensuing season.

The freight of those expected back this year from India and China, should no demurrage be due\*, is estimated by the Company at 764,179 l.

These ninety-three vessels †, of  
tonnage - - - Tons 77,950  
Are able each to mount forty  
guns - - - Guns 3,720

And to carry a complement, one with another, of two hundred and fifty men - - - Men 23,250

Government have now abroad for the defence of India, one ship of 64 guns  
Three frigates 36 and 32  
Two floops of 16 guns,  
For which the company are charged a part

\* Nos. 2 and 3, date 17th March, 1790, accounts before the House of Commons.

† Chartered at 2,384 guns, and 9,537 men.

M 4

of

of the annual expence; which, added to the freight of their merchantmen, makes the total charges of British marine in the East Indies.

It is presumed, that a much more effective force may be applied to this service, at a smaller expenditure, by Government undertaking to bring home the cargoes on ships of war, constructed for this special purpose, of sufficient strength to be able to keep the line in an engagement, and yet of competent stowage to pay their sailing charges by the freight, in time of peace, at even lower rates than are now paid by the Company\*.

Vessels

\* These vessels should all be constructed in the East Indies; at Bombay, Calcutta, or Prince of Wales's Island (if there be conveniences for it at the latter): for by this measure the alarming and increasing deficiency of Oak for our own dock-yards would be greatly remedied. In support of this proposition, there needs no more respectable authority than that of Major Rennel, who, mentioning the Teek forests, from whence the marine yard

Vessels of this construction may be built by degrees, as the bottoms now hired run out;

yard at Bombay is furnished with that excellent species of ship-timber, closes the account, \* by remarking " the unpardonable negligence we are guilty of in delaying to build Teek ships of war for the use of the Indian seas. They might be freighted home without the ceremony of regular equipment as to masts, sails, and furniture, which might be calculated just to answer the purpose of the home-passage at the best season; and crews could be provided in India. The letter subjoined in a note, and which was written with the best intentions nine or ten years ago, will explain the circumstances of the case. Teek ships, of forty years old and upwards, are no uncommon objects in the Indian seas, while an European-built ship is ruined there in five years. The ships built at Bombay † are the best, both in point of workmanship and materials, of any that are constructed in India; and although fourth rates only are mentioned in the letter, there is no doubt but that third rates may be constructed, as there is a choice of timber. The Spaniards build capital ships in their foreign settlements. The East In-

\* Page 180 of the Memoir.

† When this was written, Pegu was the only place besides Bombay where vessels of considerable burthen could be constructed. Colonel Watson's docks, intended for that purpose in the river Hugley, were never finished; but since the year 1786, other docks have been completed at Calcutta itself, capable of building ships of any size required.

out; and, in order to avoid exciting any alarm in other maritime powers, or murmurs

“ dia Company have a \* Teek ship on her fourth voyage at present, which ship has wintered in England; therefore any objection founded on the effects of frost upon Teek timber, is done away.”

The note itself is too valuable to be omitted. “ Frequent have been the opportunities I have had of observing how very rapid the decay of ships built of European timber is in the East Indies, and, on the contrary, how durable the ships are that are built of the wood of that country, namely, the Teek, which may not improperly be called the Indian Oak. The number of ships of war that were ruined in those seas during the late war (1757 to 1762), may be admitted as a proof of the former remark; and the great age of the ships built in India, may serve to prove the latter. What I mean to infer from this for your Lordship’s use, is, that ships of war, under third rates, may be constructed in India, and with moderate repairs last *for ages*; whereas a ship of European construction can remain there but a few years: to which disadvantage may be added that of losing in the meantime the services of the ships that are sent to relieve the worn-out ones. Bengal produces iron and hemp;

\* The Admiral Hughes.

“ and

murs among the proprietors of private dockyards, the ships now employed for the freight service may be engaged by Government, upon contract with the present ships owners, for as long a period as they continue fit for service\*.

Several of the ships last constructed for the China trade, are of equal bulk to the largest of those which would now be required. Others, to answer the purpose of frigates, and drawing less water, may be adapted to the Bengal service; while the largest and greater number are taken up in the China and Surat voyages.

It is proposed to divide the number of

“ and the neighbouring forests pine masts: nothing is wanting to bring all these into use, but a *fit opportunity* and *proper encouragement*.”—20th August, 1778.

\* When this was written, the chartered ships were employed four voyages only.

ships,

ships, when complete, into three fleets of equal force.

One of these to be returning when another is going out.

The third, as at present, to lay by for repair, and refreshment of the men belonging to it.

Each fleet should carry out the first voyage, besides the merchandise exported, a complete war-equipment for itself; and also a proper quantity of surplus maritime stores, for making a depôt at each of the three settlements of Bengal, Bombay, and Fort St. George.

On its arrival in the East Indies, as many sail as may be requisite, should be employed in all the transport service of Government and the Company; such as carrying money, troops, and provisions, from one settlement  
to

to another; cotton from Surat to China, &c. and the remainder form a squadron for protection of the whole, until the season for taking in returning cargoes; leaving no ship at any one port longer than is absolutely necessary; since experience has shewn, that sailors are infinitely more healthy at sea than on shore, in hot climates.

When there shall be no apprehension of a war, the whole, or as many as are wanted, may be laden back for Europe, and the remainder, if any not freighted, accompany them as convoy, or remain as a fleet of war till the next year.

Those that shall be laden, are to be previously stripped of their war equipage, and reduced to the state of merchantmen, and the stores carefully laid by in the arsenal of the port where they are freighted for Europe.

Our

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Our communication with India is now so expeditious, that intelligence of an apprehended rupture with any great naval power would always reach our settlements there in time to detain as many of the homeward-bound ships as would be more than competent to resist any force that would then be found east of the Cape of Good Hope ; and the addition of one or two second or third rates to the annual fleet, outward bound, would bid defiance to any naval force that could be kept against us in the Indian seas.

And, on their junction with what remained of the former year, the whole would form a naval strength equal to the destruction of every European settlement, and all their shipping united.

These vessels should be denominated *the Registered Shipping for India and China*, on which

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which all commodities and bullion should alone be exported, or brought home, at a fair price by the ton, sugar and bulky gruff articles alone excepted ; for the transport of which other ships, constructed for the purpose by individuals, and sailing at a lower rate of freight, may be licensed as wanted in any number.

It has been lately in contemplation, to establish a whale fishery in the Mozambique channel, for supplying the East Indies with oil : but the exclusive privilege has hitherto been a bar to the undertaking of such plan from Europe.

Were the vessels so employed to be allowed a loading back of sugar, rum, and such other articles of produce as the Company do not at present trade in, there is not a doubt but an extensive speculation of this kind would

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would be set on foot, with every prospect of benefit to the adventurers.

Should a plan of this nature be adopted, justice and good policy require that the greatest attention be paid to the situation of the gentlemen hitherto employed in the Company's marine; a body respectable in their connections and education, and especially distinguished for skill and experience in every branch of nautical science.

The late regulations for engrafting part of the Company's military establishment into the King's regiments, may perhaps afford a model, as it does an unexceptionable precedent, for introducing these gentlemen with that rank into his Majesty's navy, which their general reputation for gallantry and abilities gives assurance they will be far from disgracing.

By

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By continuing the pay and bounty now given by the India Company, a sufficient number of able seamen may perhaps be induced to register themselves for this service, attached to particular ships; and by exempting them from being pressed, and allowing them to remain on shore at home every third year, a constant supply would be secured when each India fleet should be wanted for service in its turn.

The French had undoubtedly adopted a plan of this kind, previous to the breaking out of the last war. Several frigates and third-rates were sent to the East Indies, equipped apparently for the merchants service; but carrying out warlike stores of every kind, which were landed at the islands and at Pondicherry, and afterwards proved of great assistance to M. Souffrein.

N

Two

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Two new vessels, said to have been built for this experiment, were actually in the Ganges, above Calcutta, a very short time before Chandunagore was invested: they were both manned with the *king's registered seamen*, and commanded by commissioned officers of distinction, Captain Le Brun, and another whose name is not recollected.

The writer of these remarks went on board one of them on the eve of her departure, and to his great surprize found her completely cleared for action; and had every reason to believe the French governor expected they would have been attacked going down the river, by his hurrying away all the shipping earlier than usual, and several together.

He gave immediate intimation of this to the secretary of the Government at Calcutta,  
and

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and transmitted the outline of the preceding plan to a private correspondent at home; who, it is supposed, neglected complying with his request, that it should be laid before the Ministry.

(Copy.)

A P P E N D I X.

An ACCOUNT of the Number of SHIPS, with their TONS, and the Value of their Exports, towards from Great Britain to the British West India Islands, in distinguishing each, together with the Total Value of Exports from the West Indies; distinguishing the Amount of British, India, and Foreign Goods.

		1788.											
		No. of Veffels.	Tons.	Value of British Goods.		Value of East India Goods.		Value of Foreign Goods.		No. of Veffels.	Tons.		
Antigua	—	35	8,235	91,619	1 11	1,005	1 8	8,381	1 7	32	6,		
Barbadoes	—	49	9,484	136,600	10 10	9,999	7 6	23,497	16 6	39	4,		
Dominica	—	23	4,653	51,886	13 4	1,716	2 7	9,037	13 —	35	17,		
Grenada	—	44	8,304	205,188	6 11	2,588	7 1	20,132	9 —	38	8,		
Jamaica	—	203	35,826	759,875	17 8	18,903	4 6	96,451	18 6	246	70,		
Montserrat	—	2	535	7,264	2 11	80	16 2	841	6 10	3	7,		
Nevis	—	5	1,404	13,455	14 11	139	14 11	948	15 3	10	2,		
St. Kitt's	—	34	8,215	82,353	2 4	1,049	17 —	8,841	17 9	15	2,		
St. Vincent's	—	14	3,265	54,214	18 6	1,236	8 2	6,391	12 11	20	5,		
Tortola	—	10	2,381	65,390	3 4	225	3 —	4,631	2 4	11	2,		
From the Ports of England	—	419	82,302	1,467,938	12 8	36,944	2 7	179,155	13 8	449	111,5		
— Scotland;	—	67	12,218									Accounts not received from Scotland of the Navigation. J.	
but the Islands are not distinguished in the Accounts	—												
Total	—	486	94,520										

(Signed) THOMAS

Custom House, London,  
March 17th, 1790.

N. B. The above Distinction of England and Scotland applies to the

(Signed)



(Copy.)

A P P E N D I X. (I. a.)

An ACCOUNT of the Number of SHIPS, with their TONNAGE, which cleared Outwards from Great Britain to the British West India Islands, in the Years 1788 and 1789; distinguishing each, together with the Total Value of Exports from Great Britain to the British West Indies; distinguishing the Amount of British, India, and Foreign Goods.

	1788.					1789.				
	No. of Veffels.	Tons.	Value of British Goods.	Value of East India Goods.	Value of Foreign Goods.	No. of Veffels.	Tons.	Value of British Goods.	Value of East India Goods.	Value of Foreign Goods.
Antigua	35	8,235	91,619 1 11	1,005 1 8	8,381 1 7	32	6,470	97,557 16 5	2,904 18 1	5,855 5 4
Barbadoes	49	9,484	136,690 10 10	9,999 7 6	23,497 16 6	39	4,797	145,690 1 8	5,163 — 4	21,768 6 —
Dominica	23	4,653	51,886 13 4	1,716 2 7	9,037 13 —	35	17,900	48,766 17 5	946 11 1	8,085 7 6
Grenada	44	8,304	205,188 6 11	2,588 7 1	20,132 9 —	38	8,463	157,799 10 3	1,691 10 —	14,926 15 4
Jamaica	203	35,826	759,875 17 8	18,903 4 6	96,451 18 6	246	70,195	788,828 15 3	16,951 19 10	99,130 15 1
Montserrat	2	535	7,264 2 11	80 16 2	841 6 10	3	859	12,547 4 5	102 11 7	1,075 6 7
Nevis	5	1,404	13,455 14 11	139 14 11	948 15 3	10	2,753	19,557 16 3	144 2 4	942 5 3
St. Kitt's	34	8,215	82,353 2 4	1,049 17 —	8,841 17 9	15	2,319	84,285 11 2	1,628 1 7	9,722 15 8
St. Vincent's	14	3,265	54,214 18 6	1,236 8 2	6,391 12 11	20	5,466	80,643 8 7	647 14 10	4,590 12 3
Tortola	10	2,381	65,390 3 4	225 3 —	4,631 2 4	11	2,776	54,766 4 3	245 2 6	4,711 11 6
From the Ports of England	419	82,302	1,467,938 12 8	36,944 2 7	179,155 13 8	449	111,998	1,490,443 5 8	30,425 12 2	170,809 — 6
— — Scotland; but the Islands are not distinguished in the Accounts	67	12,218				Accounts not received from Scotland of the Navigation. J. D.				
Total	486	94,520								

(Signed) THOMAS IRVING,  
Inspector Gen<sup>l</sup> of the Imports and Exports of  
Great Britain, and the British Colonies.

Custom House, London,  
March 17th, 1790.

N. B. The above Distinction of England and Scotland applies to the Navigation Part only.

(Signed) J. DALLEY,  
Assist<sup>t</sup> Register Gen<sup>l</sup> of Shipping.

(Copy.) A P P E N D I X. (I. b.)

An ACCOUNT of the Number of SHIPS, and their TONNAGE, which entered in the Ports of Great Britain from the British West India Islands, in the Years 1788 and 1789; distinguishing each, and the Value of Imports from the said Islands to Great Britain, with the Amount of the Duties of Customs and Excise thereon, distinguishing each.

	1788.				1789.			
	No. of Vessels,	Tons.	Value of Imports.	Amount of Duties.	No. of Vessels.	Tons.	Value of Imports.	Amount of Duties.
Anguilla	1	96	16,744 5 5	2,291 6 7	4	448	10,482 9 7	2 16 5
Antigua	39	9,695	288,008 19 7	118,437 8 1	31	7,680	216,231 10 —	90,905 4 —
Barbadoes	44	8,477	255,316 9 5	75,378 — 8	34	6,881	202,040 — —	65,812 7 8
Dominica	37	7,116	212,877 9 2	34,418 2 2	30	5,310	180,467 4 8	25,211 19 1
Grenada	66	15,160	471,268 11 10	126,998 — 9	73	14,742	453,398 8 4	109,259 13 6
Jamaica	242	66,584	2,141,399 3 9	785,561 17 6	272	74,459	2,338,004 1 3	863,245 17 11
Montserrat	5	1,149	40,336 7 10	15,867 10 10	4	982	42,891 15 10	15,615 19 3
Nevis	8	2,202	44,892 11 4	18,964 6 8	5	1,514	42,618 15 3	17,477 19 7
St. Kitt's	38	9,435	289,056 6 10	120,698 17 2	25	6,158	168,902 9 11	53,002 8 —
St. Vincent's	26	5,721	152,329 14 1	48,230 15 7	17	4,220	151,958 2 3	51,159 6 5
Tortola	17	4,164	140,924 9 —	52,206 3 3	10	2,517	69,611 12 2	21,045 6 2
At the Ports of England	523	129,799	} 4,053,154 8 3	} 1,399,052 9 3	505	124,911	} 3,876,606 9 3	} 1,312,739 18 —
— Scotland; but the Islands are not distinguished	64	11,841			Accounts not received from Scotland of the Navigation.			
Total	587	141,640						

Custom House, London,  
March 17th, 1790.

(Signed) J. D A L L E Y,  
Assist<sup>t</sup> Register Gen<sup>l</sup> of Shipping.

(Signed) T H O M A S I R V I N G,  
Inspector Gen<sup>l</sup> of the Imports and Exports  
of Great Britain and the British Colonies.

The above Distinction of England and Scotland applies to the Navigation Part only.

S U P P L

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(I. b.)

TONNAGE, which entered in the  
in the Years 1788 and 1789; dif-  
Islands to Great Britain, with the  
anguishing each.

1789.			
No. of Veffels.	Tons.	Value of Imports.	Amount of Duties.
4	448	10,482 9 7	2 16 5
31	7,680	216,231 10 —	90,905 4 —
34	6,881	202,040 — —	65,812 7 8
30	5,310	180,467 4 8	25,211 19 1
73	14,742	453,398 8 4	109,259 13 6
272	74,459	2,338,004 1 3	863,245 17 11
4	982	42,891 15 10	15,615 19 3
5	1,514	42,618 15 3	17,477 19 7
25	6,158	168,902 9 11	53,002 8 —
17	4,220	151,958 2 3	51,159 6 5
10	2,517	69,611 12 2	21,045 6 2
505	124,911	3,876,606 9 3	1,312,739 18 —
Accounts not received from Scotland of the Navigation.			

(Signed) THOMAS IRVING,  
Inspector Genl of the Imports and Exports  
of Great Britain and the British Colonies.

of Shipping.

Navigation Part only.

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S U P P L E M E N T.

Conformable to the advertifement pre-  
fixed to this publication, it is now  
propofed to examine fuch parts of the GE-  
NERAL VIEW OF THE AFFAIRS OF THE  
EAST INDIA COMPANY, as feem in any  
manner to affect the ftatements and conclu-  
fions contained in thefe STRICTURES, and  
in the SHORT REVIEW OF THE TRADE OF  
THE INDIA COMPANY.

The particular purpofes for which the  
two latter were written, are plainly and ex-  
plicitly professed in both of them.

The writer feels extreme fatisfaction in  
finding that the public and himfelf are likely  
to derive every benefit he could have flat-

N 3

tered

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tered himself would result from the production of the *Short Review*.

The accounts necessary for estimating, with any degree of precision, the value of the Company's commerce (at that time deficient), have been since supplied; the attention of Government has been particularly attracted to this branch of the India system; and the public, by the clear and perspicuous statements which are now produced in the *General View* of it, is at length enabled to judge for itself both of the territorial acquisitions, and of each different branch of the exclusive trade with India, from documents the most authentic and satisfactory.

Whatever inaccuracies may have been discovered in the accounts stated in the *Short Review*, from the want of materials since supplied, and possibly of sufficient care  
and

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and attention; and however ill qualified the writer may have been to understand and digest those public statements from whence his conclusions were drawn; yet it nowhere appears that he has been materially wrong in the general arguments deduced from what he had before him; nor, it is presumed, do the corrected facts stated by Mr. Anderson, from fuller information upon the subject since obtained by him, carry on the face of them any complete refutation of those conclusions.

In the first place, it was meant to point out some very great mistakes into which the India minister had been led, by the papers laid before him for inducing his support of the Directors in their application to Parliament, in the year 1789, for permission to enlarge the Company's capital stock,

N 4

by

[ 188 ]

by one million subscription, at 174 per cent.

This was done, by assuming a future *medium profit* of 1,185,000 l. per annum (inclusive of the duty of seven per cent. on private trade) upon the imports from India and China during the four years remaining of the Company's right to the exclusive commerce; in consequence of an *alleged profit* of 1,115,131 l. stated as the Gain upon those of the year 1789.

The nett sale amount was then stated at 3,005,131 l. from which making deductions of prime cost, annuities, interest on bonds and dividends, there remained £. 553,131

To which add private trade - 70,000

These two make an addition of £. 623,131

Brought

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Brought forward £. 623,131

Add what due for dividends,  
interest, and annuities - 492,000

The supposed profit on im-  
port trade - - £. 1,115,131

The five years statement produced in the *Short Review* was made from the imports shipped from India and China between 1784-5, and 1788-9, comprehending the value of the goods unfold in London on the 1st of March, 1785, and valuing in reduction those in the warehouses on the 1st of March, 1790.

Mr. Anderson's statement of four years of this trade (p. 86) commences in 1787, and ends with the sales of 1790. It is formed upon accounts of the prime cost and sale amount, with charges, of what have been  
fold

fold within the last-mentioned period \*. It begins two years after, and is brought down one year later than the other.

Even upon this statement, the annual profit amounts only to † 515,722 l. applicable

\* See Short Review, p. 17, to account for its not adopting the same period.

† Nett profit on four years sales	-	£. 2,288,128	
Nett profit on private trade goods	-	308,985	
Goods in warehouse more in 1791	-	1,545,395	
			4,142,508
Deduct commercial charges in India and at St. Helena, with cost and charges of the goods unfold	-	-	2,079,619
Balance of profit in four years	-	-	2,062,889
Or per annum	-	-	515,722
By borrowing, as Mr. Dundas did, from the revenues, a sum of	-	-	650,000
The total amounts to	-	£.	1,165,722

But this surely would not be fairly estimating the profits upon trade.

to

to payment of annuities, interest, and dividends on the stock; the sum received of Government for interest on the loan of 4,200,000 l. it should seem, having nothing whatever to do with either import or export trades, though it has been introduced in addition to the supposed profits made upon them. The proper place for this article appears rather to be in the general balance sheet of the commercial system, separated from the revenues; an account which ought to be \* laid by the Directors before a General Court of the Proprietors once in every year, in order to govern their declaration of the ensuing dividend.

It is not meant here to question the accuracy of any account which has been pro-

\* This General View is produced to the public by the Accountant to the board of control.

duced

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duced to parliament from the India House; nor to insinuate that the accounts cost of goods sold and remaining have of late materially differed from those of the goods shipped from India and China, including what were on hand the year preceding; although it is generally understood that the former are made upon estimate, rather than upon actual vouchers\*.

If, however, these estimates are correct, there ought to appear no difference between the amount they exhibit for the same period, in the way stated by Mr. Anderson and that adopted in the *Short Review*, unless any part of the cargoes have been lost or rendered un-

\* In General View, p. 82, is stated a difference of 335,182l. under the head of charges merchandise, supposed to be incurred for raising recruits, and in payment of packets and pensions; and therefore charged against the Revenues.

marketable;

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marketable; in which cases the circumstance would undoubtedly have been pointed out.

The material difference occurring between the medium result of the four years statement and both the others, will appear to be occasioned by omissions in the first, which, in the opinion of the writer of the other two, he concluded ought to have place in all, for exhibiting the real profit or loss upon this separate branch of the Company's trade.

The first omission is of part of the commercial charges, not included in the invoice.

Appendix, No. 6, to the *General View*, contains for the year 1789-90 those only which were incurred at Bengal (current rupees 837,343), without mentioning those  
of

of Madras or Bombay, which upon a medium of the two preceding years, by the same account, would amount,

At Madras, to	Crs. 129,641
Bombay, to	37,300

Crs. 166,941 £. 16,694

*and which, if not ascertainable, ought to have been supplied by estimate, as they are attempted to be in the account here produced.*

The expences also of Fort Marlbro' are omitted altogether. Those for 1789-90, according to No. 10. (b) of 27th March, 1792, were 52,340 l.

The four years expences of Prince of Wales's Island, Mr. Anderson has not brought into his account, perhaps under the idea that this charge properly belongs to the head of forts and garrisons; and therefore

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concludes

concludes that it is comprehended in the statements of affets, or of stock by computation, The supply from Bengal for that year (No. 27, 5th May, 1791) is stated 8,143 l.

Bengal likewise furnished stores to the island of St. Helena, to the amount of 1,045 l.

The reader must decide whether the Prince of Wales's Island is to be considered as a territorial or a commercial establishment; whether the large sums expended there, are or are not, temporary charges, incidental to the first construction of that harbour; and what part, if any, of the amount should be laid upon the trade. The whole of it is inserted here.

He will also exercise his own judgment as to the other additional articles stated in this



this Appendix: whether the China trade be liable to any of them, or to what proportions; and whether any share should fall upon the exports of goods from England; recollecting that, as the Company themselves never compute any freight upon the latter, the same principle seems to warrant exempting them from these charges likewise.

The most material omission is that of interest \* upon the prime cost and charges of the cargoes shipped for Europe.

\* If the bond-debt abroad be considered as the only incumbrance upon the revenues, and the amount of the certificates, and other loans taken up at interest, as a debt on the commerce, the whole interest upon the latter ought to be charged against the trade. But in *General View*, p. 23, the certificate debt is stated to have originated in 1785, for putting the arrears in train of liquidation, and the interest considered a charge upon the revenues.

In

In Appendix, G. it here stands at 551,528l. on a single year's trade.

Instead of which, Mr. Anderson debits the trade (p. 88) with that only which has been paid in England on bills drawn from India for commercial purposes, 8,829l. in four years, or, per annum, 2,207l.

However right it may have been, in a political point of view, to have authorized the drawing bills upon England for discharge of the India bond-debt; and however beneficial the measure certainly has been to the general system, and particularly to the commercial credit of the Company; yet, when computing merely the actual profit upon any separate operation of trade, it becomes necessary to state precisely every

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charge

charge with which such operation is incumbered\*.

The necessity which then existed of reviving the drooping credit of the Company abroad is admitted, and the benefits also of the plan adopted for that purpose, namely, the acceptance of bonds and † certificates in exchange for bills upon the Directors, payable out of the produce of the sales at home. Had not this expedient been adopted, the commercial board would have been left without other resources for investment home, than the product of goods annually sent out from Europe.

\* Refer to p. 85 of the *General View*.

† Certificates were at first admitted, and frequently paid in, while the discount on both remained nearly equal; they do not, however, appear to have been ever distinguished.

But

But as it was imagined that nearly the whole cost of the returning cargoes had been taken from the revenues as the fund or capital for carrying on the trade, the amount so applied appeared liable to the same rate of interest as the debt of those revenues; \* since that debt might else have been diminished, by applying to its reduction the sum thus taken for assisting the trade.

In page 84 of the *General View*, only 807,712 l. is the sum stated to have been annually so employed; the interest therefore on that sum only will be chargeable upon the import commerce from the time of its appropriation in advances to the board of trade, to that of its being realized from the sales in England.

\* P. 18, Short Review, answered p. 84 of *General View*.

O 2

And

And if the above medium upon 3,230,486l. be taken as the amount annually supplied by the territory to the commerce; the latter ought moreover to be charged with a fourth of 203,658 l. (in p. 82) incurred for interest on the bills drawn for transferring the India bond-debt during the same period\*.

These differences materially alter the profit and loss account of the India and China import trade, which, notwithstanding, must

\* It will not escape the attentive reader's observation, that these two articles have place already in Mr. Anderson's *Revenue Statement*, and that they are only here removed to the *commercial* department, which will create no alteration whatever in the result of a general view of both; the only question being to which of the two they actually belong. Whereas the four years expences of Prince of Wales's Island and Fort Marlbro', the commercial charges for two years at Bombay, and for that of 1789-90 at Bengal (with the supplies from Bencoolen to China in 1787-8, (if any), are by him omitted altogether, and by their amount affect the ultimate result of the *General View*.

be

be in a train of progressive improvement, since the same mode of stating it, which between the years 1785 and 1790 gave a loss of 1,217,153 l. or per annum £. 245,430 in 1790-91 gives a profit of 482,163

Exhibiting a difference of, per annum - - - £. 727,593

And according to that adopted in the *General View*, the medium of four years profit amounted only to - - - £. 641,722

Improvement the year following £. 85,871

This alteration for the better must be highly satisfactory to the Proprietors, and affords the most unequivocal proof of the benefits derived from the present system of management.

It does not yet, however, by any means

come up to the profit which ought to be expected from a concern of such risk and capital. The India trade, particularly, still appears to be unproductive; in examining which, the period of Mr. Anderson's statement, and his own materials, will afford a demonstration of this fact, if it be allowed to add only what he appears to have left out of the calculation.

In page 86 of the *General View*, four years Indian imports are stated to have yielded a profit upon the sale of goods, between 1787 and 1791 \* (7,966,715 l.) of £. 406,482

It

\* The goods unfolded 1st March, 1791, amounted to more than on 1st March, 1787, by (p. 87.) - £. 1,545,395

Chargeable for the Houghton's cargo, tea, &c. *Short Estimate of India and China cargoes* £. 1,060,151

Add difference of freight more incurred than charged, *ibid.* 480,034

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£. 1,540,175

By

It is taken for granted, that all the commercial "charges not added to the invoices," and the "supplies to China from India," which appear in the Appendix, No. 6, of the *General View*, are included in the sum of 7,560,233 l. stated as their prime cost, and several charges of freight, customs, &c.

What alone appear to have been omitted, must here be supplied, viz.

Commercial charges at Bombay,  
for the year 1786-7, on a  
medium of two years follow-  
ing, will amount to Crs. 37,300

By this it should seem as if the profit on the goods unfolded, amounting in value to 4,343,031 l. had been anticipated, and therefore that five years profits have been included in the four years statement.

O 4 The

Brought forward	Crs.	37,300
The same for 1789-90		37,300
Madras for 1789-90		129,641
		<hr/>
Current rupees	204,241 or £.	20,424
And interest paid in England on part of the India debt transferred	— —	£. 203,658
		<hr/>
Deducted from the above	£.	224,082
		<hr/>
Leaves a profit, by this account of	— —	£. 182,400
		<hr/>
Or, per annum, of	—	£. 45,600

If this trade be supposed liable to any considerable part of the difference in charges merchandise (p. 82, 335, 182 l.), or to the expences at Bencoolen and Prince of Wales's Island, the balance will appear on the

the contrary side of the account, and the Indian *imports* exhibit a loss, instead of profit, for the period comprehended in the *General View*.

The *exports* from England to India offer as yet no counterbalance to this losing branch of trade. The amount of goods and stores, p. 83, 2,252,931 l. is not accounted for within 63,900 l. of the prime cost; which sum is therefore made up by a charge against the revenues of India. As accounts are wanting for ascertaining whether a gain or a loss has accrued upon it, the reader for the present must be left to form his own calculation. Hereafter they may be expected to be so stated from abroad, as will enable him to distinguish the stores from the merchandise, and the profit or loss upon both.

But admitting the exports to afford nei-  
ther

ther one nor the other, and taking the imports to have yielded the above average of 45,600 l. per annum \*, this trade will have afforded but a very trifling † “ resource for “ paying off the heavy load of debts with “ which the Company is already incum- “ bered,” and justifies what has been as- ferted, that, in estimating the value of it, “ † a fresh exchange ought to be fixed “ upon, and the trade carried on upon a “ very different plan to that on which it “ has been hitherto conducted,” before any permanent agreement can safely be made by the Company for transmitting the surplus revenues on account of the government of Great Britain.

\* Fortunately, though upwards of thirty cargoes have been imported, no one ship has been lost, homeward-bound, for some years. The insurance is considered four per cent. For other risks to which this trade is liable, see *Short Review*, p. 15.

† *Short Review*, p. 19.

† *Ibid.* p. 9.

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It seems equally necessary that the fund for carrying on this commerce should be increased; for if in time of peace, and incumbered only with the debt of the last Carnatic war, the revenues have been able to afford no more than a loan of 807,712 l. per annum to the commerce for paying the transferred debt, whenever the expences of the Myfore invasion come to be made up, which intelligent people abroad have estimated at ten millions sterling, it may justly be apprehended that the interest alone, at 8 per cent. 800,000 l. per annum, payable abroad, will absorb all the surplus hitherto applied to investment, and will leave most of the returning ships to be laden by private adventurers only \*.

\* The estimate of Bengal resources for 1791-2, states an expected deficiency at the end of this year of 3,652,252 l. including certificates, and loans at 12 per cent. interest, together with a sum of 666,000 l. for the purpose of investment home.

This

This point will doubtless have obtained the early attention of the Court of Directors, into whose immediate province it falls, and of the Board of Commissioners, who have lately been induced to consider the department of commerce, equally with the revenues, entitled to their most serious consideration.

The publication of Mr. Anderson's *General View of the Affairs of the Company*, has undoubtedly refuted the idea of a loss having accrued altogether upon the trade with India and China, greatly to the satisfaction of the writer of the *Short Review* of it, and to the proprietors at large. It has moreover rendered some parts of the preceding *Strictures* inapplicable and unnecessary; but as the work had been sent to the press before his clear and comprehensive statement appeared, and as there perhaps may be found  
in

in this some useful hints and observations, the book is offered to him and to the public with all its imperfections.

Admitting, therefore, with a few reservations, the merit, and, in general, the accuracy of that performance, the writer of this congratulates himself, as an individual proprietor, in the beneficial effects of his first essay, which seems to have occasioned the production of almost every account therein called for; and to have tended in a considerable degree to furnish the public and the proprietary with most of the materials requisite for governing their judgment of the comparative benefits to be expected from continuing or abolishing the monopoly of the trade; and, as a citizen, upon having obtained the ends he had proposed to himself in these publications; and having been in some measure instrumental in calling forth  
that

that able investigation of the whole Indian system, which is now admitted to have been absolutely necessary for enabling the public to form any just opinion of the measures intended to be hereafter adopted for conducting the machinery of East Indian government and Eastern commerce to the advantage of the state of Great Britain.

F I N I S.