Papers respecting the negociation for a renewal of the East-India Company's exclusive privileges. London 1812.

Further Papers on the same. London 1813.

Proceedings of the Select Committee, to consider and report upon the expediency of augmenting the allowances to the Directors for their attendance upon the business of the Company. London 1814

Papers respecting Pensions granted to certain individuals for eminent services during the late charter. London 1814

Report of the Committee appointed to inspect the East India Company's By-Laws. London 1815.

Substance of the Speech of Robert Grant Esq. delivered before a Select Committee of the House of Commons. London 1814

Substance of a Speech delivered by Robert Spankie before the same. London 1814

Supplementary Statutes and Regulations for the goverment of the East-India College. London 1815

Bishop Middleton's Charge delivered to the Clergy of the Diocese of Calcutta. London 1817.

College for the Instruction of Asiatic Christian and
other Youth in Eastern Literature and European Scien
at Serampore. London 1819.

T. P. Courtenay

PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

London:

PRINTED BY ORDER OF THE COURT OF DIRECTORS, FOR THE INFORMATION OF THE PROPRIETORS,

By E. Cox and Son, Great Queen Street, Lincoln's-Inn-Fields.

1812.

LIST OF PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors for the Information of the Proprietors.

No. I.

Minute of a Secret Committee of Correspondence, the 5th October 1808.

No. II.

Letter from the Right Honorable Robert Dundas to the Chairman and Deputy Chairman, dated the 30th September 1808, referred to in the preceding Minute.

No. III.

Minute of a Secret Committee of Correspondence, the 12th October 1808.

AND

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the same Day.

No. IV.

Minute of a Secret Court of Directors, held on Wednesday, the 7th December 1808.

No. V.

Minute of a Secret Court of Directors, held on Friday, the 16th December 1808.

AND

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the same Day.

No. VI.

Minute of a Secret Court of Directors, held on Friday, the 13th January 1809.

AND

Letter from the Right Honorable Robert Dundas to the Chairman and Deputy Chairman, dated the 28th December 1808.

No. VII.

Minute of a Secret Court of Directors, held on Tuesday, the 17th January 1809.

No. VIII.

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the 13th January 1809, noticed in the preceding Minute.

No. IX.

Minute of a Secret Committee of Correspondence, the 28th February 1809.

No. X.

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Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the 5th December 1809, noticed in the preceding Minute.

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Minute of a Meeting of the Deputation, the 3d March, 1812.

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No. XX.

Hints approved by the Committee of Correspondence and submitted to the Consideration of the Right Honorable Lord Viscount Melville, noticed in the preceding Minute.

No. XXI.

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No. XXII.

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Letter from the Right Honorable Lord Viscount Castlereagh to the Chairman and Deputy Chairman, dated the 20th December 1803.

Letter from the Chairman and Deputy Chairman to the Right Honorable Lord Viscount Castlereagh, dated the 7th July 1804.

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No. XXIV.

Letter from the Deputation to the Right Honorable Lord Viscount Melville, dated the 18th March 1812, noticed in the preceding Minute.

No. XXV.

Letter from the Deputation to the Right Honorable Lord Viscount Melville, dated the 19th March 1812, also noticed in the preceding Minute.

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No. XXVII.

Letter from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, dated the 21st of March 1812, noticed in the preceding Minute.

No. XXVIII.

Observations on the Hints suggested by the Deputation of the Court of Directors, the 3d March 1812, adverted to in the foregoing Letter.

No. XXIX.

Letter from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, dated the 23d March 1812, also noticed in the Minute above-mentioned.

No. I.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 5th October 1808.

No. I.
Secret Committee, 5 Oct. 1808

READ a letter from the Right Honorable Robert Dundas to the Chairs, dated the 30th September, desiring to ascertain the opinion of the Court, as to the propriety and expediency of bringing forward, in the next session of Parliament, the subject of renewing the Company's Charter.

The Committee having deliberated thereon, agreed on the substance of an answer, to be further considered at their next meeting.

No. II.

LETTER *from the Right Honorable* ROBERT DUNDAS *to the* CHAIRMAN *and* DEPUTY CHAIRMAN, *noticed in the preceding Minute.*

Melville Castle, 30th September, 1808.

No. II.
Mr. Dundas's Letter.

GENTLEMEN,

The propriety and expediency of applying to Parliament for a renewal of the privileges of exclusive trade enjoyed by the East India Company, with such modifications as may be deemed necessary, and for the continuance of the system of government in the British Territories in India on its present basis, but with such amendments, also, as the experience of its effects may appear to demand, having lately been the subject of frequent consideration and discussion, you will probably concur with me in opinion, that it is advisable now to ascer-

tain,

No. II. Mr. Dundas's Letter.

tain, whether the Court of Directors are desirous of agitating the question at present, and of submitting it, in all its details, to the early consideration of Parliament.

I have the honor to be, Gentlemen,
Your most obedient and humble servant,
(Signed) ROBERT DUNDAS.

To the Chairman and Deputy Chairman
of the East-India Company.

No. III.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 12th October, 1808.

No. III. Secret Committee, 12 Oct. 1808.

Agreed to the following draft of an answer to the letter of the 30th ultimo, from the Right Honorable Robert Dundas.

(Secret.)

SIR, *East-India House, 12th October* 1808.

Chairman & Deputy's Letter.

We now propose to do ourselves the honor of replying to your letter of the 30th of last month.

From the communications we have at different times had with the Members of the Court of Directors, we are well assured it is the general sense of that body, that it will be for the interest of the Public and the Company, that the Charter should be early renewed. Convinced that this is their opinion, and apprehensive lest inconvenience might be produced, by setting this important subject afloat before it was in some degree matured, we have not thought it necessary formally to resort to the Court for a declaration of their judgment upon the question you are pleased to propose to us; but we have, in order to obtain what

what we conceive to be, with the knowledge we before possessed, sufficient warrant to us to give an answer to your preliminary enquiry, laid your letter before a Secret Committee of Correspondence: and we are authorized to state it to be their opinion, as it is our own, not only that the interests of the Public, as well as of the Company, will be best consulted, by continuing the present system of Indian administration, but that it is material the Charter should be speedily renewed. No. III. Chairman & Deputy's Letter.

With respect to any modifications which you or His Majesty's Government may have it in contemplation to propose, we shall be happy to be made acquainted with them, and to bring them under the most serious consideration of this House. We can at present only state, that we trust there will be no disposition to introduce any change, that would alter or weaken the main principles and substance of the present system, which, in the opinion of the Company, is essential to the due management and preservation of British India; and that, with respect to minor points, as far as they may be really compatible with those essential objects, the Court will not be influenced by any partial views to withhold from them the fair consideration due to them.

Glad that you have seen it proper to bring forward this weighty subject, and desirous to be favored with your further communications upon it, as soon as may suit your convenience,

We have the honor to be, Sir,
Your most obedient humble servants,
(Signed) EDWARD PARRY,
CHARLES GRANT.

The Right Honorable Robert Dundas,
&c. &c. &c.

No. IV.

No. IV.

AT A

SECRET COURT OF DIRECTORS,

Held on Wednesday, the 7th December, 1808.

No. IV.
Secret Court, 7 Dec. 1808.

The Chairman laid before the Court
Minutes of a Secret Committee of Correspondence, held the 5th October last;
Letter from the Right Honorable Robert Dundas to the Chairs, dated the 30th September last, referred to in the Minutes above-mentioned;
Minutes of a Secret Committee of Correspondence, held the 12th October last; and
Draft of a Letter from the Chairs to Mr. Dundas, dated the same day.

It was then, on a motion,

Resolved Unanimously, That this Court approve the proceedings of the Secret Committee of Correspondence, of the 5th and 12th October, and the Letter to the Right Honorable Robert Dundas of the last-mentioned date.

No. V.

AT A

SECRET COURT OF DIRECTORS,

Held on Friday, the 16th December 1808.

No. V.
Secret Court, 16 Dec. 1808.

Minutes of the 7th instant were read and approved.

Draft of a letter from the Chairman and Deputy to the Right Honorable Robert Dundas, offering some suggestions of a general nature, as the principal foundations on which a new agreement between the Public and the East-India Company may be placed, was read and unanimously approved, being as follows, *viz.*

SIR,

SIR, *East-India House, the 16th December* 1808.

No. V.
Chairman & Deputy's Letter.

In consequence of a conference which we lately had the honor to hold with you, we have laid before the Court of Directors the letter which you were pleased to write to us, under date the 30th September last, on the subject of renewing the Company's Charter, together with the answer which we returned to that letter, on the 12th October following; and we are now instructed by the Court to state to you, that they approve of that answer, and are ready to enter with you, through the medium of their Committee of Correspondence, into a consideration of the various objects to which it may be proper to attend, in bringing forward so important a measure.

At the present moment it would, in the opinion of the Court, be premature in them, to proceed to any detailed specification of those objects, to which it may be proper, on the part of the Company, to attend, or to anticipate any discussions, which it may be the wish of His Majesty's Ministers to propose; but the Court beg leave to offer some suggestions of a general nature, as the principal foundations on which a new agreement between the Public and the East-India Company may be placed.

1st. The system by which the Legislature has continued to the Company the government of the territories acquired by it in the East, with a regulated monopoly of the trade, has been held by the most eminent persons conversant with that quarter and its affairs, to be the most expedient, both for the foreign and domestic interests of this country. Under it, those territories have been improved, and the security and happiness of the vast population they contain have been signally encreased. It is also a system which establishes salutary checks for the exercise of the authority lodged in this country over the Indian administration, and for all the local details of that administration, in its political, judicial, financial, and commercial departments; and provides with singular felicity for a succession of a body of able and honorable European servants, who yield in general character and utility to no class of public functionaries under the Empire. In like manner, the constitution of the Indian army has proved itself calculated to produce a body of officers of high military spirit, and of very distinguished skill and conduct. The Court, therefore, trust that no material change in this system;—no change which would affect its principles or impair its efficiency, will be proposed.

No. V.

Chairman & Deputy's Letter.

2d. In this case, it will be unnecessary to enter into any discussion of the right of the Company to the territorial possessions; a right which they hold to be clear, and must always maintain, as flowing from their acquisition of those territories, under due authority, and after long hazards and vicissitudes, and great expense.

3d. The situation of the Company is, at this time, very different from what it was at the last renewal of the Charter, in 1793. European war, with hardly any intermission, through the whole of the period that has since elapsed, has exceedingly encreased the expenses, and reduced the profits of the Company at home; and has likewise enlarged the scale of expenses abroad; where, moreover, wars with the Native Powers have been repeatedly carried on, to the vast accumulation of the Indian debt, now advanced from eight millions sterling, at which it stood in 1793, to about thirty-two millions. Without meaning at all to advert, in this place, to the question concerning the policy of some of those wars with the Princes of India; it is safe and proper to affirm, that they were not, in any degree, directed by the Executive Body of the Company, but proceeded from causes which that body could not control. As, in consequence of all the events which have happened since the year 1793, the benefits intended to the Proprietors of East-India Stock, by the Charter then passed, have not been realized; so the Court trust, that in the formation of a new Charter, due care will be taken to secure their proper share of advantage in any future amelioration of the Company's affairs, and especially that no measure will be adopted, which can have the effect of reducing the value of their capital stock. The dividend on that stock, which is only equivalent to the legal interest of money, is all that the Proprietors have ever received from the united sources of Indian revenue and Indian commerce, whilst the country has been enriched by the long continued influx of private wealth, and raised in the scale of nations by the political importance of the Indian empire.

4th. The liquidation of the Indian debt is, on all hands, agreed to be a measure of indispensable necessity. From the magnitude to which the debt has now risen, and the circumstances of the present unexampled time, the aid of the Public will probably be necessary to the attainment of this most desirable object. For the aid that may thus be afforded, the Court conceive that sufficient means of reimbursement from the Indian territory and revenue may be found; and

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Chairman & Deputy's Letter.

and the arrangement of a plan, for these purposes, might, as the Court conceive, form a very material part of the provisions of the new Charter.

5th. To apportion duly between the Public and the Company the military expenses of the Indian empire, is another measure now become unavoidable. For wars growing out of the Indian system, or out of sources purely Indian, the revenues and other means of the Company were long made to suffice, including even the charges of occasional attacks upon the Indian settlements of European nations; but the influence of European war has, in the present protracted period of hostility, extended itself more and more to India, occasioning the expense of various distant expeditions, and the encrease of the military establishment, particularly in the European troops of his Majesty, which from being twenty years ago only a very few regiments, now amount to above twenty thousand men, and those of the most expensive description of troops composing the military force of British India: nor is it at all improbable, that from the avowed design of France to invade our Indian possessions with great armies by land, it may be necessary still largely to augment our European force in that quarter. For a war of this description the Indian revenues, if unincumbered with debt, would be very inadequate. It would be an European war for European objects; a struggle between Great-Britain and France, on the soil of India, for the maintenance and support of their power in Europe. For such an object, to which the national funds only are commensurate, the national funds undoubtedly ought to provide; and as we know that, in this, we state only what your own mind has already perceived and approved, we the more confidently hope, that in a new Charter proper attention will be paid to the due regulation of so important a concern.

6th. As the early renewal of the Charter will serve to strengthen the hands of the Company in the transaction of their affairs, and improve their credit, so its renewal, for the like period as the present one run, and from the time of its expiration, would conduce to the same ends; and the Court are not aware of any objection to the proposition of this term.

We have the honor to be, Sir,

Your most obedient humble servants,

The Right Honorable Robert Dundas, &c. &c. &c.

(Signed) Edward Parry,
Charles Grant.

No. VI.

AT A

SECRET COURT OF DIRECTORS,

Held on Friday, the 13th January, 1809.

No. VI.

Secret Court, 13 Jan. 1809.

Letter from the Right Honorable Robert Dundas, dated the 28th December last, to the Chairman and Deputy, in reply to their letter of the 16th December, was read, *viz.*

Mr. Dundas's Letter.

GENTLEMEN,

Downing Street, 28th December 1808.

In submitting to your consideration such observations as have occurred to me on your letter of the 16th instant, it is necessary that you should understand them to be merely preliminary, in contemplation of future discussions, and by no means as the result of any plan or projected system, matured in concert with His Majesty's confidential Servants. It will depend on the judgment which the Court of Directors may form on the propriety or necessity of adhering to the present system of their Indian trade and administration in all its parts, whether I shall be enabled to hold out to them any expectation, that their application to Parliament for a renewal of the Company's Charter will meet with the concurrence of Government.

I shall follow the order adopted in your letter, in respect to the subjects which you have particularly mentioned, and shall offer some additional remarks on any other important branches of the present system, in which alterations may probably be deemed indispensably necessary.

1st. Concurring in substance with the proposition contained in the first article, I shall not enlarge upon its details. I have not yet heard or read any arguments against the continuance of the system under which the British Possessions in India are governed, of sufficient weight to counterbalance the practical benefits which have been derived from it, in their increased and increasing prosperity, and the general security and happiness of their inhabitants.

It

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Mr. Dundas's Letter.

It is possible that the same effects might have been produced under a government immediately dependent on the Crown; but for the attainment of those objects, the experiment is, at least, unnecessary, and it might be attended with dangers to the Constitution of this Country, which, if they can be avoided, it would be unwise to encounter. Any alteration, therefore, which may be suggested in this part of the system, will probably be only in its details. It may, however, be deemed advisable, to extend the controuling authority of the Board of Commissioners to such proceedings of the Court of Directors in England, as are immediately connected with the government or revenues of the Company's territorial possessions in India, more especially if the suggestion contained in your fourth article should be adopted.

2d. In the view which I have already taken of the proposition contained in the preceding article, it is certainly unnecessary to discuss the question of the Company's right to the permanent possession of the British territories in India. It is impossible that this right should be relinquished on the part of the Public, or that a claim can be admitted on the part of the Company, to the extent which has sometimes been maintained, and to which you seem to have adverted in the second article.

3d. It is equally impossible to acquiesce in *all* the reasoning, though I am perfectly willing to concur in the conclusion deduced from it in the third article. I think it very desirable, that no measure should be adopted, in the renewal of the Charter, which would have the effect of reducing the value of the capital stock of the East-India Company, and that due care should be taken to secure their proper share of advantage, in any future amelioration of their affairs; but as the law has regulated the mode in which those affairs, at home and abroad, should be administered, I cannot enter into the distinction which is stated in this article, and which I have met with on other occasions, as to the equitable claim of the Company to any remuneration from the Public, or other benefit, on account of wars, or other events which, as represented in your letter, did not originate in "the Executive Body of the Company, but proceeded from causes which that "Body could not controul."

It would be premature, in this stage of the discussion, to enter into any details, as to the proportion of benefit to be derived by the Company or the Public, respectively, from any future amelioration in the state of your finances; and

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Mr. Dundas's Letter.

and any contingent expectation of that nature must, at all events, be postponed, till a large portion of the Indian debt has been discharged.

4th. The liquidation of that debt is undoubtedly a measure of indispensable necessity, not only to the Company but to the Public. If we were now called upon to discuss the right of the Public to the territorial revenues which have been obtained in India, either by cession or conquest, it would be impossible to relieve the question from the fair claims of the Company and their creditors to a reimbursement of the expences which have been incurred, and the discharge of the debts which have been contracted, in the acquisition and maintenance of those possessions. Entertaining that opinion, and convinced that the liquidation of the Indian debt, in the most speedy and effectual mode, would be a measure of mutual interest and advantage, I do not suppose that your suggestion in the fourth article would be objected to by Government, provided the necessity, or at least the expediency of such an interference, on the part of the Public, is made obvious and apparent, and provided, also, that sufficient security is afforded for the punctual payment of the interest, and of an adequate sinking fund, for the liquidation of the principal of any sums advanced for that purpose. I need not remind you, however, that any such aid from the Public will be unavailing, and the relief afforded by it will be temporary and delusive, unless by the zealous exertions of your Governments abroad, and the minute and detailed investigation and unremitting attention of the Court of Directors, the ordinary expenditure in India, including the interest of debt, shall be brought within the limit of your annual income. The most sanguine expectations of a result even more favorable, and of a large surplus revenue above your ordinary expences in time of peace, have recently been conveyed to you by Lord Minto; but I trust that the Court of Directors will not be induced by those hopes, however well founded, to relax in their exertions. Every item of those, or any other estimates, which the Court may exhibit, must be strictly scrutinized and compared with the actual results of former years, and with the detailed account of any reductions which may have been ordered or carried into effect.

5th. I can have no hesitation in acceding, with some limitations, to the principle for which you contend in your fifth article. It is absurd and unreasonable to suppose, that the East-India Company, out of their own revenues, can long maintain a contest against the power of France, aided by the greater part of

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Mr. Dundas's Letter.

of Europe and a large portion of Asia. If the principal theatre of the war between European nations is to be transferred to Hindostan, it must be supported, to a considerable extent, by European resources; and if our empire in India is an object worth preserving, this country must contribute to its defence, against any attack of the description which we have been taught to expect. The extraordinary expences incurred in the necessary preparations for such a warfare, or in the actual contest, ought not, in justice, to be imposed as a burthen on the Company alone, even if they were able to sustain it.

6th. I am not aware of any reason for extending the duration of the Charter beyond such a limit, as, with the unexpired term, will be equal to the period granted in 1793; but I state this merely on the first consideration of the subject: and if the general question is to be discussed, I shall pay due attention to any suggestions which the Court may think it right to offer on that particular point.

Having thus adverted, at greater length perhaps than was necessary, to the various topics introduced into your letter, I shall proceed to state such observations as appear to me necessary to be submitted to the consideration of the Court of Directors, for the purpose of enabling them finally to decide, whether, under the circumstances of the present situation of the Company's affairs, and of the expectations which will probably be entertained by the Public, and sanctioned by Government, they will adhere to their intention of applying now to Parliament for a renewal of the Company's Charter.

It will readily occur to the Court, that whenever an opportunity is afforded of deciding in Parliament on the propriety of continuing in the Company any privileges of a commercial nature, it will be important to consider, whether the system established by the Act of 1793, for the trade of private individuals between Britain and India, has answered the expectations, or fulfilled the intentions of the Legislature. It is wholly unnecessary for me, at present, to enter into any detail of the various discussions which have taken place on that subject. The arguments on both sides of the question must be familiar to the Court, and the opinions of those persons who have turned their attention to it have, in all probability, been long since fixed and settled: it is fit, therefore, that the Court should now understand distinctly, that I cannot hold out to them the expectation, that His Majesty's Ministers will concur in an application to Parliament for a renewal of any privileges to the East-India Company, which will prevent British merchants

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Mr. Dundas's Letter.

merchants and manufacturers from trading to and from India, and the other countries within the present limits of the Company's exclusive trade (the dominions of the Empire of China excepted), in ships and vessels hired or freighted by themselves, instead of being confined, as at present, to ships in the service of the Company, or licensed by the Court of Directors. In the detail of any legislative provisions which it might be expedient to enact on this subject, it would be absolutely necessary to guard against the abuses which would arise, from facilities thus afforded to persons attempting to settle and reside in the British territories, without a license from the Company, or without the sanction or knowledge of the local Governments.

There are various other points to which it would also be necessary to pay due attention, not only as being important to the Company and to the general trade of the country, but essential to the security and easy collection of the public revenue. It would obviously, however, be premature, on this occasion, to enter into any further detail, and I have confined myself to a mere statement of the general proposition.

Another point, which would probably be deemed indispensable, is an alteration in the military system in India, for the removal of those jealousies and divisions, which have unfortunately been too prevalent, between the different branches of the military service in that quarter, and which must, at all times, be highly prejudicial to the public interest; and for the correction of the anomalous system of divided responsibility, which prevails at present in this country, in every thing that relates to the military defence of India. The only effectual remedy for these evils will, probably, be found in arrangements for consolidating your Indian army with the King's troops, founded upon the plan so strongly recommended by Lord Cornwallis, with such modifications as the actual constitution of your service may render expedient or necessary. These arrangements need not be attended with any alteration in the system of promotion now in operation among the officers of the native branch of the service, or with any diminution (they might more probably produce an increase) of any other professional advantages which those officers now enjoy; neither would they, in any degree, interfere with the general authority now possessed by the Court of Directors and the Governments in India over all His Majesty's forces serving in those parts, or with their controul over all disbursements of a military nature. I am, moreover, not aware of any reason against continuing in

in the Court of Directors the nomination of all cadets, destined to hold commissions in the Indian army.

No. VI.

Mr. Dundas's Letter.

Having thus stated to you, for the consideration of the Court of Directors, the principal points to which I was desirous of drawing their attention upon this occasion, I have only to assure you, that it will be the earnest desire of His Majesty's Government, to suggest to Parliament such a system only, as shall be conformable to the principles on which the regulations of 1784 and 1793 were founded, as will secure to this kingdom all the benefit that can practicably be derived from its trade with our possessions in India, and to the natives of those countries a government, and an administration of laws, suited to their customs, habits, and prejudices, and consistent with the British character, and which shall also be strong and efficient, without adding unnecessarily to the authority of the Executive Government at home, or increasing, to any dangerous extent, the influence of the Crown.

I have the honor to be, Gentlemen,

Your most obedient humble servant,

To the Chairman and Deputy Chairman of the East-India Company.

(*Signed*) ROBERT DUNDAS.

Draft of a proposed letter, in reply, prepared by the Committee of Correspondence, was also read.

Resolved, That the said draft be taken into consideration on Tuesday next, the 17th instant.

No. VII.

AT A

SECRET COURT OF DIRECTORS,

Held on Tuesday, the 17th January, 1809.

No. VII.

Secret Court, 17 Jan. 1809.

The draft of a proposed letter to Mr. Dundas, which was read the 13th instant, being again read;

Resolved unanimously, That this Court approve the said letter.

No. VIII.

LETTER *from the* Chairman *and* Deputy Chairman *to the Right Honorable* Robert Dundas, *noticed in the preceding Minute.*

No. VIII. Chairman & Deputy's Letter

SIR,

East-India House, 13*th January* 1809.

The letter which you did us the honor to address to us, on the 28th of last month, on the important subject of a renewal of the Company's Charter, has received the most serious consideration of the Court of Directors, and we are, by their unanimous resolution, instructed to submit to you the following answer to it.

The Court having, in the letter which we had the honor to address to you on the 16th of last month, thought it sufficient to sketch the outlines of those principles and propositions which should, in their opinion, form the basis of a new Charter, and the reply you have been pleased to make to it, declaring the same intention of stating observations merely preliminary, and " not the result " of any plan, or projected system, matured in concert with His Majesty's " confidential Servants," our present letter will abstain from any discussion of minor points, those especially relating to the proceedings of the Court of Directors with servants of the Company returned from India, to which article your letter is understood to allude; and likewise from some other points, connected with the exercise of their authority at home, which may be found to require revision and modification. Neither can it be necessary to go now into the subject of Indian Expenditure, although it is impossible, after the notice taken of it in your letter, to omit saying, that the Court feel with the liveliest solicitude, how indispensable it is to reduce that article far below the income, and are determined to act accordingly.

The attention of the Court will, therefore, be confined, at present, to two propositions of the highest importance, contained in your letter; the one suggesting such an enlargement of the trade of individuals with British India, as shall admit into it indiscriminately the merchants and the ships of this country; and

and the other, the transfer of the Company's Indian army to His Majesty. If these propositions had not been accompanied by the declaration with which your letter concludes, they would have filled the Court with the deepest concern; but you are pleased to close the whole of your observations with an assurance, " that it will be the earnest desire of His Majesty's Government to suggest to " Parliament such a system only, as shall be conformable to the principles on " which the regulations of 1784 and 1793 were founded, as will secure to this " kingdom all the benefit that can practicably be derived from its trade with " our possessions in India, and to the natives of those countries a government " and an administration of laws, suited to their customs, habits, and prejudices, " and consistent with the British character, and which shall also be strong and " efficient, without adding unnecessarily to the authority of the Executive " Government at home, or increasing, to any dangerous extent, the influence " of the Crown." Satisfied, by this declaration, that His Majesty's Government understand the interests of this country and of British India too well, to intend any alteration that would subvert or endanger the system by which those vast possessions have been acquired, governed, and improved, and by which alone they can be held, to the mutual benefit of their immense population and of the paramount state, the Court must, of course, believe, that the propositions which have just been quoted, are supposed to be compatible with the continuance of that system, or reducible to a consistency with it. These suppositions the Court are now called upon to examine, and they will endeavour to do so with the respect due to the authority with which they have to treat, with the duty which they owe to their constituents, and with that regard for the interests of their country, which they do not intend, nor feel themselves required to sink, in supporting the integrity of the present Indian system.

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If either of the two propositions, respecting the Indian trade and the Indian army, were to be acted upon, in the sense which the terms of it seem obviously to convey, the Court have no hesitation in declaring their decided conviction, that it would effectually supercede and destroy, not merely the rights of the East-India Company, but the system of Indian administration, established by the Acts of 1784 and 1793; and with respect to the latter proposition, for the transfer of the native army, it appears to be incapable of any modification which would not still make the overthrow of the present system the certain consequence

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consequence of it. The Court will take the liberty to state the reasons on which these opinions are founded, with as much fulness as the bounds of a letter, and the dispatch necessary at this period, will permit, premising only, that in the time and space to which they must now confine themselves, many things, belonging to the consideration of both subjects, must be omitted.

With respect to the Private Trade, the Company are not governed by narrow considerations of commercial profit or commercial jealousy; and, in fact, the Indian trade, as an object of gain, has gradually ceased to be of importance, either to the Company or to individuals. The admission into it already accorded to British residents in India, with the prodigious increase of the cotton manufactures of Europe, the changed circumstances of the European Continent, and the almost incessant wars which have prevailed for the last sixteen years (wars still without any near prospect of termination) have reduced the value of that trade to a very low point. The Court are actuated by a thorough persuasion, that the unlimited freedom, for which some persons have, of late years, contended, would have political consequences more injurious to the power of this country and of British India, than the advantages anticipated by sanguine minds, from an enlargement of the commerce, could compensate, if those advantages were to be realized; and that, moreover, the expectation of such advantages is unfounded, resulting from general presumptions, which are contradicted by the nature of the Indian people, climate, and productions, and by the experience of more than two centuries.

In any scheme of intercourse, purely commercial, between this Country and India, the leading objects must be to export as many as possible of our home manufactures, and to import those commodities, which would either beneficially supply our own consumption, or the demand of other countries, European or Transatlantic: and it is, no doubt, imagined by many persons, that if the trade to India were perfectly free, these objects could be attained, in a degree extending far beyond its present scale. The ardour of individual enterprize, it will be thought, could find out channels, which the settled routine of a Company cannot explore, and carry on commercial operations more economically and expeditiously than suits with the habits of monopoly, whilst our most active rivals in the Indian trade would thus be best counteracted. The present times, it will also be said, peculiarly demand new attempts and discoveries

discoveries in commerce, and His Majesty's Government may very naturally wish, at such a crisis, to procure for the country every possible facility for the exertion of its commercial spirit, and the employment of its commercial capital. But before a change in its principle altogether novel, and obviously connected with national interests of the highest importance, is adopted, it ought to be seen, not only on what rational grounds the expectation of advantages entertained from it rests, but to what consequences so material a change might expose the country and its Indian dependencies.

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Now, with respect to the benefits supposed to be derivable from opening the trade with India, it is, in the first place, to be observed, that no material enlargement, if any enlargement at all, is to be expected in the exports of our manufactures to that quarter. The records of the Company, for two centuries, are filled with accounts of their endeavours to extend the sale of British products in India, and of the little success which has attended them. The French, Dutch, and other European nations trading thither, have equally failed in introducing the manufactures of Europe there. This was not owing to their trading chiefly in the form of Companies: the Americans, who within the last twenty years have entered into the Indian commerce, and traded largely, not as a Company, but by numerous individuals, each pursuing his own scheme in his own way, in which course no part of the East is left unexplored, carry hardly any European manufactures thither, their chief article for the purchase of Indian goods being silver; and such has been the state of the trade from Europe to India since the time of the Romans. This state results from the nature of the Indian people, their climate, and their usages. The articles of first necessity their own country furnishes, more abundantly and more cheaply than it is possible for Europe to supply them. The labour of the great body of the common people only enables them to subsist on rice, and to wear a slight covering of cotton cloth; they, therefore, can purchase none of the superfluities we offer them. The comparatively few in better circumstances, restricted, like the rest, by numerous religious and civil customs, of which all are remarkably tenacious, find few of our commodities to their taste, and their climate, so dissimilar to ours, renders many of them unsuitable to their use; so that a commerce between them and us cannot proceed far upon the principle of supplying mutual wants. Hence, except woollens, in a very limited degree, for mantles in the cold season, and

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metals, on a scale also very limited, to be worked up by their own artizans for the few utensils they need, hardly any of our staple commodities find a vent among the Indians; the other exports which Europe sends to India being chiefly consumed by the European population there, and some of the descendants of the early Portuguese settlers, all of whom, taken collectively, form but a small body, in view to any question of national commerce.

What is here said does not relate only to those parts of India where the Company have settlements or factories, but to all the shores that embrace the Indian Seas, from the Gulfs of Persia and Arabia to the Eastern Archipelago. Many advocates for a free trade may suppose, that in so vast a range, numerous positions, favourable for the vent of European commodities, are still unexplored; but they are not aware, that in the British settlements, which themselves extend on the west to Cambay, and on the east to China, there are a number of merchants, native and European, who carry on what is called the coasting trade of India, with great spirit, sending their ships to every mart, insular or continental, where any profitable commodities can be either sold or bought. At all those marts, European commodities have been tried by the enterprize of individuals. The little demand that has been found for them has been supplied; and residents, settled in India, can carry into such parts the trade in European commodities, which it is now open to them to receive from this country, with more facility and advantage than merchants settled in England.

To these facts and observations, arising from the nature and circumstances of the people and countries of India, one remarkable argument may be added, furnished by our own experience at home. In the Charter of 1793, provision was made for the export of British manufactures to India, by any individuals who might choose to embark in that trade. The Company were required to find them tonnage to a certain extent, which has always been allotted at a rate of freight cheaper outward, as well as for the returns, than the Company themselves pay, or as the Court think, than private ships could furnish it. But, in all the time that has elapsed since, very few applications, and these to a small extent, have been made, for leave to export the woollens, metals, and other staples of this country, on private account, the chief applications having been for the freight of wine, for the consumption of Europeans: and this is not properly a British production, nor is it so much an increase in the trade, as a transfer of it to the private

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private merchants from the commanders and officers of the Company's ships, part of whose advantage used to arise from being the carriers of this commodity.

All these circumstances, to which other corroborations might be added, the Court trust will fully evince, that the entire opening of the Indian trade to the merchants of this country, would not, in reality, extend in any considerable degree, if at all, the consumption of British manufactures.

Let it be inquired, in the next place, whether the adoption of so great a change in our Indian system, would be followed by the discovery of such new and valuable productions of the East, as would serve materially to augment the trade of this country with the Continents of Europe and America; for, with regard to the supply of our home consumption of Indian commodities, it cannot be asserted, that the importations already made by the Company and individuals do not abundantly suffice for it, or may not, at any time, be extended to the exigencies of the market; in which, it may be noted, that a preference is given to the cotton and silk manufactures of our own country, and to some of the tropical productions brought from our West Indian Colonies. Nor can it be asserted, that new adventurers in the Eastern trade, fitting out from Great Britain, could, with any profit to themselves, furnish the home consumption on cheaper terms than it is now supplied; for both the Company, and British individuals resident in India, must have an advantage over such adventurers in the provision of goods there (British residents in the freight also), and yet, of late, the great Indian staple of cotton piece goods has been a losing article in this country.

Now, as to the productions of India valuable for foreign commerce, the trade of Europeans, of different nations, to all parts of it, in the course of the last three centuries, may well be presumed to have left little for discovery in that way. The Portuguese, who, in their early time, spread themselves along all the shores of the East, explored every considerable part of it, and they were followed by the Dutch, English, and French Companies, with their numerous establishments, some of which extended inland to the Upper India. But the modern European merchants, resident in the East, who have long been the chief navigators and adventurers in what is called the coasting trade, have become well acquainted with the commercial capacity of every region washed by the Indian Seas; so that many countries supposed here to be little known, because little visited

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visited by the ships of Europe, are familiar to them, and whatever articles those countries furnish, valuable for the commerce of the West, are already conveyed, through the medium of private or foreign trade, to Europe.

The chief commodities suited to the European market, which India has hitherto been found to produce, are spices, pepper, drugs, sugar, coffee, raw-silk, saltpetre, indigo, raw cotton, and above all, cotton manufactures of singular beauty and in endless variety. These last have, as already intimated, formed, from time immemorial, the grand staple of India; but from the rise and excellence of similar manufactures in Europe, particularly in our own country, and from the general impoverishment which wars and revolutions have brought upon the Continent of Europe, with the obstructions opposed, in much the greater part of it, to our commerce, the consumption of the fine fabricks of India has considerably decreased, and it is not likely that it can be restored to its former standard. Spices, sugar, and coffee, have been furnished chiefly from the Moluccas and Java, Dutch islands not in our possession, nor, in a commercial view, worth the expense of conquering and keeping them. The cinnamon of Ceylon, now ours, may be brought, in sufficient quantity for the supply of all Europe, in one or two of the Company's ships. Pepper is a very losing article. Sugar has been, of late, imported from our territories; but the necessary expense of conveyance from so great a distance, prevents it from being profitable, and it can be much encouraged only at the expense of our West-India colonies. Raw-silk and indigo, now produced in great perfection in Bengal and its dependencies, have been brought to that state, by the expense incurred, and the support afforded by the Company. Both are articles occupying little space, in proportion to their value. The factories where the former is collected and prepared are in the hands of the Company, who have, in the course of many years, established them with great labour and expence. They can furnish not only all the raw-silk this country requires, but much for the consumption of the Continent, if it was possible to bring it there into competition with the raw-silk of Italy, and the tonnage already employed by the Company is quite sufficient for its importation from India. The indigo produced in Bengal and the adjacent Provinces is equal, probably, to three-fourths of the demand of all Europe, and may easily be raised to the whole demand; but the manufacture of this article is entirely, and the trade in it chiefly, in the hands of individuals, who

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who need and require no shipping from this country, except what the Company provide, to convey to Europe, all that Europe can consume of it. Saltpetre, furnished only from Bengal, is, for political reasons, prohibited to foreigners, and exported exclusively in the ships of the Company: for the same reasons, it could never be prudent to allow the private ships of this country to carry it away at pleasure. Where then is the scope for the admission of new shipping and new adventurers, without limitation, into the trade of India with Great-Britain? In general, it may be observed, that the commodities which have hitherto come from that country, in a state prepared for use, such as the great staple of cotton piece goods, being articles of luxury, can have only a limited consumption, and that the demand for them could not be encreased, at all in proportion to the number of new competitors that should enter into the trade. The same may be said of all kinds of spices and drugs, which, from their nature, have a limited consumption; and, with regard to the important articles of raw-silk and indigo, which require a further preparation before they are used, there is already abundant provision made for their importation, to the utmost extent of demand.

There remains then to be considered, of all the commodities above enumerated, only the raw material of cotton; and to this may be added another, of high importance, which India is in time likely to produce abundantly, namely, hemp. Now, with respect to the former of these, the Company have formerly imported it, and permitted private merchants to do so; but it was found, that the cotton of India could not enter into competition with that produced nearer home, in the Brazils, the West-Indies, and North America. Of late, since the interruption of our trade with the last mentioned country, the Company have themselves commissioned cotton from India, and have been willing to encourage individuals to export it from thence; but that it can support a competition with the cotton of Georgia, when the American embargo is taken off, or become an article of extensive demand in this country, supplied with it from so many nearer quarters, is not very likely. The culture of hemp in India is yet in its infancy. A change in the circumstances of Europe may check it; but if it is not checked, years must elapse, before the quantity produced can form a considerable article of exportation. And with regard to both these commodities of cotton and hemp, it is to be observed, first, that cargoes for Europe cannot be composed of them only, some other, more ponderous for its bulk, being necessary for dead

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weight, and sugar, almost the only article of this nature that India can supply, must generally be rather a losing one: secondly, it is to be observed, that the private ships ready to be employed in India, must be abundantly sufficient for the supply of all the tonnage that can be required for these articles, which could hardly absorb any very large amount of capital. Thus, then, it is also apparent, that the country and productions of India afford no new field of importance for the commercial enterprize of the merchants of Great Britain.

But were it indeed otherwise, where, in the present circumstances of the European Continent, could new commodities, imported into this country from India, find a vent, when many of those already made, and of articles which the Continent used to take off, remain in our warehouses? And hence may appear the inapplicability of that argument, which has sometimes been urged in favour of enlarging, or rather opening the Indian trade to individuals, "that "they should be allowed to bring home *the surplus produce of India* which the "Company did not require." There can be no room for additional importations, when the ordinary scale proves too large. But in the use of this plausible plea, respecting *surplus produce*, there was always a great fallacy. It seemed to imply, that there was a stock of commodities in India which continually remained undisposed of, whereas nothing is more evident, than that the productions of any country will be regulated by the demand, and that no agriculturists or manufacturers will go on from year to year to produce that for which they have no sale. The term, as connected with the Company, might also convey the idea, that *they* were the only purchasers in the country; whereas, at that very time, British residents and foreign nations had the privilege of exporting goods to the western world, and there was a great coasting and internal trade from one part of India to another. But the argument for permitting individuals to export the surplus produce, included fully, though not professedly, the principle of transplanting British capital to India, in order to raise produce there; a principle which, it may be thought, this country has already carried sufficiently far in its other distant dependencies, and which could not be applied to India without political consequences.

But it has been alledged, that the refusal of the Company to make a concession, which appeared to them to be claimed on unsound premises, and to be pregnant with danger, threw that trade, which might have been brought into the

the Thames, into the hands of foreigners, particularly the Americans, whose great progress in the Indian trade, of late years, has been charged to an erroneous policy on the part of the Company. Nothing can be more mistaken than the whole of this statement. Several European nations having from the native sovereigns of India the right of possessing settlements and carrying on trade there, a right which we had confirmed, we could not interrupt the exercise of it whilst they remained at peace with us; nor, therefore, divert from them whatever portion of the trade their means enabled them to embrace. And, with respect to the Americans, they owe their advancement and success in the Indian trade to the treaty made with them by our Government in 1794, to the belligerent state of Europe since that time, and, above all, to the neutral character they possessed, which enabled them to navigate more cheaply, more expeditiously, as well as more safely than our merchants or the Company could, and to supply many parts of the European Continent and of South America, to which our ships had no access. These, with the increase of the consumption of eastern commodities among themselves, are the true causes of the growth of the American trade with India; and even the abolition of the Company's privileges would not have transferred the share they acquired of it to our merchants, because it could not have lessened the advantages under which the Americans then carried it on, nor have gained us either the supply of their internal demand, or admission to many ports which were open to them. What the Company could do, in the way of regulation, to reduce the inequality between the American traders and our own merchants, you know, Sir, was effected, as soon after the expiration of the treaty of 1794 as His Majesty's Government thought expedient.

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Among the speculations of the present day, the idea may perhaps be suggested, of carrying the productions of India directly to the ports of Portuguese and Spanish America; and eagerness for relief from the pressure which our commerce now feels, may be ready to make so great a sacrifice of the navigation laws. But such a measure would essentially exclude the mother country from being the medium and emporium of our Indian trade; and whilst it served to enrich India, rather than Britain, would facilitate the progress of the former to independence. If, however, so dangerous an innovation were not adopted into our commercial code, it is altogether probable that English ships, admitted without limitation into the Indian Seas, would take the liberty of sailing to those markets

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markets which would be thought the most promising; so that, in effect, the opening of the Indian trade would be not solely or chiefly for this country alone, but for other, perhaps for all parts of the world.

Having thus shewn, that the opening of the Indian trade to the subjects of Great Britain could not materially increase, either the export of the manufactures of this country, or its commerce in the productions of India, it will next be proper to consider, what the effects of the proposed change would be upon the East-India Company and upon British India.

And, in the first place, it would, in substance and in form, entirely abolish the qualified monopoly which the Company still enjoys of the Indian trade. The admission of all private merchants, at their pleasure, and of their ships, into that trade, would make it as perfectly free as the trade to our American or West-Indian colonies. There would, as to India, be an end of all exclusive privilege of trade. This would not be any modification of the Act of 1793, but an essential departure from it. That act permittted only the export of British manufactures, and intended only to provide for the returns to them, and for *the remittance, in goods, of British fortunes from India; both on the ships of the Company.* The proposed measure must, in the nature of it, make the trade from India not merely a vehicle for the remittance of fortunes acquired there, or the produce of British manufactures, but a general trade; and what is a still more radical change, instead of a limited amount of tonnage not incompatible with the Company's system, it admits all ships, without any limitation, or option on the part of the Company: it throws all India open to those ships, and thus sets aside the Company from being the sole channel and medium of the trade, through their own shipping, or shipping engaged by them, which completely divests them of the last remnant of exclusive privilege in that trade.

It would be no argument to say, that in a trade, by which they now gain little, they might admit, without much sacrifice, the rest of the commercial world to share. The loss of the Indian monopoly, such as it was left by the Act of 1793, would lead, by no slow process, to the entire subversion of the Company, both in their commercial and political capacity, and of that system which the Legislature has appointed for the government of British India, of which system the Company forms an integral and essential part.

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If the Indian trade were thrown open, ships would, at first no doubt, swarm into it, and there would be a ruinous competition in the markets, both abroad and at home. Goods would be enhanced in cost there, as well as deteriorated in quality: the selling prices at home, already too low, reduced still lower, and the market overstocked. This was the effect, in some measure, produced by throwing open the trade in the time of Oliver Cromwell, who, after the experience of a few years, revived the Company. The same effect followed from the collision of the Old and New Companies, in the beginning of the last century, which forced them to unite, and their union received the sanction of Government. It is not sufficient to say, on this head, that increased demand abroad will produce increased supply, and the diminished price of goods at home increase the sales, so that things will, at length, in both countries, find their due level. From the nature of the Indians and their division into castes, it is not so easy among them, as in Europe, to meet an increased demand by increased production; and it is still less easy, when they can subsist by furnishing things of low or ordinary quality, to make them aim at excellence, which the supposition of increased sales at home would require. But of such an increase, in the present and prospective state of the trade in Indian imports, enough has been above said to shew the improbability; and before that supposition could, in any case, be realized, the ruin of the parties immediately embarked in the trade (a trade so distant, requiring large capitals, and making slow returns) might be completed, with the ruin also of the Company, whose establishments would have been deranged by this great change. If the change itself did not occasion the fall of the Company, the disappointments which the private adventurers could not fail to experience would, by them, be charged to the influence of the remaining privileges of the Company, and they would not rest until the whole were extinguished. But it may be observed here, and it is an observation which might be urged more formally and fully, that although the Company have the justest claim to those territories, which the powers vested in them by the laws of this land, the ability of their servants, and the hazards they have encountered, have enabled them to acquire, and that this right was never questioned, until the acquisitions, and consequently the merit of making them, became great; yet that, in a more peculiar sense, all the principal marts and factories of British India are their property, acquired in their purely commercial period, either with

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their money or by grants from the native princes of the country, and that the power of admitting settlers and traders to them strictly belongs to the Company.

One part of the present system, and a beneficial one for all parties, is to have only one place of sale for Indian goods, that is London; to make all sales by public auction at stated periods, and these sales to be regulated and conducted by the Company. With the proposed enlargements, it would seem hardly possible to continue that practice. Different towns would have their own sales, at their own times. Individuals might frequently chuse to dispose of their goods by private bargain. The general resort of buyers which the sales were wont to bring to London, a resort often productive of other commercial speculations, would thus be at an end; and the benefit derived from public auction, when that was the sole mode, would be lost, in the midst of many private sales and competitions: but to dispose of the goods of the Company by private negociation, might open a door to many abuses, which would render that mode totally unsuitable for their business. The Company, with such a competition, could not go on to purchase the goods of India. With the cessation of their Indian trade, their Indian subordinate factories, which have been reared in the course of more than a century, and which are the seats of the best manufactures produced in the country, must be abandoned, and all the commercial branch of their civil servants be thrown out of employ. Their purchases of goods at home, for the Indian market, must also cease, with the circulation of money which has enabled them to support their credit in England, and to provide for the payment of bills, which it has been long and necessarily the practice to draw on them from India; a practice which, under such a change of circumstances, could not be continued: and, in general, the great aid which the political affairs of British India have, at all times, derived from the commercial credit and resources of the Company, with the reciprocally beneficial co-operation of the different parts of the Company's system, must thus be destroyed. In like manner, the Company must cease to employ the numerous class of excellent ships they have engaged for the Indian trade, ships constructed for warlike defence as well as for commerce, and rendered expensive only, by being necessarily destined and fitted for the performance of political services. Those ships the Company have contracted to employ for the term of their duration: there is a large capital embarked in them, and they can be employed in no other way than in that for which they were built.

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When they can no longer be kept up, the means of conveyance they have hitherto so well afforded for troops, and the large supplies of naval and military stores annually sent to India, must be lost.

But there is no reason to believe the evils would end here. The monopoly of the China trade, which it is proposed to continue, would not be safe. British ships, when permitted to range at pleasure through the Indian seas, however interdicted from that trade, would attempt to participate in it either by resorting to it as the country ships do, under color of carrying on the coasting trade, or by other means obtaining teas, and the other productions of China, at the most convenient Indian ports. Love of gain, disappointments in other ways, the hope of impunity, would stimulate their conductors to break through restrictions imposed in this country. British subjects, who now navigate the Indian Seas, sail from some one of our established settlements there, and are amenable to the laws of it: it would not be so with men having no domicile in India. In ranging the numerous islands and coasts of the Eastern Seas, where they would be unknown, and whence they could not be followed to England by complaints, the probability of impunity might tempt them to commit upon the weak natives, accustomed to repose confidence in Englishmen, acts of injustice and licentiousness, which would wound the national character, raise complaints throughout India, and set the people against us. In this manner the Portuguese formerly rendered themselves odious in the East, and contributed to the downfall of their own power. In China, where the effects of such a spirit would be most to be feared, we could exercise no authority, sufficient to controul men not within the reach of the Indian Governments, or to defeat their schemes and associations for eluding the laws. Practice would embolden them, and time increase their numbers. It is hardly conceivable they would not venture upon irregularities which would offend the Chinese Government, who, whilst the delinquents escaped to England with impunity, would doubtless take satisfaction of the national factory; and the pride and jealousy of that government, alarmed by repeated instances of this nature, from the desultory visits of a new order of Englishmen, insubordinate to the representatives of the nation, might determine to dismiss the whole together. If this extreme case be not supposed, which however is too probable and too momentous in its consequences to be hazarded, can it be doubted, that whilst the duties on tea continue at even the fourth

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part of what they are at present, private English ships adventuring to the eastern seas will not, by means of country vessels and intermediate ports, if by no other means, procure teas, and revive the practice of smuggling them into this kingdom? The consequence seems inevitable, and the ships of our own country, especially if allowed to chuse their port of discharge, as the proposed change seems to require, would have facilities, which those of foreign Europe or America could not command. In these ways, the China monopoly of the Company, reduced in its profits, would be rendered likewise insecure, and in the end untenable; and the noble fleet of ships, employed in that trade by the Company, must be also laid aside. How the immense revenue, now derived by Government from the very high duties on tea, could, under such circumstances, be realized, or a substitute found for them, may be an important, and, to all appearance, a most difficult subject of enquiry.

But a more serious consequence than all these would still remain. A free trade to India would, unavoidably, draw after it the residence of numerous and continually increasing Europeans there, whatever prohibitions might, at first, be opposed to their settling in the country. When all restraint to the importation of ships and goods is taken off, men must be allowed to follow their property, and to remain at the place where they land it till they have disposed of it: they must be allowed to navigate the Indian Seas, and to return to the same place when their business calls them: they will thus, insensibly, and with hardly reasonable grounds for opposition, domiciliate themselves; nor would an unsuccessful trade prevent them, but many would seek to indemnify themselves on shore for their losses by the voyage. The instances of such settlements will be numerous, and it will be impossible for any police to follow up the cases of individuals, and continually to exercise a rigorous system of exclusion. This has not hitherto been done, though attended with comparatively little difficulty; and the attempt would soon, under the new order of things, be abandoned as hopeless. Colonization must, in such case, follow. Large communities of Europeans will struggle for popular rights: new feelings with respect to the mother country, new interests and attachments will then spring up; and in a region so remote, so rich and populous, and so accustomed to yield to the ascendancy of the European character, the tendency and process of these things cannot be difficult to conceive.

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With the prospect of all these consequences, commercial and political, before the Court, it is impossible that they, as faithful guardians of the interests committed to their care, or as men truly solicitous for the welfare of their country, which they profess themselves to be, can advise their constituents to seek a renewal of their Charter, on conditions which would despoil it of all its solid advantages, deprive the Company of their most valuable privileges, and incapacitate them from performing, for themselves and the nation, the part hitherto assigned to them in the Indian system. Such a further enlargement of the Indian trade, in favor of individuals, as may be compatible with the preservation of these essential objects, the Court will, in present circumstances, certainly be disposed to recommend. They will be ready to enter into a serious inquiry concerning the concessions which may be made, without trenching upon the principles established by the Act of 1793; and they trust that the justice and wisdom of His Majesty's Ministers will not require the Company to make essential sacrifices, for the sake of giving to the Public what would, after all, be more an ideal than a real benefit, and be, in other respects, productive of incalculable disadvantages.

The other important proposition which is next to be considered, is the transfer of the Indian Army to the King. The reasons assigned for this proposition are, that an end may be put to the jealousies and divisions which have too much prevailed, between the officers of His Majesty's army and those employed by the Company, and that the responsibility in the country, of providing for the military defence of India, may be ascertained and strengthened.

The Indian army is the main instrument by which the Company have acquired and retained the territorial possessions they have added to the British Empire. The people of those countries submitted more easily to an authority exercised by means of a body formed from among themselves. We fought battles and governed provinces as the native powers did; and our new subjects, undisgusted with the sight of a foreign conquering army, supposed the government to continue substantially the same, and the principal change to be in the individuals who exercised it. The constitution and character which this Indian army has acquired, have been the subject of just admiration. These have been owing, essentially, to the happy mixture of bravery and generosity, of firmness and kindness, exercised towards the Sepoys by their European officers. The superior

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lights and energy of the European character have directed the powers and conciliated the prejudices of the native troops; but it was because the officers knew the people and their prejudices well. These officers had been trained up among them from an early age: the nature, the usages, and the language of the natives, were become familiar to them; and the natives, remarkably the creatures of habit, in return, from being accustomed, became attached to them. Without such knowledge, however, on the part of the officers, they might every day have revolted the minds of so peculiar a race, and have alienated them from our service and government.

An Indian military education, from an early age, is essential to the formation of a good Sepoy officer, and gradual rise in the service by seniority, is no less indispensable. In this way, the Indian army has been constituted and rendered eminently efficient; and all measures, tending to change or weaken the constituent parts of this fabrick, are to be deprecated. When, excepting a few regiments of European artillery and infantry, the whole military force of British India was composed of Sepoy corps, the officers of that army, of course, possessed entire the emoluments and advantages which the service afforded. The introduction of European troops from His Majesty's army into India altered this state of things. Young officers, of no Indian experience, who had obtained their commissions by purchase, took rank of men of long and tried service: the King's officers were thought to come in, also, for too large a share of employments and advantages. To redress the complaints which the Company's officers made of supercessions and partialities, and to give them a better share of the benefits of the service, was the leading object of Lord Cornwallis's Military Plan of 1794, and with him a principal motive for proposing to transfer the Indian army to the King, no other practicable means having then occurred to him. But the object was, in substance, attained by the Military Regulations of 1796, passed in concert with His Majesty's Government, without that transfer, of which his Lordship did not revive the idea on his last return to India, those regulations having given increased rank and retiring pay to the officers of the Company's army. The causes of complaint, however, did not entirely cease. To avoid the collision of authorities, the Company had adopted the usage of appointing the Commander in Chief of the King's troops, also their Commander in Chief; and one consequence of this has been, that the Company's officers, resident

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resident from early youth in India, possessing little influence in England, unknown to officers of high rank in His Majesty's service, have thought themselves treated with less favour and distinction, than younger officers of that service recently arrived, but better patronized. You know, Sir, that there have been instances of this sort, which the Court, with the sanction of your Board, have interposed to repress: but as long as the British force in India is made up of two armies, so differently constituted, with so large a portion of King's officers, the whole commanded by generals of His Majesty's service, there will, probably, be real or apprehended ground for the like complaints. They do not arise because one army has the honour to belong to His Majesty and the other serves the Company, but because the constitution of the two armies are radically different, and must continue so, whether the armies are under one head or two. The Indian army cannot be maintained without officers attached to it from an early age, and rising by seniority. Frequent changes of King's regiments serving in India, and the consequent frequent arrival of young men, promoted in them by purchase, cannot be avoided: the former class will be comparatively unknown to the King's commanders, the latter will have among them the connections of those commanders, or of men of influence in England. It is not difficult to see, therefore, to which side the exercise of military patronage will lean; and to prevent causes of complaint, and to keep the balance even, must be an important object in the Government of India. It does not seem the way to effect this, to put the Indian army wholly in the power of the Commander in Chief. It is of the partiality of that station of which the Company's officers have sometimes complained; and the Court see no reason whatever to suppose, that their jealousy and dissatisfaction would be removed, by putting them entirely under its control: and, indeed, by placing two armies, of such different races and so differently constituted, under the same master, it would seem difficult to avoid attaching the idea of permanent inferiority to that which was Indian. Nor is it a thing to be taken for granted, that the Sepoys, so much, as already observed, under the influence of habit, would chuse to be transferred from that service to which they have been always accustomed, to one of which they have little experience, and that experience not always of a conciliatory kind. To place the officers of the Indian army wholly under that authority of which they have hitherto complained, does not certainly appear to be the way to render them easy. It might, on the contrary,

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contrary, lead to serious discontent; and though the Court would be far from countenancing that spirit among their officers, or yielding to any irregular exertion of it, yet it must be said, on the other hand, that those officers are a body of men who have deserved too well of the Company and their country, to have real causes of discontent; and that it would be impolitic to adopt any system, likely to generate such causes, either among them or the men they command.

With regard to the other reason assigned for the proposed change, the Court beg leave to observe, in the first place, that they do not perceive the necessary connection between the inconvenience which is alleged, and the remedy suggested for it; since, if it were true that the question of responsibility in England, respecting the appointment of Commander in Chief, lay under an obscurity and uncertainty detrimental to the public service, it does not appear to follow that the Indian army ought to be transferred to the King, to remedy this defect. But, in the humble apprehension of the Court, no obscurity hangs over that question. The appointment of Commanders in Chief of the King's forces there rests with His Majesty, and the officer chosen by him will, by virtue of his commission, generally command the Company's army on service. The appointment of Commanders in Chief for the Company's army is placed, by law, in the first instance, in the Court of Directors, but with a power vested in His Majesty to annul such appointments. This necessarily points to an agreement between His Majesty's Government and the Court of Directors, in respect to those appointments, and the Court are not aware, that they have, on any occasion, used the share of power left to them by this arrangement, for the exercise of which they feel that they are responsible, to the prejudice of the public service. They must, at the same time, humbly express their opinion, that the law, as it now stands, is wisely conceived, since it does not halve the responsibility, but double it, making both His Majesty's Government and the Court of Directors fully answerable for the appointment of the Company's Commanders in Chief: and if it should still be said, that, in point of fact, the selection of a Commander in Chief for His Majesty's forces may be rendered difficult, by reluctance, on the part of the Court, to accept of the same officer for the command of the Company's army, it may be justly replied, that they make a sacrifice to the public interest, in agreeing that the Commander in Chief of His Majesty's shall also be the Company's; and when he is not only to command their army, but expects to be made a

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Member of their civil and political Government, it cannot be deemed unreasonable, that they should possess the right of satisfying themselves as to his competency for filling those high offices: neither is it, as they think, to be shewn from theoretical reasoning, or by an appeal to facts, that the service will suffer, or has suffered, by their assertion of this right.

But the strongest objections of the Court to the proposed transfer arise from political considerations. They conceive the continuance of the Indian army in the hands of the Company to be essential to the administration of the civil, financial, and political affairs of British India, according to the present system. The Company's Government has hitherto been respected, both by its own subjects and foreign powers, because it possessed a great military force. Organizing this force, enlarging or reducing it at pleasure, appointing its officers, rewarding merit, punishing the unworthy, providing for the comfortable retirement of the veteran soldier and officer, and, in short, exercising all the functions of a governing power over a very numerous body of men of high military spirit, it has possessed all the respectability and the benefit of their attachment and fidelity. Looking upon the Members of the civil Government and the body of civil servants as belonging to the same master with themselves, and as the first order in the state, they have paid a willing obedience to their authority, and have thereby upheld their internal administration and their consequence abroad. The introduction of certain King's regiments has been understood, as it was intended, to be merely in support of the public interest under the existing system: but if the Company were to be divested of the whole of their military force and power; if they were to be no longer masters of a single regiment, no longer capable of entertaining any soldiers nor of giving one subaltern's commission; if the immense body of men, who have so long looked up to them, were to be transferred from them, the people must consider their power as fallen and drawing rapidly to a close. Continuing still to their Governments a general controul over the employment of the army, and to their civil servants the internal administration of their affairs, would give the people no assurance to the contrary. Those servants, in the discharge of their different functions of judges, magistrates, collectors, could not expect the same respect and support, either from public opinion or the attachment of the native troops, as when all looked to the same head for protection, patronage, and reward.

Indeed,

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Indeed, to make so wide a separation of the military from the civil power; to take away the organization, the interior regulation, and with these, the patronage of the army, from the local Government; to place all those powers in the hands of the Commander-in-Chief, subject only, in the exercise of them, to an authority at the distance of half the globe, would throw the means and the temptation of a dangerous ascendancy into the scale of the military department, which constituted by His Majesty, might easily be led to slight the civil servants of a meaner master, and their chance of distant redress. Among the natives of India it has been usual to consider the military power, and those possessing it, as pre-eminent; and they see, in some examples of the present day, *that* power, under the idea of assisting the civil and political administration, actually controuling it. The Company's Government, in short, lowered and overshadowed in this way, would not, in the opinion of the Court, continue to possess the authority necessary for the proper administration of the affairs of that great empire; and it might then be conceived, that a further change only could supply what was defective.

But this is not the only way in which the measure in question appears to the Court to be pregnant with danger. It proposes to place in the entire disposal of the Crown, a regular army, amounting to one hundred and forty thousand men, commanded by above three thousand European officers, having a great variety of places of honor and emolument; and all the vast patronage attaching to such an army (saving the nomination of cadets) would, mediately or immediately, be under the influence or controul of some of the Members of His Majesty's Government. This would be a signal departure from the spirit and letter of the Acts of 1784 and 1793, a professed principle of which was, that the Indian patronage, civil and military, should be kept entirely out of the hands of the servants of the Crown. It is not for the Court to enlarge upon a proposition so momentous; but they beg leave, with the utmost deference, to state, that they would deem it a dereliction of their duty, to which no consideration could induce them to submit, to recommend any measure of this description to the adoption of their constituents. Knowing however, Sir, your concern for the promotion of the public interest, a concern which we have frequently witnessed, the Court still flatter themselves, that the consideration of the renewal of the Company's Charter, a measure which they believe to be for the interest of the nation as well as of

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of the Company, will go on without your insisting on this proposition, or any further on the other which has been above discussed, than may be really compatible with the preservation of the present Indian system.

We have the honor to be, Sir,

Your most obedient humble servants,

(Signed) EDWARD PARRY,
CHARLES GRANT.

The Right Honorable Robert Dundas,
&c. &c. &c.

No. IX.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 28th February 1809.

No. IX. Secret Committee, 28 Feb. 1809.

The Chairman and Deputy Chairman reported to the Committee, that in consequence of an invitation from the President of the Board of Commissioners, they had yesterday an interview with him, in which he discoursed with them on the present state of the negotiation for the renewal of the Company's Charter. He inquired, in the first place, whether the Company would have occasion to apply to the Public for pecuniary aid in the course of the present year. To this inquiry the Chairman and Deputy answered, that from an estimate lately made up of the Company's receipts and payments, till the month of January 1810, it appeared probable they might be able to do without any public assistance till that period; but that this could not be positively affirmed by the Chairs without further and more certain investigation. Mr. Dundas then said, that if the Company were not under a necessity of coming to Parliament this session on the score of their finances, he thought it would be expedient to delay the agitation of the subject of the Charter in Parliament till next session, because the Committee of the House of Commons for inquiring into the state of the Company's

No. IX.
Secret Committee, 28 Feb. 1809.

ny's affairs, recently re-appointed, being about to examine into all the great branches of those affairs, which would necessarily engage the public attention on the renewal of the Charter, it would be expected by the House, that the reports of that Committee should be submitted to them, before the question of the renewal was brought forward, and from the number and weight of the subjects to be investigated, it would be impracticable to report upon them, soon enough to afford sufficient time to the House to go through the consideration of them in the remainder of the session: it was, therefore, Mr. Dundas's opinion, that it would be advisable to postpone the agitation of the question until next session; but before he fixed his determination, he wished to receive the sentiments of the Chairs and the Committee of Correspondence on this important point, and those sentiments would probably influence him in shaping his answer to the last letter of the Court, dated 13th January 1809, on the renewal of the Charter. The Chairman and Deputy Chairman beg leave to state, that they, in reply, expressed their opinion to be clearly in favor of proceeding with the business of the Charter this session, if it should be practicable for the Committee of the House to make the requisite reports in due time.

The Committee having deliberated on this communication, are of opinion, first, that it will be necessary to form as accurate an estimate as possible of the home finances of the Company for the current year; secondly, that it is very desirable the renewal of the Company's Charter should be brought forward in Parliament this session, even if the Company should stand in need of no pecuniary aid; but, thirdly, that if the Select Committee cannot prepare their reports in due time, and His Majesty's Ministers deem it proper to wait till next session, the Court must, of course, acquiesce; yet in the wish and hope, that if any circumstances should occur in the course of the present session, favorable to the agitation of the measure, it may still be brought forward; and if not in this session, as early as possible in the next; to which end the Committee will be very ready to proceed with the President of the Board of Commissioners in the discussions already commenced.

No. X.

No. X.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

5th December 1809.

No. X.
Secret Committee, 5 Dec. 1809.

Read and approved draft of a letter to the Right Hon. Robert Dundas, proposing that the discussions between him and the Court, on the subject of the Charter, be resumed, from the point at which they were left by the letter from the Chairman and Deputy, dated 13th January last.

No. XI.

LETTER *from the* CHAIRMAN *and* DEPUTY CHAIRMAN *to the Right Honorable* ROBERT DUNDAS, *noticed in the preceding Minute.*

(*Private.*)

East-India House, 5th December, 1809.

No. XI.
Chairman & Deputy's Letter.

SIR,

From the conference the Chairs had the honor to hold with you on the 13th of February, on the subject of a renewal of the Company's Charter, we were given to understand, that although His Majesty's Ministers did not deem it expedient to bring that subject under the consideration of Parliament in the session then preceding, it might, in their opinion, be proper to prepare for the agitation of it in the next following one.

We now, therefore, by the authority of the Committee of Correspondence, whom the Court of Directors have empowered to conduct the details of negociation on the subject in question, beg leave to state to you, that, in their opinion, it is desirable the discussion concerning the renewal of the Charter should be

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brought on in the ensuing session, both on account of the general situation of the Company's affairs, and also on account of the particular pressure on their finances (arising chiefly from the transfer of certain sums of the Indian debt to England) which we have already had the honor to represent to you and to Lord Harrowby, and which renders necessary such an application for public aid, as may, of itself, be expected to lead to a general consideration of the Company's affairs.

We therefore take the liberty to propose, that the discussions between you and the Court, on the subject of the Charter, be resumed, from the point at which they were left by the letter the Chairs addressed to you, under date the 13th January last.

We have the honor to be, Sir,

Your most obedient humble servants,

(*Signed*) CHARLES GRANT,
WILLIAM ASTELL.

The Right Honorable Robert Dundas,
&c. &c. &c.

No. XII.

AT A

SECRET COURT OF DIRECTORS,

Held on Friday, the 3d January 1812.

No. XII.

Secret Court, 3 Jan. 1812.

The Chairman laid before the Court, copy of a letter from Lord Melville to the Chairs, dated the 17th of last month, upon the subject of continuing to the East-India Company, for a further term, their privileges of exclusive trade and the government of the British territorial possessions in India, in which his Lordship adverts to his letter addressed to the Chairman and Deputy Chairman, on the 28th December 1808, and to their reply, dated the 13th January 1809, and adds, that if the Court of Directors are willing that the ships, as well as goods of private merchants, may be admitted into the trade with India, under such

such restrictions as may be deemed necessary, he shall be ready to discuss with the Chairs all the other details of the system: and his Lordship alluding to two points of considerable importance, adverted to in the above-mentioned letters, *viz.* the first relating to the transfer of the Company's army to the Crown, upon which subject circumstances may possibly suggest the expediency of adopting other measures, for promoting the discipline and efficiency of the army in India; and the second point, being the Indian debt, upon which subject his Lordship observes, that the period he should hope is arrived, for providing, out of the Company's own resources, without any pecuniary aid from the Public, the means of enabling them to satisfy all the claims of their Indian creditors.

No. XII.

Secret Court, 3 Jan. 1812.

Ordered, That it be referred to the Committee of Correspondence, to consider what reply it may be right and proper to make to the letter from Lord Melville, now read; and to report their opinion thereon to the Court.

No. XIII.

LETTER *from the Right Honorable* LORD VISCOUNT MELVILLE *to the* CHAIRMAN *and* DEPUTY CHAIRMAN, *dated the 17th December*, 1811, *noticed in the preceding Minute.*

India Board, 17th December, 1811.

No. XIII.

Ld. Melville's Letter.

GENTLEMEN,

Understanding from you, that it is the wish and opinion of the Court of Directors, that a proposition should be submitted to Parliament in the course of the next session, for continuing to the East-India Company, for a further term, their privileges of exclusive trade and the government of the British territorial possessions in India; it will be necessary, before I can proceed with you to the discussion of that question in all its details, that certain preliminary matter should be again brought under your consideration.

In a letter which I addressed to the Chairman and Deputy Chairman, on the 28th December 1808, the outlines of such a system, in regard to the trade between this country and the East-Indies, were stated, as His Majesty's Government at that time were willing to propose to Parliament. In a reply to that letter,

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letter, dated the 13th January 1809, detailed reasons were urged, for the Court of Directors declining to "advise their constituents to seek a renewal of their "Charter, on conditions which" (as asserted by the Chairman and Deputy Chairman) "would despoil it of all its solid advantages, deprive the Company "of their most valuable privileges, and incapacitate them for performing for "themselves and the nation, the part hitherto assigned to them in the Indian "system."

I do not feel it requisite, in this stage of the business, to enter upon a minute examination of the arguments from which that conclusion was drawn. Many of them have reference to possible dangers, which might arise from a system of trade wholly unrestricted; against which dangers, however, it was expressly admitted in my letter, that it would be essentially necessary to guard. A considerable portion of their reasoning, also, would lead to the inference, as a general proposition, applicable to all cases of foreign and distant trade, that a monopoly was more beneficial to both countries than an unrestrained commerce; and that the facilities intended to be afforded to private trade with India, by the Act of 1793, were inexpedient and impolitic. There are several statements in the letter, in which I fully concur; but it is unnecessary to advert to them at present, because, if the Court of Directors adhere to the above-mentioned determination, I cannot hold out to you the least expectation, that His Majesty's Government will be disposed to depart from the proposal contained in my letter, or that they will concur in any application to Parliament, for the continuance of a system of trade, conducted under all the restraints now imposed upon it, and for the permanency of which the Court of Directors have so strenuously contended. If they are willing, on the other hand, that the ships, as well as goods of private merchants, may be admitted into the trade with India, under such restrictions as may be deemed necessary, I shall be ready to discuss with you all the other details of the system.

There are two points, however, of considerable importance, which are adverted to in the above-mentioned letters, and on which it may be advisable that I should state to you shortly what occurs to me.

The first relates to the transfer of the Company's army to the Crown; a measure which has been frequently suggested by persons intimately acquainted with the military concerns of the Company, and whose opinions are entitled to great

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Ld. Melville's Letter.

great consideration. It is impossible, however, not to admit, that several weighty objections to such a change are stated in the Letter of the 13th January 1809. Events which have since occurred must, also, have an influence in deciding this question, and may possibly suggest the expediency of adopting other measures for promoting the discipline and efficiency of the army in India. Further discussion on this subject may be deferred till a future opportunity, and any arrangements which may be deemed proper can be carried into effect, without having recourse to special legislative enactments.

The other point to which I allude, is the proposition for enabling the Company to meet the heavy demands which were then expected, and which, to a certain extent, have since come upon them, by the transfer of their Indian debt to this country. All uncertainty, as to the possible amount of those demands, is now removed; and the period, I should hope, is arrived, to which, during some years, we have looked forward with anxiety, for providing out of the Company's own resources, without any pecuniary aid from the Public, the means of enabling them to satisfy all the claims of their Indian creditors. The sanction of Parliament will probably be necessary for carrying into effect any arrangement for that purpose; and if the Court of Directors are willing that these discussions, on the renewal of the Charter, shall proceed, in so far as relates to the question of the trade, on the principle to which I have adverted, I shall be ready to receive from you any suggestions you may have to offer on the subject of the debt, and on the mode by which you propose that funds for its liquidation shall be provided.

I have the honor to be, Gentlemen,

Your most obedient humble servant,

(Signed) MELVILLE.

The Chairman and Deputy Chairman
of the East-India Company.

No. XIV.

No. XIV.

AT A

SECRET COURT OF DIRECTORS,

Held on Friday, the 28th February, 1812.

No. XIV. Secret Court, 28Feb. 1812.

The Chairman from the Committee of Correspondence laid before the Court the draft of a reply to Lord Melville's letter of the 17th of December last, which was read:

Ordered, that the same be taken into consideration to-morrow.

No. XV.

AT A

SECRET COURT OF DIRECTORS,

Held on Saturday, the 29th February 1812.

No. XV. Secret Court, 29Feb. 1812.

The Court proceeded to take the proposed draft of a reply to Lord Melville's letter into consideration.

No. XVI.

AT A

SECRET COURT OF DIRECTORS,

Held on Monday, the 2d March 1812.

No. XVI. Secret Court, 2 Mar. 1812.

The draft of the proposed reply to Lord Melville's letter, of the 17th December last, was unanimously approved.

Resolved, That a deputation of this Court be appointed to wait on His Majesty's Ministers, in consequence thereof; and that the said deputation do consist of the Chairman, Deputy Chairman, Charles Mills, Esq., the Honorable William Elphinstone, and Edward Parry, Esq.

No. XVII.

LETTER *from the* CHAIRMAN *and* DEPUTY CHAIRMAN *to the Right Honorable* LORD VISCOUNT MELVILLE, *with its Enclosures, noticed in the preceding Minute.*

East-India House, 4th March 1812.

No. XVII. Chairman & Deputy's Letter.

MY LORD,

We duly received and laid before the Court of Directors your Lordship's letter of the 17th of December last. We trust that the great importance of the matter contained in it will explain, in a satisfactory manner, to your Lordship and to His Majesty's Government, why an answer has not been prepared at an earlier period.

By that letter we think it is to be understood, that His Majesty's Ministers have made up their minds, not to hold out to the East-India Company an expectation

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Chairman & Deputy's Letter.

pectation of their being disposed to concur in an offer to Parliament of any proposition for the continuance of the present system of trade with India, at the close of the term limited by the Act of 1793, which is now nearly expiring, without a previous consent, on the part of the East-India Company, as the basis of such concurrence, that the trade with India shall be extended to the ships, as well as goods of private merchants, under such restrictions as may be deemed necessary: but that His Majesty's Ministers are of opinion, with respect to the subject of the Indian army, that the idea which was held out in your Lordship's letter of the 28th December 1808, relative to the transfer of the Company's army to the Crown, will not be contended for; and that, upon these grounds of understanding, your Lordship will be prepared to receive from the Court of Directors any suggestions which they may have to offer on the subject of the Company's debt, and upon the mode by which the Court propose that funds for its liquidation should be provided.

From the terms in which the first proposition, respecting the trade with India, has been brought to the notice of the Court, they conceive that it is intended, on the part of His Majesty's Government, to preclude the Court from any further agitation of a question already so fully discussed. The Court, indeed, cannot avoid considering this as the obvious interpretation of your Lordship's letter, respecting a point upon which, perhaps, it might be out of their power to offer any arguments, not contained in the letter of the Chairs to your Lordship, of the 13th of January 1809.

Whatever opinion, therefore, the past experience and daily observation of the Court may have justly induced them to form upon this subject, or however incontrovertible they may believe many of the arguments to be, that are made use of in the letter of the Chairs to your Lordship, to which they have referred, they think it their duty to state, that if this alteration be made an indispensable condition, on the part of His Majesty's Ministers, of their proposing to Parliament the renewal of the Company's privileges, the Court will, though reluctantly, offer this measure to the consideration of the Proprietors, with whom alone the power rests of consenting to such a fundamental change in the constitution of the Company. But they must, at the same time, beg leave, in the most unequivocal manner to declare their conviction, that though this alteration may, and probably will, be attended with many serious inconveniences to the

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the whole frame of that Government, which, whatever opinion may have been formed of its imperfections, has, beyond all dispute, acquired and maintained for Great Britain a paramount, and almost undisputed sovereignty in the East, it will not give to the nation those commercial advantages, which it has been the habit of many of the commercial interests of this Country to contemplate.

The Court, however, hope it will be understood by your Lordship, that they have entertained this opinion, not upon the narrow, and now justly exploded ground, which they are sorry to see has been imagined by your Lordship to exist, that the Company have ever considered a monopoly to be more beneficial, in all cases of "*foreign and distant trade, than an unrestrained commerce,*" but upon the conviction with which they have been impressed, that an exclusive trade with India is the only one really applicable to the maintenance of the public interests with that country, interwoven as that trade is with the very frame and integrity of those possessions, and resting, as it does, upon many highly important considerations, which are, in no wise, applicable to other commercial establishments.

In support of these opinions, the Court beg leave to enclose abstract copies of the Accounts (A and B), which have been called for, and laid before the Committee of the Honorable House of Commons upon East-India Affairs, established in 1808, and continued to the present time, which they imagine will afford a fair representation of the trade in bullion and in goods carried on with India, as well by individuals as by foreign nations; and these accounts will, they trust, establish, in a conclusive manner, the correctness of the sentiments entertained by the Court respecting this trade.

In communicating, however, those sentiments of reluctance, by which the determination of the Court to submit the proposition in question to the Proprietors of East-India Stock is accompanied, the Court hope it will be clearly understood, that this determination arises from a presumption, that such military powers as are now vested in the Company will be left unimpaired, which can alone induce them to entertain an expectation of their being able, in a manner satisfactory, either for the Company or the Public, to perform the part which has hitherto been assigned to the Company in the Government of a distant empire; and also, that such regulations will be adopted, as will prevent the highly dangerous intercourse of Europeans with the East; and that such arrangements

will

No.XVII. Chairman & Deputy's Letter.

will be made, in respect to pecuniary matters, as will enable the Company to meet with confidence the present state of their affairs. The Court also hope, that in the extension of the trade which the Company now enjoy, His Majesty's Ministers have not had in view the hazardous experiment of dispersing, over all the ports of England and Ireland, a trade now brought, with so much advantage, both to the Company and the Public, to the single port of London.

If the private intercourse with India should, in future, be extended, it may naturally be expected, that upon the return of peace, a number of British seamen will be thrown out of employ; and the Court are apprehensive that such an intercourse, carried on through the medium of Indian ships and Indian sailors, relaxing as it would do the spirit of the navigation laws, which have always been considered to be the basis of the maritime strength of this country, may be viewed by the nation with extreme alarm, and will probably give rise to many disorders. The Company's papers and offices might furnish material information, by which the relation of the Indian trade with the navigation system could be appreciated, and the Court, if it should be thought likely to be of public utility, are ready to have that information collected; but without such call, and without pressing their reasons at length, either upon your Lordship or the other Members of His Majesty's Government, they will content themselves with the declaration they have already made of their opinion upon this subject.

The Court are desirous of taking this opportunity to offer some remarks, and to answer, in a cursory manner, part of those public accusations, which have been so assiduously urged against the East-India Company, and against the further continuance of a system, which, they hope, will appear to rest, not upon the grounds of individual interest, but upon the firm basis of national advantage.

Whatever opinions the Court may deliver, upon a subject in which they are manifestly interested, will doubtless be received with circumspection; but the Court think, that they may be allowed, and with justice upon the present occasion, to assert, that the leading disposition of their minds is, to preserve the empire obtained in India to the parent state.

The first, and the most prominent of the charges, which have, at various times, been brought against the Company, is the repeated calls which they are accused of having made upon the public, for money for the prosecution of ruinous concerns; as if they had dissipated large sums in useless and improvident undertakings.

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takings. Upon this head it may be sufficient for the Court to observe, that their commercial affairs (and to those alone was the Company's management restricted) have been invariably attended with success, as they are prepared to shew, if the proof should be called for; and that these advantages have been sufficient to allow of a moderate dividend to the Proprietors of East-India Stock. Over and above this dividend, a surplus sum has been applied, arising from this source, towards the extension of that territory, the acquisition of which has been under the immediate direction of His Majesty's Ministers.

But the Court are persuaded, that the magnitude of the affairs which the Company have had to manage, has been little known and little attended to, otherwise it would, at once, have been seen, that one of the principal difficulties with which the Company have had to contend, is a capital, not in any respect equal to the great extent, variety, and importance of those affairs.

The disbursement of the Company upon the single article of commerce in goods and wares, &c. or of articles necessary for its management, a disbursement of [sums going from and returning to the Company, from one moment to another, was, at the close of the year 1811, not less than about.. .. .. .. £14,847,678.

To this must be added, the amount of advances in India and at home, for stores of various kinds, applicable to the purposes of Government, and in constant use for military equipments, &c.; of cash, arms, &c.; and of debts due to the Company from various states and princes, &c.; and other articles, making, at the close of the Indian year 1810, about 21,282,279

If to these sums be subjoined the absolute expenditure made by the Company, for the acquirement of a territory, with forts, ammunition, &c. and the actual purchase of many factories and territories, building of docks, purchase of forests, &c. including a considerable sum which has been paid by them, at various times, to the Public, or disbursed for expeditions, and the maintenance of captures afterwards surrendered up to the enemy, *viz.* 15,052,170

They form altogether an aggregate of .. £51,182,127

The

Aggregate disbursements brought forward - - £51,182,127

The capital of the Company is:—

In money advanced by the adventurers, about £7,780,000
And they receive from the aid of bonds at home .. 7,000,000
And from other contingent credits, at home and abroad, about 7,787,953

Together 22,567,953

Leaving a balance of £28,614,174

Constituting, at this moment, a permanent debt in India and in Europe. (See C.)

This aggregate of £51,182,127, a part of which sum only has been employed upon the territorial acquisitions of the Company, forms an outlay, beyond the capital of the Company, of so large an amount, as to make it more matter of wonder, how the Company have hitherto been able to carry on the concern at all, than to render it extraordinary that they should have been constrained, respectfully and at various times, to represent the urgency of their affairs, and to press upon the Public for the mere return of those sums, which had been fairly expended by the Company abroad for the public service; a return which has never yet been granted to the Company, to the extent to which, in justice, it ought to have reached. In every war which has taken place since the Company became possessed of the territorial acquisitions, large sums of money have been expended in capturing the settlements of the French, Dutch, and Danes, and heavy expenses incurred in keeping the same, till the political views of the Public occasioned these settlements to be restored, in return for other objects, in which the Company had no particular interest. The Company have also been compelled to pay part of the expense of capturing and maintaining an island, afterwards reserved for the exclusive benefit of the Crown; to disburse a considerable sum for a force, of which the Public have derived all the benefit at home; and even to contribute to the Egyptian expedition, the whole of which expenses the Company have always thought ought to have fallen upon the State.

This large and necessary outlay, in fact, now constitutes the source of the Company's embarrassment. A considerable part of the money raised in India upon periodical loans, to meet this outlay, has (as your Lordship well knows) by the terms of these loans, which made them payable, if required, in England,

and

and in consequence of a general reduction of interest from eight to six per cent, been at once thrown upon the Company for immediate payment in Europe; a sum which, without the aid of Parliament, it is impossible for the Company to discharge.

Of this large expenditure, sanctioned, and in many cases specifically directed by the Ministers of the Crown, it may with justice be asked, what part has been incurred for the partial or exclusive advantage of the Company?—It is evident, that the whole concern has been begun and continued by private exertions alone; nor have the Proprietors received, by any means, an adequate recompence for those exertions: they have scarcely derived more benefit than the common interest of money. And if India be an object of regard to the world, the Company may have the satisfaction of thinking, that they, at their own risk and expense, have rescued it from contending Nations, and may claim the merit of having laid it at the feet of their country; acquired and preserved, it is true, at a great pecuniary expense, and by such abilities and such exertions, both civil and military, as not only to reflect the highest credit upon the East-India Company, but also to raise, as the page of history will testify, the national character. They venture to hope, that when all the great political relations of this acquisition are considered, the price paid for it will not be deemed as out of proportion to its intrinsic value.

The wisdom of Parliament will, the Court make no doubt, be applied to preserve what has been so acquired, and finally do justice to those, at whose risk it has been obtained; and not be induced to barter positive, and very large immediate advantages, against speculative notions and theoretical plans.

In the second place, it has been often urged, that the Company have been favoured, during these exertions, with an exclusive trade, and that the nation has thereby lost an opportunity of extending their commercial enterprizes over a large quarter of the globe. It is true, that the Company have been favoured with this exclusive trade; but it may fairly be asked, would India have belonged to Great Britain if this exclusive trade had not existed? That this trade would have been of greater magnitude in the hands of individuals, is yet a matter that remains to be proved: but it is obvious, that during part of the above period, *viz.* from the year 1768 to 1812, the Public have received, in direct contributions from the Company, a sum not falling short of £5,135,319, as will appear by the accompanying Account (D).

With

No. XVII.

Chairman & Deputy's Letter.

With respect to the immediate produce of this trade to the Public, the Court believe it will bear a comparison with that arising from any other distant possession. It produced last year to the Public the large sum of £4,213,425 (E), *viz.* in customs £759,595, and in excise £3,453,830; and though this return to the Public be larger, as the Court have reason to think, in respect to the capital employed, than the return from any other trade, it has, at the same time, been collected with a facility unknown to other concerns; an advantage which has been obtained, partly by the progressive enactment of regulations the fruit of many years experience, and partly by the concentration of the trade in a single port, and the prevention of smuggling, which has been the consequence of it.

But what has never yet been fairly estimated in the existence of the East-India Company is, that the whole of these returns have been brought into the exchequer of the Public, without the Public having been called upon for any direct contribution for the preservation of the source from whence they have had their rise, whilst the possessions of the Crown, in every quarter of the globe, have drawn from them a considerable sum for their support in troops. What has been saved to the State has thus, the Court conceive, been gained by the Public, and would amount, as the Court are satisfied, in only twenty years, to a sum of a very great magnitude. From the Navy, indeed, the East-India Company have received important assistance; but such assistance, it must be recollected, has been afforded to them only in common with the rest of His Majesty's subjects.

That the trade of the Company has been highly beneficial to the Public, in affording a nursery for seamen in time of war, and employment for them in time of peace, and that the Company's maritime service has contributed materially towards those benefits, cannot, the Court apprehend, be doubted; nor that the fortunes of individuals, acquired either in the service of the Company, or by their industry and exertions under the Company's protection, have gradually contributed to the accumulation of that public stock of national wealth, which has enabled this country to stand, almost alone, against the united exertions of nearly all Europe.

Having offered these cursory observations upon matters of such obvious importance, we are directed by the Court to state, that as the pecuniary arrangements necessary for the support of the Company cannot, with propriety or with effect,

effect, be made the subject of correspondence, they beg to refer these points, as well as all those of inferior detail, of which there are a great many, to a personal conference between your Lordship and the Deputation of the Court, which had the honor to wait on your Lordship this morning.

No. XVII.

Chairman & Deputy's Letter.

We have the honor to be, My Lord,

Your Lordship's most obedient humble servants,

(*Signed*) JACOB BOSANQUET,
HUGH INGLIS.

The Right Honorable Lord Viscount Melville,
&c. &c. &c.

A.

AN ACCOUNT, *shewing the Total Amount of the Official Value of the* Bullion *and* Merchandize *Imported into, and Exported from* British India (*Bengal, Madras, and Bombay*) *to* London, America, *and* Foreign Europe, *for Six Years, viz. from* 1802-3 *to* 1807-8 *both inclusive.*

	Total of the Imports into India.			Total of the Exports.
	Bullion £ Sterling.	Goods & Stores £ Sterling.	Total £ Sterling.	Of Goods only £ Sterling.
London:				
By the East-India Company	4,939,128	5,547,501	10,486,629	8,108,897
By Commanders and Officers of the Company's Ships	179,756	2,640,000	2,819,756	1,939,000
By British Private-Traders —	1,167,460	1,832,980	3,000,440	5,681,740
Americans — — —	4,543,662	667,654	5,211,316	4,803,283
Foreign Europeans — —	2,051,093	1,072,960	3,124,053	2,437,752
Total Imports & Exports £	12,881,099	11,761,095	24,642,194	22,970,672

Memorandum. There has been a small quantity of Bullion exported from India to Europe and America, to the extent of Sicca Rupees 1,75,316, but which is not material to the present account.

Note.

No. XVII.

Chairman & Deputy's Letter.

Note. The value of the Company's Imports into India is taken from the invoices of the ships as they arrived in India, with the addition of ten per cent. upon the invoice price outwards. The value of the British Private-Trade, as also the American and Foreign European, is the Indian official value, and which appears to correspond pretty nearly with the market prices in India. In order to make a just comparison between the amount of the Company's and the Private or Foreign Trade, the goods should be exactly reduced to the same denomination of value; but this is not strictly practicable.

Errors excepted,

East-India House, 4th March 1812. *(Signed)* ROBERT WISSETT.

B.

AN ACCOUNT *shewing the Amount of the Official Value of the* Bullion *and* Merchandize *Imported into, and Exported from* British India (*Bengal, Madras, and Bombay*) *to* London, America, *and* Foreign Europe, *on an average of six Years, viz. from* 1802-3 *to* 1807-8, *both inclusive.*

	ANNUAL average of the IMPORTS into INDIA.			ANNUAL average of the EXPORTS.
	Bullion. £ Sterling.	Goods and Stores. £ Sterling.	Total of Imports. £ Sterling.	Merchandize only. £ Sterling.
London:				
By the East-India Company	823,188	924,583	1,747,771	1,351,483
By Commanders and Officers of the Company's Ships	29,959	440,000	469,959	323,167
By British Private-Traders — Americans — —	194,376	305,496	500,072	946,956
Foreign Europeans — —	757,277	111,27	868,552	800,547
Total average Imports and Exports — £	341,849	178,826	520,675	406,292
	2,146,849	1,960,180	4,107,029	3,828,445

The proportions of which are:

Exported to England — $\frac{68}{100}$, or upwards of $\frac{5}{8}$ths.

Do. to America — $\frac{22}{100}$, or less than $\frac{2}{3}$ths.

Do. to Foreign Europe $\frac{12}{100}$, or less than $\frac{1}{8}$ths.

No. XVII.

Chairman & Deputy's Letter.

The exports of individuals from Britain are:

Bullion	£194,576
Goods	305,496
	£500,072
The imports of ditto into Britain - - - - - -	946,956
Difference, per annum,	£446,884

being not a trade but a remittance, deducting the amount of the profit on exports.

Errors excepted,

(Signed) ROBERT WISSETT.

East-India House, 4th March 1812.

C.

OUTLAY, *Commercial and Territorial, of the* East-India Company *at Home and Abroad, made up, in respect to the Indian Accounts, to the* 30*th April* 1810, *the Home Accounts to the* 1*st March* 1811.

COMMERCIAL OUTLAY.

No. I. Cash - - - - -	£460,738	
Value of goods sold and unsold -	5,053,417	
Value of goods afloat - -	3,379,389	
House and warehouses - - -	1,207,090	
Balance of property at China and Cape of Good Hope - -	1,240,652	
Cash, goods, and debts, commercial department India - -	3,071,637	£14,412,923
Balance of property at Bencoolen and St. Helena: the outlay at these places being of an anomalous nature, it is stated separately - - - - - - - -		434,755
Total Commercial Outlay		£14,847,678

TERRITORIAL

Brought forward - - £14,847,678

TERRITORIAL OUTLAY, INDIA, *viz.*

No. II. Cash in the several departments, 30th April 1810:

Bengal, S.R. 4,11,38,439, at 2*s.* per C. R. - - -	£4,772,058	
Madras, Pags. 1,16,24,307, at 8*s.* - - - -	4,649,723	
Bombay, B. R. 53,58,932, at 2*s.* 3*d.* - - - -	602,879	
		£10,024,660
Debts owing to the Company:		
Bengal, S. R. 1,33,49,444, at 2*s.* per C.R.	£1,548,535	
Madras, Pags. 94,93,034, at 8*s.* - -	3,797,214	
Bombay, B. R. 54,01,917, at 2*s.* 3*d.* - -	607,716	
		£5,953,465
Stores, &c.:		
Bengal, S. R. 97,82,114, at 2*s.* per C. R.	£1,134,725	
Madras, Pags. 33,16,927, at 8*s.* - -	1,326,771	
Bombay, B. R. 38,31,083, at 2*s.* 3*d.* - -	430,997	
		2,892,493
Balance of property at Prince of Wales's Island - - - - -		8,845,958
Indian territorial outlay - - - -		224,406
Carried forward - -		£19,095,024
		£14,847,678

Brought forward - £19,095,024 £14,847,678

TERRITORIAL OUTLAY AT HOME, 1ST MARCH 1811.

Debt due from Government, the balance of the original debt of £4,200,000 -	£1,207,560		
Debt due from Government, the balance of the account for troops, stores, supplies, &c.	960,000		
Advances to several persons in India, to be repaid, -	19,695		
		2,187,255	
Total territorial outlay -			£21,282,279
			£36,129,957

No. III. The expenditure at home and abroad, for the acquisition of territory, &c. being the balance of the stock account, 1st March 1811. - - - - - - - - 15,052,170

Sum total of capital necessary to carry on the concern £51,182,127

No. IV. The capital advanced by the Adventurers	£7,780,000	
The capital raised by bond - - -	7,000,000	
Other capital, being a floating debt generally due on various accounts:		
Borrowed of the Bank -	£700,000	
Estimated commercial floating drafts -	600,000	
Sundry sums owing to individuals in England	2,155,922	
Debts, deposits, arrears of interest, and allowances and loans, not bearing interest:		
Bengal - -	£2,843,134	
Madras - -	1,017,238	
Bombay - -	408,792	
	4,269,164	
Debts in India commercial - -	62,867	
		7,787,953
Total of capital, without the Bond debt of India, -		£22,567,953
No. V. Difference being the balance necessary to remain in permanent loans, for the purpose of carrying on the concern -		28,614,174
		£51,182,127

Errors excepted,
(*Signed*) CHARLES CARTWRIGHT,
Accountant General.

East-India House,
4th March 1812.

D.

No. XVII. Chairman & Deputy's Letter.

STATEMENT *of the* Contributions *from the* East-India Company *to the* Public, *from the Year* 1768 *to the Year* 1812.

Paid from 1768 to 1775, in consequence of an agreement concerning the territorial possessions, (7 Geo. III. cap. 57, and 9 Geo. III. cap. 24)	£2,169,399
Paid from 1769 to 1773, for indemnity on tea	483,050
Paid in 1779, bounty for seamen raised for the service of Government	13,653
Paid in 1780 and 1781, three ships of the line presented to Government	95,349
Paid in 1781 and 1787, per agreement for a new Charter in 1781	400,000
Paid in 1789 and 1790, for victualling the navy, and charges of His Majesty's troops in India	500,000
Claim of the Company for subsistence of French prisoners of war, and other expences incurred by the Company on account of Government, written off in 1793 per Act of 33 Geo. III. cap. 52, sec. 127	443,632
Paid in 1793 and 1794, for participation, pursuant to the Charter Act of 1793	500,000
Paid in 1795 and 1796, expence of 3,000 seamen raised for the service of Government	57,000
Paid in 1803 and 1804, armed ships, hired for the service of Government, and employed in defence of the country	67,330
Loss, from 1793 to 1811, by saltpetre supplied to Government at less than prime cost, as per obligation of the Charter	405,906
	£5,135,319

Errors excepted,

(*Signed*) CHAS. CARTWRIGHT,
Accountant General.

East-India House, 4th March 1812.

AN

E.

AN ACCOUNT *of the Duties of* Customs *and* Excise *received on Goods imported and exported by the* East-India Company, *in the Year ending January* 1811.

No. XVII. Chairman & Deputy's Letter.

Customs on Tea	£219,322	
— Other Goods	498,901	
Export Duty	17,653	
Tonnage Duty	23,719	
Total Customs		759,595
Excise		3,453,830
Total Customs and Excise		£4,213,425

Errors excepted,

(*Signed*) CHAS. CARTWRIGHT,
Accountant General.

East-India House, 4th March 1812.

No. XVIII.

MINUTE *of a Meeting of the* DEPUTATION, *the 3d March* 1812.

No. XVIII. Minute of Deputation.

The Deputation appointed by the Court to confer with the President of the Board of Commissioners for the Affairs of India assembled this day, in consequence of their appointment of the 2d instant.

The Chairman laid before the Deputation, minutes of a conference which the Chairs had with Lord Melville, on the 20th February, and also with his Lordship, Mr. Perceval, and Mr. Long, on the 24th of February; likewise several accounts, shewing the present and prospective situation of the Company's pecuniary affairs.

The

No. XVIII
Chairman & Deputy's Letter.

The Chairman then suggested certain propositions, as hints, to be submitted to Lord Melville, which after full deliberation the Deputation resolved to adopt, and to wait upon his Lordship to-morrow, at half past ten, for the purpose of offering them to his consideration.

No. XIX.

AT A

SECRET COURT OF DIRECTORS,

Held on Friday, the 6th March 1812.

No. XIX.
Secret Court, 6 March 1812

The Chairman acquainted the Court, that the Deputation appointed the 2d instant had waited on Lord Melville, with a paper containing hints for his Lordship's consideration, which had been approved by the Committee of Correspondence.

The Chairman gave some general explanations, as to what passed at the conference; and added, that Lord Melville's opinion, on the various propositions submitted to him by the Deputation, would be stated by his Lordship in writing, and should be communicated to the Court as early as possible.

No. XX.

HINTS *approved by the* Committee of Correspondence, *and submitted to the Consideration of the Right Honorable* Lord Melville, *noticed in the preceding Minute.*

No. XX.
Hints.

That the renewal of the Charter shall proceed upon the basis of the Act of 1793, and that no greater extension of the trade shall be granted than what was allowed by that Act; but the Deputation are ready to recommend to the

the Court of Directors, and ultimately to the Court of Proprietors, to admit such modifications as may be deemed necessary to give greater facilities to the private trader. No. XX. Hints.

1st. No British or Indian ship to sail, directly or circuitously, from a British port in Europe to China.

2d. No British subject to be permitted to reside in China, without the Company's licence.

3d. No goods, the growth or produce of China, to be imported into any of the ports of the United Kingdom, except by the East-India Company.

4th. The power of levying duties in India upon British subjects, and the subjects of foreign nations, to be continued to the Company, upon the footing on which it at present exists; and the same power, with respect to British subjects, to be extended to the districts within the jurisdiction of the courts of Calcutta, Madras, Bombay, and Prince of Wales Island.

5th. Saltpetre to be considered as a political article, and to be confined exclusively to the Company.

6th. The whole of the Indian trade to be brought to the port of London, and the goods sold at the Company's sales, and to be, as at present, under the Company's management.

7th. The three per cent. now paid to the Company by the private traders, for the warehousing and management of the private trade, to be increased to five per cent.

8th. No private ship to be permitted to sail for India, except from the port of London.

9th. No ship to be permitted to sail, except under a licence from the East-India Company. Ships obtaining this licence, to deliver one copy of their journals at the East-India House; and the licence to contain such clauses, as may be likely to prevent an unlimited or improper intercourse of individuals with India.

10th. Fire-arms, military and naval stores, to be prohibited articles.

11th. Existing restrictions, with respect to the article of piece goods, to be continued.

12th. It being desirable, as well for the Public as for the Company, that the quality of the silk grown in India should not be deteriorated, it is submitted that this article be confined to the Company.

13th.

No. XX.
Hints.

13th. The ships of private persons to be subject to the same regulations, in respect to convoys, &c. as those belonging to the Company.

14th. No private ship to be permitted to sail, either from Great Britain to India, or from India to Great Britain, of a less burthen than four hundred tons.

15th. The Company to be subject to no obligation with respect to Exports to India, except in common with the private traders.

16th. The Lascars and Chinese sailors brought home in private ships, to be placed under proper regulations. Not, upon any account, to be suffered to wander about the streets of London. Good treatment to be secured to them, and the Company to be enabled, by some summary process, to recover the expences to which they shall be subjected, in the event of neglect on the part of the owners of such ships in these respects.

17th. The Company to be indemnified for their unexpired engagements for extra shipping, provided for the accommodation of the private traders.

18th. An unrestrained intercourse with India to be prevented, and the existing restrictions, with respect to residence in India, to be continued.

19th. The number of His Majesty's forces in India to be in future maintained by the East-India Company to be now fixed, and any troops sent beyond that number (except at the express requisition of the East-India Company) to be at the charge of the Public.

20th. The Company to be released from any future account with the Pay Office, and to be henceforward charged, either so much per regiment of a given force, or so much per man.

21st. The present heavy current and postponed demands of the Pay Office against the Company to be arranged upon some footing of general equity, and some advertance in settling this account made to the share which the Company have been obliged to bear in foreign captures not retained by them, and to their having been constrained to maintain an European and native force, larger than what was required for the defence of the Peninsula, and other heavy expences.

22d. The Proprietors to be secured, as at present, in the receipt of their dividend of ten and a half per cent., upon the faith of which dividend the capital in 1793 was raised.

23d.

No. XX.
Hints.

23d. The whole of the surplus of the East-India Company to be appropriated to a diminution of their debts, until the debts be reduced to the sum of ten millions sterling.

24th. The sums required by the East-India Company to liquidate the debt transferred from India to Europe, and becoming payable in 1812 and 1813, to be funded by the Minister, the interest of which shall be regularly paid into His Majesty's Exchequer by the Company, together with any such per centage, for the gradual liquidation of the capital or redemption of the fund, as shall be deemed proper by His Majesty's Ministers.

The twenty-fifth article did not form a part of the propositions submitted to Lord Melville, but is now introduced by the Committee of Correspondence, and is as follows, *viz.*

25th. That, in order to give the utmost possible extension to the commerce of private merchants, and at the same time to secure the Company's exclusive trade to and from China, private ships be not permitted to go farther eastward than Point Romania, at the entrance of the China Seas, and to the northward, not beyond the equinoctial line.

N.B. Should it be the intention of Government that private traders shall be excluded from the Spice Islands, the limits ought then to be for them not to go to the eastward of the Straits of Bally, nor to the northward of the Line.

No. XXI.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 18th March 1812.

No. XXI.
Secret Committee, 18 Mar. 1812

The Chairman acquainted the Committee, that the Deputy and himself had yesterday waited on Lord Melville, who informed them that he was to have a meeting with the rest of His Majesty's Ministers this day, for the purpose of taking into further consideration the propositions lately submitted to him by the Deputation

No. XXI. Deputation of the Court of Directors, and that his Lordship had appointed to-morrow, at one o'clock, for a conference with the Members of the Deputation.

Secret Committee, 18 Mar. 1812

The Committee agreed to recommend to the Court to-day, that the Quarterly General Court, to be held on Wednesday, the 25th instant, be made special, for the purpose of laying before the Proprietors the Communications which have taken place between His Majesty's Government and the Court of Directors, respecting the renewal of the Company's Charter.

It was also

Resolved, That the papers containing the said communications be printed for the information of the Proprietors, and under the superintendance of the Assistant Secretary.

Draft of a Letter to Lord Melville, to be signed by the Members of the Deputation, requesting that a longer term than that which was fixed in 1793, may be granted for the renewal of the Company's exclusive privileges, was read and approved.

The Chairman calling the attention of the Committee to the correspondence which had passed between Lord Castlereagh and the Chairs at a former period, as to relieving the Proprietors of East-India Stock from the payment of the Income-tax on their dividends,

The same was read, *viz.*

Letters from the Chairs to Lord Castlereagh, dated the 2d December 1803 and 7th July 1804; and

Letters from his Lordship to the Chairs, dated 20th December 1803 and 12th September 1804.

Draft of a letter to be signed by the Deputation and addressed to Lord Melville upon that subject; and also submitting to his Lordship's consideration, the expediency of providing that the additional dividend of ten shillings per cent. paid on the Company's stock under the Act of the 33d of His present Majesty, cap. 52, sec. 124, may be paid out of the general profits of the Company.

No. XXII.

No. XXII.

CORRESPONDENCE *with the Right Honorable* Lord Viscount Castlereagh, *noticed in the preceding Minute.*

No. XXII. Correspondence with Lord Castlereagh.

Letter from the Chairman *and* Deputy Chairman *to the Right Honorable* Lord Viscount Castlereagh.

East-India House, Dec. 2d, 1803.

MY LORD,

We have waited until we had obtained a distinct legal opinion from the Company's law adviser, with respect to the power possessed by the Company of paying the Property-tax out of the profits of the Company, previous to the declaration of a dividend to the Proprietors of East India Stock.

But that opinion having been lately returned to us in a shape unfavorable to our hopes and expectations, we have received the injunctions of the Court of Directors to submit this opinion to your Lordship's consideration, and, at the same time, to express their hopes, that your Lordship and the rest of His Majesty's Ministers will think it just and advisable, that the power to which we have above referred should be granted to the Company by some legislative provision.

Upon this occasion we have to observe to your Lordship, that as the law at present stands, the Company are obliged to deduct the full amount of the tax in question from all the dividends payable to foreigners or other persons, however small the amount of their capital stock may be; although it is fairly questionable, how far the former is legally chargeable to this tax, in respect to those profits that may be presumed to arise from the Company's foreign possessions, and whether the latter, in some cases, may not be entitled to a partial, and in others to an entire return of the tax so retained, in respect of the smallness of the proprietors incomes. We must also submit, that as the greater part of the other public Companies possess the power, and, as we understand, are disposed to exercise the means of discharging this tax out of their surplus profits, it must appear doubly irksome to the Proprietors of East-India Stock to seem an almost solitary exception to this general practice, particularly when they advert to the disposition which has, at all times, been evinced by them, cheerfully and voluntarily

No.XXII.

Correspondence with Lord Castlereagh.

voluntarily, to come forward for the service of the State, even when their own immediate interests have thereby been placed at stake.

We feel the more freedom in pressing this point, because we, in common with your Lordship, have entertained an expectation, that the Public (after a war which has existed almost since the last renewal of the Company's exclusive trade) would have been placed in possession of the share of the Company's profits, secured to them by the Act of 1793, if the enormous taxes which the necessities of the State have rendered it necessary to impose upon teas and the other articles of the Company's Trade, and the inevitable expences of another war, had not placed a bar to those expectations, which we think might otherwise reasonably have been formed.

We therefore venture to express a sanguine hope, that under a proper consideration of all the circumstances of the present case, under a review of the very large sums annually paid to Government out of the Company's trade, amounting to not less than £3,200,000, as appears by the enclosed account, and which, in fact, ought in part to be considered as an anticipated partition of the Public out of the Indian revenues, since nothing short of a surplus in India would, we conceive, have enabled the Company to support them to the extent they are now imposed;—that, under a due attention to the benefits which even the Public themselves (when we advert to their interest, in the ultimate prosperity of the Company) may derive from an increased value to the price of the Company's stock, which may be affixed by such a measure, in case a commerce, extended beyond its present amount (an event not at all improbable), should hereafter demand additional funds to carry that commerce on;—and, finally, that under a consideration of what is due to the known and experienced liberality of the Company's efforts in the public service, your Lordship's interference, with the rest of His Majesty's Ministers, will be given, to assist what, we hope, may be considered in the light of the neither unjust or the unreasonable pretentions of the Court of Directors, in behalf of the body they represent upon the present occasion

We have the honor to be, My Lord,
Your most obedient humble servants,
(Signed) JACOB BOSANQUET,
JOHN ROBERTS.

The Right Honorable Lord Viscount Castlereagh,
&c. &c. &c.

Letter from the Right Honorable Lord Viscount Castlereagh, *to the* Chairman *and* Deputy Chairman.

No.XXII.

Ld. Melville's Letter.

Whitehall, 20th December, 1803.

GENTLEMEN,

I have to acknowledge the honor of your letter of the 2d instant, on the subject of which I have had a very full and deliberate discussion with Mr. Addington.

We should both feel anxiously disposed to lend our aid to the accomplishment of any measure which had a tendency to accommodate the holders of East-India Stock, but under all the circumstances of the present case, regard being had to the existing appropriations under the act of 1793, the degree in which the funds at home and abroad may be affected by the peculiar circumstances of the present year, and the difficulty that must necessarily attach to the proposition, whether it be considered in the light of relieving from the tax a particular description of income arising from property, by throwing the same on other funds, or in that of a temporary and special increase of dividend to the Proprietors, we do not feel ourselves warranted in advising the Court to submit a bill for this purpose to Parliament.

We are further of opinion, that the relief sought by the measure is not of that magnitude, which should induce the Company to solicit this indulgence from Parliament, under the difficulties above stated; nor are we persuaded if, in point of fact, other corporate bodies have so relieved themselves from the tax, that the proceeding, on their part, however warranted by law, affords a precedent, which, in principle, the East-India Company, with an enlarged view to their own interests, should be solicitous to follow.

I have the honor to be, Gentlemen,
Your most obedient servant,
(Signed) CASTLEREAGH.

The Chairman and Deputy Chairman
of the East-India Company.

No.XXII. *Letter from the* Chairman *and* Deputy Chairman *to the Right Honorabte* Lord Viscount Castlereagh.

Chairman & Deputy's Letter.

My Lord,

East-India House, the 7th July 1804.

It is in consequence of the instructions of a General Court of Proprietors which lately assembled, to take into consideration the tax levied, in virtue of the 43d of the King, on the dividends payable on East-India stock, that we now take the liberty to address your Lordship again on that subject.

Notwithstanding the answer returned by your Lordship to the application which our predecessors in office made to you, under date the 2d December last, for the aid of His Majesty's Ministers, in order to relieve the holders of the Company's stock from the payment of the Property-tax out of their dividends, the Proprietors still think, that whether regard be had to the design and spirit of the Act of 1793, to the general state and circumstances of the Company, or to the peculiar situation of the Stock-holders, they are aggrieved by the operation given, in their case, to the Act imposing a tax on property.

It was after a full consideration and adjustment of the interests of all parties, the Public, the Company, and individuals, that on the renewal of the Charter, the dividend of the Stock-holders was fixed at ten and a half per cent. per annum. The law then made, in allowing it to rise to that rate, forbad it to go higher; and the reduction of it below that rate was left to the discretion of the Proprietors themselves. This was, therefore, understood to be the fixed certain income assigned to the Members of the Company, out of all its funds, territorial and commercial. And hence, we think, it may fairly be argued, that such a deliberate formal settlement cannot justly be disturbed, but by a proceeding equally direct and appropriate; and that no mere measure of taxation, having only a general aim, without any cognizance of the peculiar circumstances under which this arrangement was concluded, ought to defeat it, because if the contrary principle be once admitted, whilst the Public is still immensely benefited by Indian revenue and trade, and all the other classes of subjects connected with them continue to derive the advantages provided for them, the Proprietors of that stock, which has been the foundation and support of the whole, may absolutely be divested of all the dividend they were to receive from it. We think,

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Chairman & Deputy's Letter.

think, therefore, it may be contended, that conformably to the spirit of the Act of 1793, the Property-tax should not operate upon the dividend, but be a charge upon the general funds of the Company.

This will appear more reasonable, if it be considered that very many of the Proprietors of India stock, who have held that stock long, receive no more on the cost of it than the common interest of money, namely five per cent, whilst their property is exposed to the influence of all the adverse contingencies to which the Company's affairs are liable; and whilst the Company, that is to say, those Proprietors in their collective capacity, serve as the channel, or medium, by which immense advantages are diffused through the nation, in its commerce, its revenues, and the wealth of all the successive races of British subjects, employed in or connected with their territories and affairs. These just observations acquire now a peculiar force, when, in duties and customs alone, the Eastern commerce pays to the State £3,226,000 per annum, and when the receipts of the Company, for the last twelve months, are diminished near a million sterling, in consequence of the new and excessive duties imposed on their trade.

We are unwilling to urge the liberality which the Company has on all occasions manifested, to aid, according to its means, the exertions of the State; but the duty imposed on us by our Constituents requires that liberality should be noticed on the present occasion. By subscribing for two millions of the Loyalty Loan in 1797, the Company lost the sum of £206,000. The three compleat and effective regiments of volunteers, which they have maintained for a number of years past, have cost them very large sums; and the last aid given by them in shipping, on the particular suggestion of Government, is a new instance of the promptitude and alacrity, with which they devote their funds to the support of the public interest.

After all these contributions, it has appeared ungracious to the Proprietors, that whilst other public bodies, which had not given so largely to the wants of the State, were allowed to defray the Property-tax out of their general funds, the Proprietors of East-India Stock were required to charge the modicum they received for the use of their own money, and for being the agents in such vast concerns, with a tax, hard upon them though unimportant in its amount to the Public, and from which, they conceive, the Act of 1793 ought to protect the dividend then accorded to them.

When

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Chairman & Deputy's Letter.

When our predecessors in office mentioned a reference to Parliament, they probably had no more in view than some supposed necessity of a modification of the Property-tax; but we humbly apprehend that, in order to exonerate the Proprietors, individually, from the payment of the tax, no such reference is necessary, since for engaging in the Loyalty Loan, for forming the three regiments of volunteers, and for the late aid of shipping, it was thought sufficient that His Majesty's Ministers should consent to the defraying of the charges arising from these measures, out of the general funds of the Company.

Wishing to state nothing upon this subject, but what appears to us naturally to grow out of it, we shall only add, that the effect of the imposed tax upon the value of the Company's stock must be very obvious, since the dividend receivable upon any public fund is, in fact, the measure of its value in the market, and every reduction, by whatever means, effected in the produce of any stock, is in reality a reduction in the worth of the capital; and, accordingly, we find that the stock of the India Company, compared with that of the Bank, sells at a price disproportionably low.

Upon all these grounds, with those which have been before urged, we cannot but request and hope, that as the determination of the point which our Constituents, not from interest only, but from various other motives, have so much at heart, seems not to depend upon any revisionary proceeding of Parliament (which however, if necessary, we should still urgently desire) but upon the acquiescence of His Majesty's Ministers, we cannot but earnestly request and hope, that it will seem expedient to your Lordship to add your own recommendation to this representation, and that you will have the goodness to submit both to the Chancellor of His Majesty's Exchequer.

We have the honor to be, My Lord,

Your most obedient humble servants,

(*Signed*) W. F. Elphinstone,
Charles Grant.

The Right Honorable Lord Viscount Castlereagh,
&c. &c. &c.

Letter

Letter *from the Right Honorable* Lord Viscount Castlereagh *to the* Chairman *and* Deputy Chairman.

No. XXII.

Lord Castlereagh's Letter.

Gentlemen, *India Board, 12th September* 1804.

In compliance with the desire of the Court of Proprietors, as expressed in your letter of the 7th July last, I have reconsidered, with the most earnest disposition at all times to promote their wishes, the opinion which I before presumed to express, on the propriety of their dividends being discharged from any deduction on account of the late tax upon property, by causing the same to be paid out of the general funds of the Company, and I have also communicated with Mr. Pitt on this subject.

Notwithstanding the very ingenious reasoning contained in your Letter, we are clearly of opinion, that a payment of this nature, directed to the individual emolument of the Proprietors of India Stock, and not in any respect to the public service of the Company, cannot be issued, under the existing appropriations affecting their funds, without the express sanction of Parliament.

Had the tax been directly imposed on income, as under the former law, we apprehend it never would have suggested itself to the Court of Proprietors, that income derived from the dividends of the Company should enjoy any partial exemption. The policy of the Legislature has recently been, to apply the tax to the sources of income, rather than to levy it, as formerly, upon the statement of the possessor. It does not appear to us, that this change in the mode of assessment can justify a claim to personal relief from the tax itself. If not, the proposition resolves itself either into an encreased dividend, or into a new appropriation of the net proceeds, enabling the Company to charge the tax on their funds generally, as some other Corporations have done, who are sole proprietors in such funds. This opens so large a question *in principle*, and for *so small* an object, either as it affects the interest of the Public or the individual Proprietors, that I should conceive, under all the circumstances, the Court will not feel disposed to press it at such a moment upon the attention of Parliament.

I have the honor to be, Gentlemen,

Your most obedient humble servant,

(*Signed*) Castlereagh.

The Chairman and Deputy Chairman of the East-India Company.

No. XXIII.

AT A

SECRET COURT OF DIRECTORS,

Held on Wednesday, the 18th March 1812.

No.XXIII — Secret Court, 18 Mar. 1812

The Chairman from the Committee of Correspondence laying before the Court draft of a letter to Lord Melville, to be signed by the Deputation, requesting that a longer term than that which was fixed in 1793 may be granted for the renewal of the Company's exclusive privileges, the same was read and approved; as was also

Draft of a letter to his Lordship, to be signed by the Deputation, submitting to his consideration the expediency of providing, that the additional dividend of ten shillings per cent. paid on the Company's stock, under the act of the 33d of his present Majesty, cap. 52, sec. 124, may be paid out of the general profits of the Company; and also, that authority may be given to make the Property-duty on the dividends a charge on those profits.

No. XXIV.

LETTER *from the* DEPUTATION *to the Right Honourable* Lord Viscount MELVILLE, *noticed in the preceding Minute.*

No.XXIV — Deputation Letter.

MY LORD,

East-India House, 18*th March* 1812.

Although we are aware that this may not be considered the proper time to discuss the term of years for which the exclusive privileges of the Company should be renewed, yet, under the prospect of your Lordship's soon leaving the India Board, we are anxious to avoid any delay, in requesting your Lordship's attention to that point.

On

On reference to the negociations in 1793, we observe that the principal ground on which the Company founded their application for a renewal of their privileges for a long term, was, that sufficient time might be allowed for the liquidation of their debts at interest in India, the amount of which, at that period, was seven millions sterling. The term then granted was twenty years, from the 1st of March 1794, including the usual notice of three years, this term being considered adequate to the object in view. No.XXIV — Deputation Letter.

The Company's debts at interest in India are now supposed to amount to twenty-five millions sterling, exclusive of the debt in Europe; we trust, therefore, it will be evident, that a longer term than that which was granted in 1793 is indispensable, to admit of the gradual reduction of the present debt, and the effectual operation of any measures which may be determined on for that purpose.

Without mentioning any particular term, we take the liberty of referring your Lordship to the Act of the 3d of George II. cap. 14, to shew that a longer period than that granted in 1793 has been conceded; and as, under every view of the subject, considering the contingencies of war, or other interruption, we are convinced of the necessity of a more extended term, for the purposes of liquidating debts of such magnitude, and of restoring the Company's affairs to that state of prosperity, which is essential both to them and the Public. We rely with confidence on your Lordship's concurrence in the opinion we have submitted.

We have the honor to be, with the greatest respect,

Your Lordship's most obedient, humble Servants,

(*Signed*) JACOB BOSANQUET,
HUGH INGLIS,
W. F. ELPHINSTONE,
EDWARD PARRY.

The Right Hon. Lord Viscount Melville,
&c. &c. &c.

No. XXV.

No.XXV. Deputation Letter.

LETTER *from the* DEPUTATION *to the Right Honorable Lord Viscount* MELVILLE, *also noticed in the preceding Minute.*

East-India House, 19th March 1812.

MY LORD,

In addition to the subject on which we had the honor to address your Lordship yesterday, there are two points to which we are very desirous of calling your attention, before yonr Lordship leaves the India Board.

The first point, which is mentioned in the hints submitted to your Lordship on the 4th instant, is the dividend of ten shillings per cent. paid to the Proprietors, under the Act of the 33d of His present Majesty, cap. 52, sec. 124, from the separate fund of the Company.

When it was in contemplation to increase the capital stock of the Company in 1797, it was found that the payment of this dividend to the Proprietors of the new stock would have exhausted the separate fund, previous to the expiration of the present term of the Company's exclusive trade. To guard against this, a clause was inserted in the Act of 37th of His Majesty, cap. 31, authorizing the payment of a dividend of ten shillings per cent. to the Proprietors of the increased stock, from the annual profits of the Company's trade.

The additional stock has not been raised, and the separate fund has been found adequate to the payment of the dividend of ten shillings per cent. upon the existing capital hitherto, and will continue to be so until the year 1819, when it will be nearly exhausted.

As the Proprietors have derived from the dividends little more than five per cent. on the capital, it appears to us that, on the renewal of the Company's privileges, they may entertain a reasonable expectation of continuing to receive this addition of ten shillings to the usual dividend of £10 per cent.; and as the separate fund will not, as stated above, be sufficient for the purpose, during any probable term, for which the renewal may be granted, we take the liberty of submitting to your Lordship's consideration the expediency of providing for the additional dividend, out of the general profits of the Company.

The

No.XXV. Deputation Letter.

The other point to which we request your Lordship's attention is, the payment of the Property-duty on the dividends. The Court of Directors and the Proprietors have always considered it a hardship, that this duty was not allowed to be paid from the profits of the Company; we have the honor to enclose copies of letters on this subject, which were addressed to Lord Castlereagh in 1803 and 1804, and we flatter ourselves that the arguments they contain will induce your Lordship, when the question of renewing the privileges of the Company is under discussion, to recommend that authority may be given to make the Property-duty on the dividends a charge on the general profits of the Company.

As the profits of the Company were specifically appropriated by the Act of 1793, some difficulty may possibly, from that circumstance, have occurred in conceding this point; but as, in any new arrangement, the subject of appropriation will necessarily undergo considerable modification, we should hope that the objection formerly urged may easily be obviated.

If it should be finally determined, that the surrender of any considerable proportion of the exclusive privileges of the Company is to be made, it appears to be the more necessary, that some boon should be held out to the Proprietors, in alleviation of the sacrifices to which their consent may be required; we hope, therefore, we may be permitted to indulge a confident expectation of your Lordship's favorable consideration of the points now submitted.

We have the honor to be, My Lord,

Your Lordship's most obedient humble servants,

(*Signed*) JACOB BOSANQUET,
HUGH INGLIS,
W. H. ELPHINSTONE,
EDWARD PARRY,
CHARLES MILLS,

The Right Honorable
Lord Viscount Melville,
&c. &c. &c.

No. XXVI.

AT A

SECRET COURT OF DIRECTORS,

Held on Tuesday, the 24th March 1812.

No. XXVI

Secret Court, 24 Mar. 1812

The Chairman from the Committee of Correspondence laid before the Court a letter from Lord Melville to the Chairman and Deputy, dated the 21st instant, stating his sentiments in reply to their letter of the 4th instant, and enclosing

A paper containing "Observations on the Hints suggested by the Deputation of the Court of Directors, 3d March 1812."

The Chairman also laid before the Court a letter from Lord Melville to the Chairman and Deputy, dated the 23d instant, in reply to the two letters which the Deputation from the Court of Directors addressed to his Lordship on the 18th and 19th instant.

The same were read.

The Chairman then moving the Court,

Ordered, That the several papers now read, together with the other correspondence, which has passed, respecting the negociation for the renewal of the Company's exclusive privileges, be laid before the General Court to be held to-morrow, and printed, as speedily as possible, for the information of the Proprietors.

No. XXVII.

XXVII. Ld. Melville's Letter.

LETTER *from the Right Honorable* **Lord Viscount MELVILLE** *to the* **CHAIRMAN** *and* **DEPUTY CHAIRMAN**, *noticed in the preceding Minute.*

India Board, 21st March 1812.

GENTLEMEN,

I have delayed answering your letter of the 4th instant (received the 6th) until I could transmit to you, at the same time, replies to the several propositions

positions brought forward by the Deputation of the Court of Directors, at our conference on the 4th instant. XXVII. Ld. Melville's Letter.

In submitting to you these observations, however, I beg to be distinctly understood, as conveying to you only the present sentiments of His Majesty's Government on the several points to which the propositions relate. Public discussion on such an important question, may possibly produce an alteration of opinion on some of the details; and though the subject has been fully considered, it may be deemed necessary, in the further progress of the measure, to propose, on some points, regulations of a different description from those which are suggested in the enclosed observations.

The Court of Directors are perfectly correct in supposing that it is now, as it has been for a considerable time past, the fixed intention of His Majesty's Government, to withhold their concurrence from any proposition which might be submitted to Parliament for continuing to the East-India Company their privileges of exclusive trade on their present footing. It is unnecessary now to discuss, whether the provisions of the Act of 1793 (by which the Company's monopoly was so far relaxed, as to admit the goods of private merchants to be conveyed in the Company's ships) have in any degree fulfilled the expectations or intentions of the Legislature. It will not be denied, that the facilities granted by that act have not been satisfactory, at least to the merchants, either of this country or of India. They have been the source of constant dispute, and they have even entailed a heavy expence upon the Company, without affording to the Public any adequate benefit from such a sacrifice. You will do me the justice to recollect, that in all our discussions on this subject, both recently and on former occasions, the admission of the ships of merchants in this country into the trade of India, in concurrence with those of the Company, has never been urged as a measure, from which much immediate benefit would, in my opinion, be derived, either to the country or to the individuals who might embark in the speculation; and I certainly am not without considerable apprehension, that, at least on the first opening of the trade, the public expectation, as to the British territories in India affording any considerable outlet for British manufactures, beyond the amount of our present exports, may be disappointed. On that admission, however, and on the necessity of guarding against the unrestrained intercourse of Europeans with the territories of the Company, or of the native States in India (in

XXVII. Ld. Melville's Letter.

(in which also I fully concur), nearly the whole of the arguments adduced by the Court of Directors against any opening of the trade are founded. But it must be recollected, that in determining the question, as to continuing the whole or a part of the Company's monopoly, it will be the duty of Parliament to consider, not merely whether it may be safe to prolong it, but whether it may be unsafe to abridge or abolish it. As far as relates to the trade with India, and several other countries included within the limits of the Company's Charter, the Court do not appear to have succeeded in establishing the proposition, that any detriment will arise to the public interest, either in this country or in India, or ultimately even to the interest of the Company themselves, from the introduction of private adventurers. If the Company carry on their trade more expensively and with less activity and industry than private individuals, it is unjust to the country, as well as to the inhabitants of British India, that the exclusive monopoly should be continued; and in such a state of things, the trade is more likely to be advantageous to the country, and beneficial to the individuals in their hands, than in those of the Company: but if the latter shall conduct it with skill and enterprize, and with due and unremitting attention to economy, the extent of their capital, and the superior facilities which they must continue to possess, of providing their investment in India at the cheapest rate, will undoubtedly afford them the means of successful rivalship with all other competitors.

In adverting, in your letter of the 4th instant, to the statement contained in mine of the 17th December, on the proposed transfer of the Company's army to the Crown, you do not appear to have understood accurately the purport of my suggestion. I entertained no doubt, as to the expediency of continuing to the Company's Governments in India the supremacy of their military, as well as civil authority: but though various regulations may possibly be necessary, with a view to promote the discipline and efficiency of the army in India, I am not aware, that any legislative enactments are requisite, except as to the amount of force which His Majesty may be empowered to maintain in India, at the expence of the Company, and perhaps also some provisions, in regard to the relative powers of the Board of Commissioners and the Court of Directors.

In your letter of the 4th instant, you advert to the question as to how far it may be expedient to admit into the trade with this country, ships built in India and

and manned with Indian seamen. This is undoubtedly an important consideration, as it involves in it, to a certain extent, a departure from the principles on which the navigation system of this country has hitherto been conducted. As far as the East-India Company is concerned, it will probably be necessary to leave the matter on its present footing, during the continuance of the war; but if the trade with India is to be opened to all British ships, in the manner already pointed out, there seems to be no sufficient reason for breaking in upon the system of our navigation laws, by permitting any other than British ships, with a due proportion of British seamen, to import colonial produce into the United Kingdom.

XXVII. Ld. Melville's Letter.

I have not thought it requisite, in this letter, to trouble you with any observations on several points adverted to in your's of the 4th instant, which are also noticed in the enclosed paper of hints and of replies to the several propositions. I shall abstain, also, from any remarks on the calculations detailed in your letter, and which are introduced more with the view, as I conceive, to vindicate the Company in their past management of the exclusive trade to India and the government of their territorial possessions, than to any practical results to be derived from your statement, in relation to the matters at present in discussion between His Majesty's Government and the Court of Directors. The Committee of the House of Commons on East-India Affairs have already submitted to the House detailed statements on that part of the subject, and in any further reports which they may present they will probably complete the investigation.

I am, Gentlemen,

Your most obedient humble servant,

(Signed) MELVILLE.

To the Chairman and Deputy Chairman
of the East-India Company.

No. XXVIII.

Observations *on the Hints suggested by the* Deputation *of the* Court *of* Directors, *3d March* 1812, *adverted to in the foregoing Letter.*

XXVIII. Observations on Hints.

1st, 2d, and 3d. It is deemed advisable, with a view to the security of the revenue and to other objects connected with the trade to China, to leave it on its present footing, and to guard, by proper regulations, against any encroachment on that branch of the Company's exclusive privilege.

4th. This proposition ought to be acceded to; with the reservation, however, that the Governments in India ought to be restricted from imposing new duties, without the previous sanction of the authorities in England.

5th. The Company are understood to have, in some degree, the power of regulating the internal trade of saltpetre in India; it appears, therefore, to be scarcely necessary to impose any other restrictions on the exportation of saltpetre from India, than such as may be deemed expedient for political objects, especially in time of war.

6th. The adoption of the regulation suggested in this proposition, will probably tend to the security and advantage of the public revenue, in collecting the duties on all articles imported from the East-Indies and China, as well as other countries to the eastward of the Cape of Good Hope.

7th. The Company ought at least to be indemnified from the charges incurred by this management.

8th. There does not appear to exist any sufficient reason for preventing ships from clearing out for the East-Indies from other ports of the United Kingdom besides the port of London.

9th. It will be necessary, either by the regulations suggested in this proposition, or by others of a similar description, to guard against the evil therein described.

10th.

XXVIII. Observations on Hints.

10th. It will probably be necessary to regulate the exportation of military stores to the East-Indies, and also of naval stores in time of war.

11th. It is understood that the object of this proposition is to secure to the manufacturers of piece goods in India the continuance of regular and constant employment, under the same system of local management, for their benefit, which prevails at present. If that object is likely to be attained, without continuing the restrictions mentioned in this proposition, it certainly would be desirable that they should cease, except in so far as it may be necessary to regulate the importation of Indian piece goods, with a view to the protection of British manufactures.

12th. As no such restriction exists at present in the importation of silk by private merchants, and as the reasons which have hitherto been adduced, on the part of the Court of Directors, for establishing such a regulation, though entitled to much consideration, do not appear to be conclusive, it will scarcely be deemed expedient to agree to this proposal,

13th. This suggestion appears to be perfectly reasonable.

14th. It is understood, that this proposition is founded on a principle of guarding against the dangers to which vessels of less burthen than four hundred tons would be exposed on a voyage to the East-Indies, and also of providing for the security of the revenue, which might be affected by permitting importations in smaller vessels. These reasons, though entitled to due consideration, do not appear to be sufficiently strong to justify the proposed restriction, or the making a distinction, in that respect, between ships trading to the East-Indies and to other countries.

15th. This seems to be reasonable.

16th. It will be necessary to provide, by proper regulations, for the care and maintenance of these persons, and for their return to the East-Indies.

17th. This proposal would be wholly inadmissible, unless it were limited to such unexpired engagements as do not extend beyond March 1814, when the Company's present term of exclusive privileges will expire; but the Public may fairly look to the Company to bear this burthen, as a compensation, to a certain extent, for the continuance of the exclusive trade to China.

18th. It will be indispensably necessary, for the purpose of guarding against the inconvenience herein alluded to, that the existing restrictions shall be

continued,

XXVIII. continued, with such alterations as may be requisite, in the new system of trade.

Observations on Hints.

19th. The number of His Majesty's forces to be maintained by the East-India Company may, without inconvenience, be limited, as herein suggested. It will be necessary, however, in consequence of the increased extent of the British territories in India, since the passing of the Act by which the number is at present regulated, that a considerable addition should be made to it.

20th. It will be necessary, that the present system of accounting between the East-India Company and the Paymaster General should be abolished, and new regulations enacted.

21st. These demands must necessarily be arranged on the principles suggested by the Committees of the House of Commons, who have reported upon the subject of the accounts herein referred to. If it were necessary or proper, in discussing the future regulations which it may be deemed advisable to establish, respecting the affairs of the East-India Company, there would be no difficulty in demonstrating, that the amount of force maintained in India has not gone beyond what was requisite for the defence and security of the Company's possessions, and for other operations, intimately and inseparably connected with those objects.

22d. The Proprietors ought to be secured, as at present, in their dividend of ten and a half per cent.

23d. The whole of the surplus funds of the East-India Company, at home and abroad, ought to be applied, in the first instance, to the reduction of debt, till it is reduced in India to the sum of ten millions, and the bond debt at home to the sum of three millions, after providing for a proportionate encrease of the capital stock of the Company, if they shall think fit to avail themselves of the power now vested in them by law to that effect.

24th. It is intended to submit to Parliament a proposition to that effect, or similar in substance.

25th. If the object adverted to in this proposition can be obtained by exclusion from the dominions of the Emperor of China, and a prohibition to import the produce of that country without license from the Company, it will be preferable to the mode herein suggested. There seems to be no reason for excluding the private trade from the Spice Islands.

No. XXIX.

LETTER *from the Right Honorable* Lord Viscount MELVILLE *to the* CHAIRMAN *and* DEPUTY CHAIRMAN, *also noticed in the Minute above-mentioned.*

India Board, 23d March 1812.

XXIX.

Ld. Melville's Letter.

GENTLEMEN,

I have had the honor to receive the two letters which the Deputation from the Court of Directors addressed to me, on the 18th and 19th instant.

It is undoubtedly reasonable, that the further term now proposed to be granted to the East-India Company of their privileges of exclusive trade and the government of the British territorial possessions in India, should be for such a period, as may be sufficient, if unforeseen contingencies do not arise, to produce a considerable reduction of the debt, both in India and at home. The experience, however, of the last twenty years, has sufficiently demonstrated, that it is impossible to calculate, with any degree of accuracy, on what may be the state of the Company's affairs in India at the expiry of another period of the same duration. If they are prosperous, the same term as was granted in 1793 will be sufficient for the purposes described in your letter of the 18th; but if untoward events shall occur, and the Company shall be again engaged in expensive wars, it will be desirable that Parliament should have the opportunity of reconsidering the subject, and of making such new provisions as the case may appear to require. Under those circumstances, I do not think it will be advisable to propose a longer term than what was granted by the Act of 1793, *viz:* twenty years from the expiry of the existing period, with three years previous notice.

I have no hesitation in admitting that the suggestion in your Letter of the 19th instant, relative to the continuance of the dividend of ten shillings per cent. on the existing capital of the East-India Company, after the separate fund shall be exhausted, is reasonable, and that it will be proper to comply with it.

Your

XXIX.

Ld. Melville's Letter.

Your proposition, in regard to the payment of the Property-tax, requires much more consideration, and I cannot, at present, bring myself to concur in the expediency of agreeing to submit it to Parliament. A confident expectation may be entertained, from the state of the Company's revenues in India, and from the reduction of expense which has already taken place, or which may still be effected, both at home and abroad, by means completely within your power, that a large annual surplus will be available towards the reduction of debt; but when it is recollected, that though the amount of the debt in India has recently been considerably diminished, it has been proportionably encreased at home, and considering, also, that provision must be made, for the possible contingency of the Company having to pay, in this country, the interest, not only of their large debt at home but also of the whole debt of India, I do not think that it would be wise or prudent, at least till after the experience of a few years, to make an addition to the permanent charges of the Company at home, to the amount of the Property-tax upon their dividends.

I am, Gentlemen,

Your most obedient humble servant,

The Chairman and Deputy Chairman of the East India Company.

(*Signed*) MELVILLE.

No. II.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

London:

PRINTED BY ORDER OF THE COURT OF DIRECTORS, FOR THE INFORMATION OF THE PROPRIETORS,

By E. Cox and Son, Great Queen Street, Lincoln's-Inn-Fields.

1812.

LIST OF FURTHER PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors for the Information of the Proprietors.

No. XXX.

Note from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, dated the 5th March 1812, enclosing Copy of a Resolution of a Meeting of Persons interested in the Tin Trade.

No. XXXI.

Letter from the Chairman and Deputy Chairman to the Right Honorable Lord Viscount Melville, dated the 21st March 1812, in reply to the preceding Note.

No. XXXII.

Minutes of a General Court of Proprietors, held on Wednesday, the 25th March 1812.

No. XXXIII.

Minute of a Secret Committee of Correspondence, the 31st March 1812.

No. XXXIV.

Minutes of a General Court of Proprietors, held on Thursday, the 2d April 1812.

No. XXXV.

Copy of a Petition from the East-India Company to the Hono of Commons, noticed in the preceding Minutes.

FURTHER LIST OF PAPERS.

No. XXXVI.

Minutes of a Meeting of the Deputation, the 4th April 1812.

No. XXXVII.

Minutes of a Secret Committee of Correspondence, the 6th April 1812.

No. XXXVIII.

Minute of a Court of Directors, held on Monday, the 6th April 1812.

No. XXXIX.

Minute of a Court of Directors, held on Thursday, the 9th April 1812, renewing the Appointment of a Deputation to confer with His Majesty's Ministers.

No. XL.

Minutes of a Meeting of the Deputation, the 11th April 1812.

No. XLI.

Minute of a Meeting of the Deputation, the 13th April 1812.

No. XLII.

Minute of a Meeting of the Deputation, the 15th April 1812.

No. XLIII.

Minute of a Secret Co[illegible] Directors, held on Wednesday, the 15th April 1812.

LIST OF FURTHER PAPERS.

No. XLIV.

Letter from the Deputation to the Right Honorable the Earl of Buckinghamshire, dated the 15th April 1812, noticed in the preceding Minute.

No. XLV.

Minute of a Secret Committee of Correspondence, the 17th April 1812.

No. XLVI.

Minute of a Secret Committee of Correspondence, the 20th April 1812.

No. XLVII.

Minutes of a Secret Court of Directors, held on Monday, the 20th April 1812.

No. XLVIII.

Minutes of a Conversation between the Right Honorable the Earl of Buckinghamshire and Sir Hugh Inglis, held on Sunday Evening, the 19th April 1812, noticed in the preceding Minute.

No. XLIX.

Letter from Thomas Brown, Esq. to the Chairman and Deputy Chairman, dated the 21st April 1812, enclosing Resolutions of a Meeting of the Buyers of Piece Goods.

No. L.

Minute of a Secret Committee of Correspondence, the 24th April 1812.

No. LI.

Resolutions of a Meeting of the Merchants, Manufacturers, Traders and Others, interested in the Export Trade to India and China from the Port of London, held the 25th April 1812; and the Petition to both Houses of Parliament therein noticed.

LIST OF FURTHER PAPERS.

No. LII.

Minute of a Meeting of the Deputation, the 28th April 1812.

No. LIII.

Minute of a Secret Committee of Correspondence, the 28th April 1812.

No. LIV.

Minutes of a Secret Court of Directors, held on Tuesday, the 28th April 1812.

No. LV.

Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman and Deputy Chairman, dated the 27th April 1812, noticed in the preceding Minutes.

No. LVI.

Minutes of a Secret Committee of Correspondence, the 29th April 1812.

No. LVII.

Minutes of a Secret Court of Directors, held on Wednesday, the 29th April 1812.

No. LVIII.

Letter from the Deputation to the Right Honorable the Earl of Buckinghamshire, dated the 29th April 1812, noticed in the preceding Minutes.

No. XXX.

NOTE *from* LORD MELVILLE *inclosing Copy of a Resolution of a Meeting of Persons interested in the Tin Trade.*

No. XXX. Lord Melville's Note.

Lord Melville presents his compliments to the Chairman and Deputy Chairman, and transmits for their consideration, the inclosed copy of a resolution of a meeting of persons interested in the Tin trade, which was communicated to him by Mr. Tyrwhitt.

India Board,
5th March, 1812.

"*Redruth, 24th February,* 1812.

"RESOLVED,

"That Lord Falmouth, Lord De Dunstanville, the Lord Warden, "the County Members, Davies Giddy, Esq., Mr. Unwin, and any other "gentlemen of the county, interested in the tin trade, who may happen to be "in London, be desired to use their endeavours to get a clause inserted in their "charter, binding them to export a certain quantity of tin, not exceeding 1200 "tons per annum, at a certain price, to be fixed at twenty per cent. under the "average price of tin in London in each year."

No. XXXI.

LETTER *from the* CHAIRMAN *and* DEPUTY CHAIRMAN *to the Right Honorable* LORD VISCOUNT MELVILLE, *in reply to the preceding Note.*

No. XXXI. Chairman and Deputy' Letter.

East-India House, 21st March 1812.

MY LORD,

We have laid before the Court of Directors of the East-India Company, your Lordship's note dated the 5th instant, transmitting copy of a resolution of a meeting

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Chairman and Deputy's Letter.

a meeting of persons interested in the tin trade of the county of Cornwall, held at Redruth, on the 24th ultimo, desiring the Noblemen and Gentlemen of that county to use their endeavours to get a clause inserted in the East-India Company's Charter, binding the Company to export a quantity of tin, not exceeding twelve hundred tons per annum, at a price to be fixed at twenty per cent. under the average price of tin in London each year; and we have been requested to inform your Lordship, that the Court have been uniformly actuated by the strongest wish to extend generally the sale of British manufactures and produce within the limits of the Company's exclusive trade, and that the Court doubt not that the correspondence which has from time to time taken place, between them and the gentlemen interested in the British Mines, together with the increase of three pounds per ton which the Court have agreed to pay in the present year, have impressed those gentlemen with a full conviction, that the article of tin has been a very particular object of the Court's attention.

That in pursuance of the arrangement made between the East-India Company and the county of Cornwall, in the year 1789, there has been sold at the several factories in India and at China, in twenty-two years, the total quantity of sixteen thousand six hundred and fifty (16,650) tons of British tin, for the sum of one million three hundred and ninety-nine thousand two hundred (1,399,200) pounds sterling, which gives the average annual quantity of seven hundred and fifty-six (756) tons, and the average sale price of eighty-four pounds (£84) per ton.

That it is understood, the quantity of tin annually imported into Canton amounts to about eighteen hundred (1800) tons, and that the Court are most ready and desirous to use their endeavours, that the whole of the supply of that country, and also of the Peninsula of India, should be from the mines of Cornwall. But the Court fear, that the circumstances hereafter noticed will be found to be such, as to render it a matter of difficulty to maintain the export of British tin at its present average annual quantity of about eight hundred tons, and consequently, that a permanent annual export of twelve hundred tons will have a tendency, by overstocking the market, to reduce the sale price in Asia, and to produce a loss, even at the *present* rate of cost paid by the Company, but which being superadded to the *increase of cost* required by the resolution of the gentlemen

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gentlemen interested in the tin mines, would cause a loss of most enormous extent to fall upon the Company, and which the Court are satisfied could not have been in the contemplation of the gentlemen who framed the resolution which has been transmitted to the Court.

That it is well known to the gentlemen of the county of Cornwall, that Malacca, Banca, and other places in the eastern parts of India, produce tin in great abundance: and as some of these territories are now under the dominion and government of His Majesty; and as the restrictions which have lately checked the trade of others, which still remain under their native princes, will have been removed by the annihilation of the power of the Dutch and French in the Eastern Seas, and the withdrawing of the obstructions to free intercourse consequent to a state of war, it would seem to follow of course, that the exportable commodities of those countries will find a more quick circulation in the places where they are required, and that Malay tin will be sent to China in considerable quantities, as formerly.

That the Dutch Company are understood to have had a treaty with the chief of the island of Banca, by which that personage was bound to deliver to them the whole of the tin produced in his territories, at the price of twenty-seven florins per hundred pounds Dutch weight, which is equal to about forty-seven pounds ten shillings per ton, English weight; but which treaty being compulsatory on the part of the Dutch, was evaded, whenever it was in the power of the native chief to obtain surreptitious sales at a higher price; and from the information which the Court have obtained, the fair current price of Banca tin may be stated at from sixty-seven pounds to seventy pounds sterling per ton. The Dutch Company obtained about one thousand tons of Banca tin annually, at the treaty price of £47 10*s*., part of which they sold in Asia, and part was sent to Europe, in the regular course of their trade. Tin is also produced, in considerable quantities, in the countries lying on the Western side of South America; and the Court could, at the present time, purchase a quantity of South American tin, now in Spain, but which of course they decline, not intending, on any account, to encourage foreign tin.

That as there does not appear to be any sufficient reason to expect that British tin will produce a higher price in China than Banca tin, and as the Court see

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see no reason whatever to hope, that the average prices which have been obtained for tin in the last twenty-two years will be exceeded in the ensuing twenty-one, so the Court would not be strictly justified in taking a higher sum for the future estimated sales than £84 per ton, or fifteen tales per pecul.

That it further appears, the average price of all the tin which has been received by the Company from the county of Cornwall has amounted to seventy-four pounds one shilling per ton, at which rate of cost the Court will state the price which the tin ought to produce in China, to reimburse the Company in the actual charges, except the freight, which the Court propose wholly to omit, they being ready to carry the tin out freight free.

Cost per ton, as above			
Freight			
Insurance, 3 per cent. in time of peace, 6 per cent. in war, say	£74	1	0
4½ per cent.	0	0	0
Omit charges in England			
Charges actually paid in China, 2 per cent. commission, besides	3	6	8
boats and charges of the Factory, but say only 2 per cent.	0	0	0
Interest for four months, at 5 per cent. per annum.	1	9	8
Total cost of a ton of tin	1	4	8
	£80	2	0

That it appears from the above calculation, the Company have hitherto received the difference between £84 per ton and £80. 2*s.* per ton, say £3. 18*s.*, as a compensation for freight and charges of establishment; but as the Court have, in the present season, agreed to receive eight hundred tons of tin at the advanced price of £78 per ton, the computation will hereafter be as follows:

Cost price per ton	£78	0	0
Freight	0	0	0
Insurance 4½ per cent, average of war and peace,	3	10	2
Charges in England	0	0	0
Ditto in China, 2 per cent	1	11	2
Interest, four months	1	6	0
	£84	7	4

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Total computation of tin brought forward	£84	7	4
Estimated sale proceeds, on an average of twenty-two years, is 15 tales 0 mace per pecul, or per ton	84	0	0
Difference	£0	7	4

being a loss of 7*s.* 4*d.* per ton, exclusive of freight and charges of establishment.

But as the Court are desirous of extending to the utmost the advantages which may arise to the county of Cornwall on the present occasion, they propose that the last price of tin in China known to the Court, viz. 15 tales 5 mace per pecul, should be taken as the standard of computation, although the Court are fully satisfied that that price will not be obtained for a series of years, in case of an enlarged exportation of twelve hundred tons.

The estimate will then be: cost and charges of a ton of tin, at £78, as before	£84	7	4
Sale proceeds, at 6*s.* 8*d.* the tale, and 15 tales 5 mace the pecul	86	16	0
Difference	£2	8	8

which difference of £2. 8*s.* 8*d.* per ton is to defray freight and charges, as before.

That the Court having thus fairly and explicitly represented the experience of the past, and assumed the most favourable view of the future state of the trade in British tin to the countries within the Company's exclusive limits, the Court will revert to the effects which would probably be produced by the adoption of the proposition of the county of Cornwall, as to an exportation of twelve hundred tons of tin, at a price to be fixed, from time to time, at twenty per cent. below the London current price.

That the price of Cornish tin, in the year 1750, was about £74. 10*s.* per ton in London, at about which price it continued (with some fluctuations) until the year 1789, the date of the agreement with the Company, in which year the average price was £70. 10*s.* per ton in London.

That in consequence of the arrangement with the Company in 1789, whereby the surplus quantity of Cornish tin has been taken out of the London

 market,

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Chairman and Deputy's Letter.

market, the price of that tin has risen to £100, £120, £150, and even £171 per ton, whereby the miners have been enabled to work their deepest mines, and to meet the pressure of the times, in as much that the agency of the Company, in this particular, has been termed the political salvation of the county.

That the price of British tin, this day, in London, is reduced to £133 per ton, although a parcel of prize Asiatic tin has now produced at the Company's sales as high a price as £187 per ton, the fall in British tin arising, the Court apprehend, from the markets here being overstocked, by reason that the miners have declined to deliver to the Company, in the last three years, the usual quantity of tin for exportation to China.

That it cannot be doubted but that the price of tin will again advance in London, so soon as the usual exportation to China shall take place; but the Court will assume merely, that it shall remain stationary, at the present price of £133 per ton.

That in this view of the case, which it cannot be supposed will happen, but that the price must greatly rise beyond its present rate, the proposition before the Court will operate to the Company's loss, as follows:

The future market price of tin, per estimate	£133	0	0
Deduct 20 per cent	26	12	0
Leaves the price to be paid by the Company	106	8	0
Add, freight	0	0	0
Insurance, war,* 6 per cent	5	6	4
Charges in China actually paid, 2 per cent.	2	2	6
Charges establishments in England and China	0	0	0
Interest 4 months, at 5 per cent. per annum	1	15	5
Cost and charges of a ton of tin	115	12	3
Sale price in China, at the rate of 15 tales 5 mace per pecul, is per ton	86	16	0
Which leaves the loss on each ton of tin at	£28	16	3

* Peace Insurance, 3 per cent.

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Chairman and Deputy's Letter.

And supposing that twelve hundred tons are taken each year, the annual loss will be £34,575: and further, if it be contemplated that the contract shall be binding upon the East-India Company for twenty-one years, the gross loss in that time, at compound interest, will accumulate to upwards of £1,300,000.

That the Court are fully sensible of the obligation which is imposed upon the Company, in return for the exclusive privilege of trade to China, to exert their utmost endeavors to extend the consumption of British manufactures and produce in that empire; a duty which they have most actively performed; and in the present instance with eminent success.

That the Court desire steadily to follow the same principles, and will therefore carefully abstain from making any observations on the present occasion which may call for a reply; but as it has been demonstrated, that the present comparatively favorable condition of the tin miners has arisen entirely from the Company taking off their surplus tin, without any profit, or expectation of profit to themselves, it cannot be reasonably expected, that the success and stability which have been occasioned to the mining interests, should be urged as a cause to prove that the Company should embark in a new undertaking, which will most certainly be productive of the ruinous effects above-mentioned.

That as the gentlemen of the county of Cornwall have, during the whole course of the last arrangement (twenty-two years), expressed themselves satisfied with the justice, and indeed with the liberality of the Company's proceedings, the Court cannot but consider, that those gentlemen were not sufficiently informed of the actual state of the tin trade in Asia, when they drew up the resolution now under consideration.

That the Court cannot, therefore, consent to pledge the East-India Company to receive tin at the high price now contemplated, nor at any indefinite price dependant upon future contingencies; but that the Court will be ready to purchase of the county of Cornwall the annual quantity of eight hundred tons of tin, at the price of £80 per ton, payable by bills of exchange, at twelve months date, as at present, with interest for six months, at five per cent. per annum in time of war, and four per cent. per annum in time of peace, the estimated out-run of which will probably be as follows, *viz.*

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Cost of a ton of tin	£80	0	0
Freight	0	0	0
Insurance, 6 per cent. in war *	4	16	0
Charges in England	0	0	0
Commission in China, 2 per cent.	1	12	0
Charges Establishment in China, boats, and interest four months at 5 per cent. per annum.	1	6	8
Total cost and charges of a ton of tin	£87	14	8
Sale in China, estimated to be 15 tales 5 mace per pecul, or per ton	86	16	0
Loss per ton	£0	18	8

And that the Court will be ready to take a further annual quantity of four hundred tons, should the County see fit to offer the same, at the price of £75 per ton, payable as above.

But that should the newly acquired territorial possessions in the Indian seas, aided by the events which are passing in South America, open facilities for importing increased quantities of tin into China, so as to reduce the price there in any considerable degree, it is to be understood, that the sum of £80 and £75 per ton shall undergo revision, with a view to a just and proportionate reduction: on the contrary, should the price of tin be advanced in China, the Company will be ready to make an equivalent addition to the prices now conceded.

That should the county of Cornwall not approve the above propositions, the Court will be ready to receive annually twelve hundred tons of tin, and to consign the same to China, free of freight, there to be sold on account of the proprietors, deducting only the insurance and actual expences, agreeably to the plan suggested by Nicholas Downethorne, Esq. Chairman of the Quarterly Tin Meetings in Cornwall, in the year 1789.

* In peace 3 per cent.

That

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That the Court are desirous, that the County should adopt the latter proposition of receiving the actual sales in China, rather than the former, of selling the tin to the Company at £80 per ton: and as it may be desirable to the proprietors of the tin to receive the greater part of the estimated proceeds before the account sales can arrive in London, the Court will agree to advance bills, as at present, at the rate of £60 per ton, upon the delivery of the tin to the Company, in London, to be repaid with interest, at five per cent. per annum, out of the amount of the sales.

We have the honor to be,

My Lord,

Your most obedient humble servants,

(Signed) JACOB BOSANQUET,
HUGH INGLIS.

The Right Hon. Lord Viscount Melville, &c. &c. &c.

No. XXXII.

AT A GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES,

Held on Wednesday, the 25th March 1812.

No. XXXII. General Court, 25th March, 1812.

The Chairman acquainted the Court, that it is made special, for the purpose of laying before the Proprietors the communications which have taken place between His Majesty's Government and the Court of Directors, respecting the renewal of the Company's Charter.

The following papers were then laid before the Court and read, *viz.*

Letter from the Right Honorable Robert Dundas to the Chairman and Deputy Chairman, dated the 30th September 1808.

Minute

No. XXXII. General Court, 25th March, 1812.

Minute of a Secret Committee of Correspondence, the 12th October 1808; and

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the same day.

Minute of a Secret Court of Directors, held on Friday the 16th December 1808; and

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the same day.

Minute of a Secret Court of Directors, held on Friday, the 13th January 1809; and

Letter from the Right Honorable Robert Dundas to the Chairman and Deputy Chairman, dated the 28th December 1808.

Minute of a Secret Court of Directors, held on Tuesday, the 17th January 1809.

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the 13th January 1809.

Minute of a Secret Committee of Correspondence, the 28th February 1809.

Letter from the Chairman and Deputy Chairman to the Right Honorable Robert Dundas, dated the 5th December 1809.

Letter from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, dated the 17th December 1811.

Minute of a Secret Court of Directors, held on Monday, the 2d March 1812.

Letter from the Chairman and Deputy Chairman to the Right Honorable Lord Viscount Melville, dated the 4th March 1812.

Minute of a Secret Court of Directors, held on Friday, the 6th March 1812.

Hints approved by the Committee of Correspondence, and submitted to the consideration of the Right Honorable Lord Viscount Melville.

Letter from the Deputation to the Right Honorable Lord Viscount Melville, dated the 18th March 1812.

Letter from the Deputation to the Right Honorable Lord Viscount Melville, dated the 19th March 1812.

Minute of a Secret Court of Directors, held on Tuesday, the 24th March 1812.

Letter

Letter from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, dated the 21st March 1812. No. XXXII. General Court, 25th March, 1812.

Observations on the Hints suggested by the Deputation of the Court of Directors the 3d March 1812, adverted to in the foregoing letter.

Letter from the Right Honorable Lord Viscount Melville to the Chairman and Deputy Chairman, dated the 23d March 1812.

It was then moved, and on the question,

Resolved Unanimously, That the consideration of the above mentioned papers be adjourned till Thursday next, the 2d April.

No. XXXIII.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

the 31st March 1812.

No. XXXIII. Secret Committee, 31st March, 1812.

Read again, and considered, letter from Lord Melville, dated the 21st March, and his Lordship's observations on the Hints.

No. XXXIV.

AT A GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES;

Held on Thursday, the 2d April 1812.

No. XXXIV. General Court, 2d April, 1812.

Minutes of the last Court of the 25th ultimo were read.

The Chairman acquainted the Court, that it was assembled for the purpose of

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of taking into consideration the papers which were laid by the Court of Directors before the General Court on the 25th ultimo.

It was then moved, and after a mature deliberation,

Resolved Unanimously, That this Court having perused the papers laid before them at the last General Court, desire to express the high sense which they entertain of the great ability, zeal, and fidelity, with which the Directors have maintained the interest of the East-India Company. They return them thanks for the powerful and convincing arguments by which they have shewn the danger which would await the British empire, from opening the trade of India, and the immense advantages which the nation has derived, in strength, revenue, territory, and character, from the capital and the exertions of this Corporation.

That although this Court will feel it their duty, on all occasions, to bow to the determination of the Legislature, they cannot but observe with extreme concern, that no proposition is suggested of an increased or further dividend, either now or hereafter, or advantage of any kind whatever, to the Proprietors of East-India Stock; notwithstanding the negociation for the renewal of the Charter, in 1793, begun with a proposal for an increase of dividend of two per cent., which Charter opened the trade but in a limited and partial degree; and notwithstanding that, while such great and progressive advantages have been obtained for the public at large, the Proprietors themselves have made little more than common interest of their money. That now to be called upon to part with an undefined proportion of a trade thus established, and maintained hitherto at their sole expence, without any consideration for the same, seems to them to be wholly inequitable. Under these impressions, This Court confides to the Honorable Court of Directors the care of its interests in the farther negotiation for a new Charter, trusting to the justice of their fellow citizens, as well as to His Majesty's Government and to Parliament, that they shall receive that liberal treatment, which they regard themselves as so eminently entitled to at the hands of their country.

And that the Directors be requested to report their proceedings, from time to time, to this Court.

That this Court cannot contemplate the essential change proposed in the constitution of the Company, by an unrestrained trade to and from India, without

No. XXXIV. General Court, 2d April, 1812.

out great concern and apprehension; not so much on account of the injury to which it will subject the Company in their commercial privileges and profits, as on account of the tendency which such a change must have to affect the system established by the Legislature, for the civil and political government of the Company's territorial possessions, whilst it is not at all likely to afford to the commercial interests of this country the advantages expected from it.

Should, therefore, the opening of the trade to India be the ultimate determination of Parliament, this Court cannot but express its hope, that all due care will be taken to accompany the enlargements which shall be given to individuals in the Indian trade, with such regulations as shall most effectually guard against the dangers to which those enlargements might expose the existing system of Indian administration.

Draft of a petition to the Honorable House of Commons was then read, being as follows. [*See* No. XXXV.]

It was then moved, and on the question,

Resolved, That this Court do approve the above petition.

The Court then, on the question, adjourned.

No. XXXV.

Copy *of a* Petition *from the* East-India Company *to the Honorable* House *of* Commons, *noticed in the preceding minutes.*

To the Honorable the Commons of the United Kingdom of Great-Britain and Ireland in Parliament assembled.

No. XXXV. Company's Petition.

The humble Petition of the United Company of Merchants of England trading to the East-Indies,

Sheweth,

That by an Act of Parliament made and passed in the thirty-third year of the reign of His present Majesty, entitled, " An Act for continuing

" in

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Company's Petition.

" in the East-India Company, for a further term, the possession of the British " territories in India, together with their exclusive trade, under certain limitations " for establishing further regulations for the government of the said terrritories, " and the better administration of justice within the same; for appropriating " to certain uses the revenues and profits of the said Company, and for making " provision for the good order and government of the towns of Calcutta, " Madras, and Bombay;" reciting, that it was expedient that the exclusive trade of your Petitioners, within the limits of their charter, which by an Act ma le in the twenty-first year of his Majesty's reign, for establishing an agreement with your Petitioners and other purposes, was continued to them for a term thereby limited, should be further continued to them and their successors, under certain limitations and restrictions, for a term of twenty years, to be computed from the 1st day of March 1794, liable to be discontinued, at or after the end of such period, upon three years' notice previously given by Parliament for that purpose; and that, during the said further term, all the territorial acquisitions obtained in the East-Indies, which by an Act made in the seventh year of His Majesty's reign, for establishing an agreement for the payment of a certain annual sum, for a limited time, by your Petitioners, in respect of the said acquisitions and the revenues thereof, and by subsequent Acts were continued in the possession of the said Company, together with the territorial acquisitions then lately obtained there, with the revenues of the same, respectively, should remain in the possession of your Petitioners, without prejudice to the claims of the Public or of your Petitioners, subject to such powers and authorities, for the superintendance, direction, and controul over all acts, operations, and concerns, which related to the civil or military government or revenues of the said territories, as had been then already made or provided by any Act or Acts of Parliament in that behalf, and to such further powers, and under and subject to such other rules, regulations, and restrictions, relating to or concerning the said civil government and the appropriation of the said revenues, as should be then made and provided by the authority of Parliament; it was thereby enacted, that the said territorial acquisitions in the said former Acts mentioned, together with the territorial acquisitions then lately obtained in the East-Indies, with the revenues thereof respectively, should remain and continue in the possession of your Petitioners, for and during the

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the further term by that Act granted to them in the said exclusive trade, subject nevertheless to the several regulations and provisions in that Act contained. And by the said Act His Majesty was empowered to nominate, constitute, and appoint, during his pleasure, such Members of the Privy Council, of whom the two principal Secretaries of State and the Chancellor of the Exchequer for the time being should always be three, and such other two persons as His Majesty should think fit to be, and who should accordingly be and be stiled Commissioners for the affairs of India. And the said Board of Commissioners were, by the said Act, invested with full power and authority to superintend, direct, and controul all acts, operations, and concerns, which in any ways should relate to or concern the civil or military government or revenues of the said territories and acquisitions in the East-Indies, subject nevertheless to such directions, rules, regulations, and restrictions, and to such appropriations of the said revenues, as were by that Act made, provided, and established. And it was further enacted, that your Petitioners and their successors should have, use, and enjoy, and should continue to have, use, and enjoy, the whole, sole, and exclusive trade and traffick, and the only liberty, use, and privilege of trading, trafficking, and exercising the trade or business of Merchandize, in, to, and from the East-Indies, and in, to, and from all the islands, ports, havens, coasts, cities, towns, and places, between the Cape of Good Hope and the Streights of Magellan, and limits in an Act made in the ninth year of the reign of King William the Third, or in a certain charter of the fifth day of September, in the tenth year of the same King, mentioned, in as ample and beneficial manner as your Petitioners could thereby or otherwise lawfully trade thereto, subject nevertheless to the several limitations, conditions, and regulations in that Act contained, and also subject to the proviso thereinafter contained, for determining the same, any former Act or Acts, matter or thing, to the contrary notwithstanding. And it was further enacted, that your Petitioners should, at all times thereafter (subject as aforesaid) have, hold, and enjoy, and be entitled unto all and singular the profits, benefits, and advantages, privileges, franchises, abilities, capacities, powers, authorities, rights, remedies, methods of suits, penalties, forfeitures, disabilities, provisions, matters, and things whatever, which by any former Act or Acts of Parliament, or by any Charter or Charters founded thereupon,

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upon, or by any clause or clauses in the said Acts or Charters contained, were enacted, given, granted, provided, limited, established, or declared, to, for, touching, or concerning your Petitioners, either by the name of the General Society entitled to the advantages given by an Act of Parliament for advancing a sum, not exceeding two millions, for the service of the Crown of England, or the body politic and corporate, called by the name of the English Company trading to the East-Indies, or the body politic and corporate called by the name of the United Company of Merchants of England trading to the East-Indies, and not by that Act, or any other Act then in force, repealed or altered, according to the tenor and true meaning of the said Acts and Charters, and of that Act, freed and discharged from all provisoes and conditions of redemption and determination, in any former Act or Acts contained; and the same, and every of them, were and was thereby ratified and confirmed, and to continue to be held and enjoyed, and be practised and put in execution by your Petitioners and their successors, for the better and more effectually settling and securing to them and their successors the whole, sole, and exclusive trade to the East-Indies and parts aforesaid. And for the preventing trade thereto, contrary to the true intent and meaning of that Act, and for securing also their possessions, estates, and effects, and governing their affairs and business, in all respects, as fully and effectually, as if the same profits, benefits, advantages, trade, privileges, franchises, abilities, capacities, powers, authorities, rights, remedies, methods of suit, penalties, forfeitures, disabilities, provisions, matters, and things, were severally repeated and at large re-enacted in the body of that Act; subject nevertheless to such restrictions, covenants, and agreements, as were contained in the said Acts or Charters then in force, and not therein or thereby repeated, varied, or altered, and subject also to the several enactments, conditions, limitations, and provisoes, in that Act contained. And it was thereby further enacted, that at any time, upon three years' notice to be given by Parliament, after the first day of March, which would be in the year of our Lord one thousand eight hundred and eleven, upon the expiration of the said three years, and upon payment made to your Petitioners of any sum or sums which, under the provisions of any Act of that present session of Parliament, should or might, upon the expiration of the said three years, become payable to your Petitioners by the Public, according to the true intent and

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and meaning of such Act, then and from thenceforth, and not before or sooner, the said right, title, and interest of your Petitioners to the whole, sole, and exclusive trade to the said East-Indies and parts aforesaid, should cease and determine. And it was thereby further enacted, that nothing in the said proviso last therein before contained, or in any proviso in the said Act of the ninth year of King William the Third, or in the said Charter of the fifth day o September, in the tenth year of his reign, or in any other Act or Charter contained, should extend, or be construed to extend, to determine the corporation of your Petitioners, or to hinder, prevent, or preclude your Petitioners or their successors, from carrying on, at all times after such determination of the right to the sole, whole, and exclusive trade, as aforesaid, a free trade into and from the East-Indies and parts aforesaid, with all or any part of their joint stock, in trade, goods, merchandizes, estate, and effects, in common with other the subjects of His Majesty, his heirs and successors, trading to, in, and from the said parts or limits. And by the said Act it is enacted, that for and during so long time as your Petitioners should be entitled to the whole, sole, and exclusive trade and traffic into and from the East-Indies, and other places within the limits of their Charter, subject to the provisions, regulations, and limitations in that Act contained, the clear profits arising from the said territorial acquisitions and revenues in India, after defraying the charges and expences of collecting the same, should be applied and disposed of to the uses and purposes therein mentioned and expressed; and also that during the continuance of the exclusive trade to your Petitioners, the nett proceeds of their sales of goods at home, with the duties and allowances arising by private-trade, and all other profits of your Petitioners in Great Britain, after providing for the payment of bills of exchange then already accepted by your Petitioners, as the same should become due, and for the current payment of other debts, interest, and other outgoings, charges, and expences of your Petitioners (their bond debt always excepted), should be applied and disposed of in the manner therein mentioned, as by the said Act, relation being thereunto had, may more at large appear.

That the notice required by the said Act of Parliament hath been given by the Speaker of your Honorable House, for determining the exclusive trade of your Petitioners, on the 10th day of April, one thousand eight hundred and fourteen.

That

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That since the said Act was passed, further territorial acquisitions, yielding a large revenue, have been obtained by your Petitioners, and such acquisitions have been annexed to the several governments of your Petitioners in the East-Indies, and sundry debts, to a large extent beyond what are mentioned in or referred to by the said Act, have been incurred by your Petitioners, in the defence and protection of the British possessions in India, and by reason of wars, in which the British nation has been engaged with European powers.

That such debts bear interest, and some of them are due in the East-Indies, and others of them have been discharged by your Petitioners, by means of money raised on their credit in this country, under the authority of Parliament.

That by virtue of the terms of the obligations for other part of such Indian debt, further sums, to a large amount, will be payable shortly in this country, for which purpose it will be necessary for your Petitioners to raise a further sum of money here.

That the system established by the said Act, for the government of the territorial acquisitions in the East-Indies, for the management of the revenues thereof, and for the general conduct of the affairs of your Petitioners, hath been approved by experience; but the appropriations made by the said Act of the profits arising from the territorial revenues in India, and of the profits of your Petitioners at home, appear to your Petitioners to be inapplicable to the present state of the Indian debts and resources, and of the concerns of your Petitioners.

That your Petitioners believe, that it is undeniable, that the exclusive trade carried on by your Petitioners has been a great positive advantage to the nation; and although they do not presume to state as an incontrovertible fact, that greater public benefit would accrue from its being continued in its present state, than from its being any further opened, yet your Petitioners do venture humbly, but confidently, to assure this Honorable House, that the trade with China could not be opened in any degree, without extreme danger.

That if it should not be seen fit to enlarge the term now held by your Petitioners in the whole of the trade which they now enjoy, without qualification, your Petitioners are ready to submit to such regulations as shall be just, and as Parliament, in its wisdom, shall enact, for the conduct of the commercial intercourse of His Majesty's subjects, with those places which are within the exclusive limits granted to your Petitioners.

That

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That on account of the length and variety of the matters necessary to be considered and prepared, in relation to the subject of this petition, your Petitioners were unable to prepare a petition, praying leave to bring in a bill or bills, relative to the Indian territories and trade, until the time limited for presenting petitions for private bills was expired.

Your Petitioners therefore most humbly pray, that leave may be given to your Petitioners, now to present a petition to this Honorable House, praying that leave may be given to bring in a bill or bills, for continuing the possession, government, and management of the territorial acquisitions in the East-Indies, in your Petitioners, subject to regulation; and for altering the appropriations of the profits arising from the Indian revenues; and for enabling your Petitioners to raise such sums of money, or to contract such pecuniary obligations as their affairs may require, in respect of the payment, in this country, of debts originally contracted in India; and for settling the trade to the East-Indies and China, and other places from the Cape of Bona Esperanza to the Streights of Magellan; or that your Petitioners may have such other relief as their case may require.

And your Petitioners, as in duty bound, shall ever pray, &c.

MEMORANDUM: *The Petition prayed leave to be presented is recited in the above Petition.*

No. XXXVI.

AT A

MEETING OF THE DEPUTATION,

the 4th April 1812.

No. XXXVI. Deputation.

The Chairman stated, that himself and the Deputy had a conference yesterday with the President of the Board of Commissioners.

Read again, and considered, the Hints and the Observations on them.

No. XXXVII.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

the 6th April 1812.

No. XXXVII. Secret Committee, April, 6th 1812.

The Chairman stated to the Committee, that the Chairs had a conference yesterday with the President of the Board of Commissioners.

Letter from Lord Melville, dated the 21st March, was read, and further considered.

No. XXXVIII.

AT A

COURT OF DIRECTORS,

Held on Monday, the 6th April 1812.

On a motion,

No. XXXVIII Court of Directors. 6th April, 1812.

Ordered, That the Company's seal be affixed to their Petition to the Honorable House of Commons, which was approved in Court and in the General Court on the 2nd instant; also to a Petition for leave to present the same: and that such Members of this Court as are Members of the House of Commons be requested to present the said Petitions.

No. XXXIX.

AT A

COURT OF DIRECTORS,

Held on Thursday, the 9th April 1812.

On a motion,

No. XXXIX. Court of Directors, 9th April, 1812.

Resolved, That agreeably to the Court's resolution of the 2d ultimo, appointing a Deputation of Directors to confer with His Majesty's Ministers, on the subject

subject of a renewal of the Company's exclusive privileges, the undermentioned gentlemen be appointed for that purpose, *viz.*

No. XXXIX. Court of Directors. 9th April, 1812.

The Chairman,
Deputy Chairman,
The Honorable William Fullarton Elphinstone,
Jacob Bosanquet, Esq.
Charles Grant, Esq.
George Smith, Esq.
Edward Parry, Esq.
William Astell, Esq.

No. XL.

AT A

MEETING OF THE DEPUTATION,

the 11th April 1812.

No. XL. Deputation. 11th April, 1812.

The Chairman stated, that the Deputy and himself had a conference with the Earl of Buckinghamshire on Tuesday last.

Read again the Hints and Observations, and deliberated thereon, as far as Article 12;—

And adjourned to Monday next, at two o'clock.

No. XLI.

AT A

MEETING OF THE DEPUTATION,

the 13th April 1812.

No. XLI. Deputation. 13th April, 1812.

Proceeded in deliberating further on the Hints and Observations, and Adjourned to Wednesday next.

No. XLII.

AT A

MEETING OF THE DEPUTATION,

the 15th April 1812.

No. XLII. Deputation, 15th April, 1812.

Draft of a letter to the President of the Board of Commissioners was read and approved;

And the Chairman was requested to submit the same to the Court of Directors this day.

No. XLIII.

AT A

SECRET COURT OF DIRECTORS,

Held on Wednesday, the 15th April 1812.

No. XLIII. Secret Court. 15th April, 1812.

The Chairman from the Committee of Correspondence submitting to the Court draft of a letter to the President of the Board of Commissioners for the Affairs of India,

The same was read and unanimously approved.

No. XLIV.

LETTER *from the* DEPUTATION *to the Right Honorable the* EARL OF BUCKINGHAMSHIRE, *noticed in the preceding Minute.*

No. XLIV. Deputation Letter.

MY LORD,

East-India House, 15*th April* 1812.

The correspondence between the President of the Board of Commissioners, on the part of His Majesty's Government, and the Court of Directors of

of the East-India Company, on the subject of the renewal of the Company's Charter, having been laid before the General Court of Proprietors, we now, in consequence of the resolutions of that body, propose to ourselves the honor of continuing the correspondence with your Lordship, and especially to reply to the letters of the late President, dated the 21st and 23d of March, and to his *Observations* accompanying the former of these letters.

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In the first place, however, permit us to offer some remarks on the outlines of the negociation, as far as it has hitherto advanced, and on the opposition which has begun to shew itself to certain propositions, respecting the necessity and importance of which His Majesty's Government and the East-India Company appear to have entertained similar sentiments.

It is manifest, from the letters written on the part of the Court of Directors, that they have contemplated with the utmost reluctance such an enlargement of the trade to India, as seemed to be desired by His Majesty's Ministers, because they believed that the commercial advantages expected from it to this country would not be realized, and feared that it might eventually endanger the security of the British possessions in the East. We must desire on the part of the Court of Directors, distinctly, and in the face of the country, to state this opinion, not as advanced without conviction, to serve a cause, but as the genuine result of such knowledge and experience as the Court possess, upon a subject respecting which they have better means of information, than any of those associations who are now eager to take full possession of the Eastern trade, and upon which also it is certainly material that the Public should form just ideas. We have, indeed yet seen no arguments advanced, in answer to those reasons which the Court have offered against the opening of the trade, and particularly against the expectation of the great increase to be produced by such a measure in the exports from this country to India, and the imports thence. Lord Melville has signified his concurrence with the Court, in thinking that the Public will be disappointed, at least at first, in this expectation; and though his Lordship has said, that "the "Court do not appear to have succeeded in establishing the proposition, that any "detriment will arise to the Public interest, either here or in India, or ultimately even to the interest of the Company themselves, from the introduction "of private adventurers," we must beg leave to observe, first, that we cannot doubt

doubt "the introduction of private adventurers" which his Lordship had in view, was less extensive than is now likely to be contended for by some portions of the public, and was connected, in his mind, with limitations and restrictions in the conduct of the trade, which those who claim the largest opening of it exclude; and, secondly, that several reasons which the Court have urged, to shew that much detriment would arise from a general opening of the trade, remain unanswered, either in his Lordship's letters, or in any of the public resolutions we have yet seen. Until of late, the general language held on the subject of the Indian trade was rather that the merchants of Great Britain should be allowed to apply their industry to such branches of it, and to such ports of the Indian Seas, as the commerce of the Company did not embrace, than that they should invade the portion of the trade which the Company carried on. But now little is said about the advantages to be derived from adventures to the unexplored parts of India, and the objects likely to be most warmly contended for are not new accessions of commerce to the nation, but a transfer of much of those branches of trade, already carried on by the Company in London, to individuals in the outports. The large concessions at first required from the Company by His Majesty's Government appear only to have encouraged the merchants of the outports to make still further demands, regardless, as it would seem, of the political consequences that might ensue from a compliance with them, and apparently unaware, too, that the corporate capacity of the East-India Company is perpetual, and cannot be annulled, even if the qualified monopoly they have enjoyed were to cease.

We are confident, my Lord, it was not the intention of His Majesty's Ministers, that the East-India Company should be broken down and despoiled of those faculties, necessary to enable it to perform the important part assigned to it by the Legislature in the government of the British empire in the East; a part which probably it will be allowed to have performed well, and with more safety and advantage to the mother country, than any other system, hitherto thought of, could have done. The benefits accruing to that government by the reciprocal aids of revenue and commerce, the powers of which are united in the constitution of the Company, in a way peculiar to it, have been often seen and fully acknowledged, and were it necessary, it would be easy to enlarge upon them.

them. These powers have now become so incorporated, that it is impossible to separate them, without essentially endangering the whole of a system that has proved in practice eminently useful. If, therefore, the commercial part of that system were now to be destroyed, the political functions exercised by the Company would be so weakened, as necessarily to bring into view questions of the last importance to the safety of the British empire in India, and of the British constitution at home.

We hence assuredly rely, that the wisdom of Parliament, and the good sense of the nation in general, will resist those rash and violent innovations upon the system of the Company, which the merchants of different towns, proceeding upon theoretical ideas, and overlooking most material facts, now appear to intend, without any certainty, even of extending the commerce of this country, but to the unavoidable detriment of its political interests abroad and its financial interests at home.

It was in contemplation of dangers less immediate and alarming than the designs now avowed threaten, that the Court so earnestly proposed, that the renewal of the Charter should proceed, with certain modifications, upon the basis of the Act of 1793, which made the Company the medium of the enlargements of private trade; but having been forced to depart from this preliminary principle, which they still maintain consults the true policy of this country, and the sacrifice of which they may observe, by the way, inflicts great injury upon all the private interests and parties engaged in the Indian trade, as established by that Act, particularly on the commanders and officers of the Company's ships, whose professional merits are universally acknowledged, the Court are, however, perfectly satisfied, from the assurances already given by His Majesty's Ministers from the beginning, that any enlargements which may be given in the Indian trade shall be accompanied with such provisions, as will guard against the dangers to which such enlargements might otherwise expose the existing system.

Several of the precautions necessary in this view were suggested in the *Hints* submitted by the Deputation of the Court to Lord Melville, on the 4th March; and upon these, and the *Observations* made on them by him, we now feel ourselves called upon further to offer some elucidations to your Lordship.

On

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1 2 3 — 1 2 3 On the very important head of the China trade, permit us, my Lord, to remark, that although the *security of the revenue* is doubtless a very fit consideration for His Majesty's Government and for Parliament, yet the Company do not understand that the continuance of their exclusive privilege in this trade is rested on considerations of revenue alone, nor that it ought to be affected by any varying circumstances in that branch of the public affairs. The Company have the actual possession of the monopoly of that trade, which was given them for national purposes, and by the perpetuity of their corporate capacity must be more capable of maintaining it against the competition of private merchants, than those merchants would be to drive them out of it. But such competition would be ruinous to the public interests; for the Company already supply the nation with as much as it wants of China commodities, which are almost entirely used for home consumption, and exports woollens and metals of this country, to the amount of a million sterling annually, at a loss to themselves during war. By competition, the cost of teas, and other China articles, would be enhanced, the prices of our staples lowered there, and if individuals could possess themselves of the trade, the exports in those articles which they could not sell to profit would be lost to the country. A struggle, therefore, between the Company and individuals, could only produce ruinous consequences to both. The jealousy of the Chinese government, which now allows only one port of that vast empire for all its foreign commerce, and subjects the European residents at Canton to a confinement to their factories for six months of the year, and to banishment to Macao for the other six months, would undoubtedly take alarm at the ingress of indefinite numbers of unconnected Englishmen from Europe, and if it did not at once exclude them, would soon be induced to do so, by the disorders which would not fail to follow, and which are on the

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the present limited scale of intercourse, prevented or palliated only, by the extreme caution and established usages of the Company's supra-cargoes. Thus the trade would be entirely lost to the country, and with it not only the export of a million of its manufactures annually, but a revenue of four millions, with the fleet of excellent ships now employed in that commerce, to the great inconvenience of the people at large, the ruin of particular classes, and the complicated injury of the state. The resort of American ships to Canton, without either hindrance from the Chinese or consequent disorder, affords no parallel to the case of an open trade from Great Britain and Ireland to China. Those Americans, few in number, carrying thither only silver, and carrying away silk cloths as well as tea, derived their reception and protection very much from the orderly English factory long established there, who have endured treatment from the Chinese government, to which no representative of His Majesty could submit. We are satisfied, therefore, my Lord, that such provisions will be introduced into the new Charter, as will effectually secure this great branch of trade to the Company and the nation, in the manner it has hitherto been enjoyed.

4 — 4 We submit, that this observation ought to run thus: "This proposition ought to be acceded to; with the reservation, "however, that the Governments in India ought to be restrict-"ed from" making any alteration in the rates of the duties sanctioned by the authorities in England, or that they may hereafter sanction.

5 — 5 To the concession on this head, we wish it to be added, that the Company shall have a fair price for all the saltpetre they shall supply to the Government.

6 — 6 As the confinement of the private trade to and from India to the port of London is an article of essential importance on the whole of the present question, involving the safety of the Company, it may be expedient, that we state somewhat fully the

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the various and powerful considerations on which the propriety and necessity of the measure rest. These considerations relate to the usages resulting, unavoidably, from the nature of the Company, which for political, as well as commercial purposes, it is so material to preserve; from the law of the land; the existing rights of individuals; the conveniency of the re-exportation of Indian commodities; and the security of the public revenue.

From the first institution of the East-India Company, they have used the port of London only; and the practice of selling their imports by public auction only, is also almost coeval with the Company.

The utility which dictated the first of these practices is obvious: a little consideration will shew the other to be yet more necessary. If private bargaining and trafficking with individuals, and from day to day, were allowed in the sales of the great imports of the Company, how many doors would be open for collusion, imposition, and abuse! It would be impossible the business could go on in that way, and the very liability of it to suspicion, would be enough to destroy the confidence of the proprietors and the public. Besides, the importations of the Company coming in fleets at stated seasons, it suited the convenience of all parties, that the sales should also be only at stated seasons, and public, which would afford the opportunity to buyers to resort from all parts, foreign as well as domestic to those sales.

In the ninth and tenth years of King William the Third, the Legislature interposed to prohibit the sale of East-India goods, otherwise than by public auction; and in the next year of that prince it was also enacted, that East-India goods should be sold only in London. Thus the law at present stands.

The immediate object of the Legislature, in these enactments, appears to have been the security of the revenue, then appointed to be derived from the customs laid on Indian goods imported:

And nothing so effectual could be devised for that security. To bring the imports to one place; to have them lodged

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lodged under the keys of the Government officers; to have them sold publicly, in the presence of those officers; and, finally, to have the duties, thus carefully ascertained, collected through the medium of the Company, with hardly any charge: The whole of this practice is the most complete provision that can be imagined, against defect, fraud or expense, in realizing this branch of revenue to the public.

But if this was material in the time of King William, when perhaps the revenue from East India Goods, including China, did not exceed £100,000, how essential must it be at present to the State, when that revenue exceeds four millions!

With all the care now taken, and when London is the only lawful place of importation, it is well known that teas, shawls, silks (prohibited, for the encouragement of our own manufactures), and other articles, are at the present time, to some extent, smuggled on shore from the East-India ships, notwithstanding the penalties of the Law; and when, in addition to the legal penalties, the offending parties, if the Company's servants, are liable to further fines and mulcts on all illicit trade. But the hope of evading the heavy duties will ever continue to operate on persons, who look no further than their own immediate profit or convenience.

Every deviation from the established usage would so far destroy its simplicity and efficiency, and open the way to abuses. Suppose the importations to be allowed to go only to one outport, a new establishment, new expence, new trouble, would be created, and a channel opened for smuggling, fraud, and abuse. What would it be, then, if several outports were opened for the landing and sale of Indian and Chinese goods?

But this still supposes the Company, either for itself or for private traders, to be the only medium of importation. If, however, all individuals were to be allowed to import, and into all the ports of the United Kingdom, especially if it were allowed to

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employ ships of small burthen, which drawing little water, could run into obscure ports in the remote parts of England, Scotland, and Ireland, where would be the practicability of any safe controul? Legions of Custom-House and Excise officers must be appointed, at a very great expense; and after all, where the duties are so high as they are, especially on the articles of tea, silk, and fine muslins, smuggling without end must be expected. If private ships were allowed to go to the Eastern Islands, they could find means to procure tea; and if also allowed to return to the outports, smuggling in that article would be by far the most gaining trade.

At present the duties upon East-India goods are collected and paid in London, at a very small expense to Government, and to the full extent to which they ought to be paid. This follows, because the value of the goods is ascertained by competition at the Company's sales. Were every port to have its India House, where would be this general competition? The same goods which pay the duty *ad valorem*, would be liable to one amount of duty at Fowey, to another at Dublin, to a third at Port Glasgow; all differing from each other, and from that paid at London. There would be no remedy for this inconvenience, whatever may be said by interested persons to the contrary. The endless variety of Indian commodities, renders it impossible that they should generally pay what are called *rated* duties, of so much per piece or so much per yard. Pepper may pay a fixed sum by the pound, and sugar by the hundred weight; but the staple article of piece goods, and many others, must ever be rated by the value, quantity being no just criterion.

It therefore follows, from what has been above observed, that were the trade to be carried to the outports of the United Kingdom, the revenue drawn from Indian goods must be greatly diminished, and the charges of collecting it greatly increased.

Let

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Let it be next inquired, what would be the effect of such a change on different interests; the persons already possessed of valuable property employed for the Indian trade, the exporters of Indian commodities from this country, and on the East-India Company itself?

The City of London, in their corporate capacity, as conservators of the Thames, and all classes of persons in the metropolis, who are engaged in the building and outfit of ships, in the carriage, warehousing, sorting, buying, and selling of the Company's goods, have also a direct interest in the present discussion.

The East-India Dock Company have likewise a very great and obvious interest in keeping the Indian trade in the Port of London.

With respect to the re-export trade in Indian commodities, at least three-fourths of the imports from India have hitherto been for the supply of the continental markets. The foreign buyers repose confidence in the regularity and publicity with which the Company's sales are conducted. When the trade was solely in the hands of the Company, the particulars of their cargoes were published immediately on the arrival of the ships, and distributed all over the continent. Notices of the quantities to be sold, and periods of sale, were also published for the like distribution. The sales of each description of goods were made at stated periods, twice in the year. The buyers, of course, knew the state of the market at the time of coming to the sale, and the purchases were made under an assurance, that no more goods, of such description, would be disposed of before the next sale. Hence they had a certainty of the market for six months. This established a solid confidence, which very much benefited the sales. Such confidence has, no doubt, been much weakened since 1793, when private persons were partially admitted into the trade. The chief object of the private

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trader being, as it always must be, to obtain prompt sales to meet the payment of bills, East India goods are frequently resold, while they remain in the Company's warehouse, merely by a transfer of vouchers. The goods, when so sold, will produce from five to ten per cent. more than when in the hands of individuals. This is particularly the case as to drugs, which are subject to great adulteration.

The confidence that has been entertained of the Company's regularity and fair dealing has been such, that the foreign buyers have given their orders to their correspondents in London, on the faith merely of the descriptive marks; and goods, on their arrival on the Continent, frequently pass through various hands, before they are finally unpacked.

By the mode proposed, it is to be feared the foreign buyer will cease to be at any certainty as to his purchases and the quality of the commodities; and this may, eventually, lead foreigners to look directly to India, for the supply that has hitherto been furnished through the medium of this country.

To speak now of the effects of the proposed change upon the interests of the Company. And first, with respect to the East-India trade, properly so called, as contradistinguished from the imports from China. If the mode of private sale of Indian goods in every town in the kingdom were introduced, would not the stated and the public sales, to which the Company are restricted, be continually anticipated, and consequently the supply of the foreign markets be so also; though, on the whole, these markets could not take off more? Could these sales, then, secure a general assemblage of buyers? Could it be reckoned upon, that the Company's goods would go off, as they usually have hitherto done, at the sales? Could the prices be expected to indemnify the Company, when the market should be lowered by the necessity or impatience of private importers? Could the realization, in money, of the Company's Indian

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Indian imports be depended on: that realization, so necessary to the finances of the Company? and if not, how could the currency of their affairs be preserved? how could they pay for exports to India? how could they maintain the fleet of ships they now employ in their Indian commerce: a fleet so necessary for the transportation of troops and stores and warlike services in India? And if the Company's Indian commerce failed, and so much of the Indian imports were transferred to outports, what must become of many of the Company's wharfs, warehouses, and other articles of dead stock, formed at a vast expense, in consequence of this Indian trade? And where would be the benefit to the nation by the change? Would it be any thing else but transferring to Bristol, Liverpool, Glasgow, and Dublin, that which London now has? Would it be really any accession of benefit to the empire at large? And what, to look towards India, would be the effect of an unlimited trade from the outports of Great Britain and Ireland to all those regions? Would it be possible to enforce the regulations which His Majesty's Ministers think absolutely necessary, for preventing an uncontrouled intercourse with the East, and for averting the evils that would ensue from it?

These questions, to add no more, ought to be very clearly and satisfactorily answered, before so great a change is attempted, before an order of things that has subsisted so long, and done so well, is subverted and destroyed. If great and sudden innovations ought, at all times, to be regarded with caution and distrust, surely ought those in particular, which are proposed by men for their own immediate advantage.

But what are the arguments with which the merchants of the outports may be supposed to enforce their claim? Natural right; the freedom of trade; allowing every man to carry on his own business in his own way; the odium of the principle of monopoly; the disadvantage with which they would carry on

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the trade, if they were obliged to bring back their ships to London, instead of their own ports; the disadvantage to the country consumers.

To all this it may be replied, that supposing the whole true, are these arguments of weight and value sufficient to overturn the present long established system of the Company, and to endanger so large a portion of the public revenue? As to the arguments from natural right, &c., such arguments must always be limited by considerations of practical good. The only practical arguments that occur in favor of the outports, are the advantage to the merchants themselves and to the country consumers. Now what is the amount of this advantage? Let it not be forgotten, that at present it is problematical, at least, whether any great Indian trade can be established by the private merchants; that, at any rate, the chief part of Indian goods imported into England is intended for re-exportation; that London is the fittest port and mart for the foreign trade, especially since the Warehousing Act; that there is really little consumption of Indian goods in the interior of this country; and that if no great accession of trade should be brought to the country by the private merchants, then they will have sacrificed the existing system, without obtaining even the object for which the sacrifice was made.

It may perhaps be said, that the Hudson's Bay Company has public sales, and that yet there are sales on account of individuals of the same articles the Company import. But this will form no parallel case as to *Companies*, nor is there any great question of *revenue* concerned. The only article imported by the Hudson's Bay Company is *furs*. The sales of this article, on private account, are also by auction, and it is believed confined to London. The whole is comparatively a small affair, and can be of no weight in the present question.

Upon the whole, therefore, it seems most certain, that on such

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such slender grounds, with respect to advantage (and advantage as before mentioned only to be taken from London for the outports), with so little certainty of establishing any great trade to or from India, with such imminent hazard to the East-India Company and to the revenue, it would be contrary to the prudent policy which this nation has generally observed, and most unwise in itself, to venture upon so great an innovation, some of the effects of which were pointed out to the President of the Board of Commissioners three years ago (printed papers, page 30), effects which, by his silence, he seems to have admitted: and, in a word, it may be apprehended, that they would amount to the destruction of the Company's Indian trade, their Indian commercial establishments, their Indian shipping, and finally leave the China monopoly so insulated and unsupported, as to bring that also, at length, to its fall, and with it, the whole fabric of the Company, and the great revenue now so easily realized through its medium; nor can it be at all doubtful that, in such case, the China trade would also be lost to the nation.

It is not irrelevant to this subject to advert to a passage in the history of the Dutch East-India Company, under the year 1602. "The plurality of East-India partnerships or societies, "at this time, formed in Holland, creating much disorder and "clashing in that commerce, the States-General summoned "before them the Directors of all those Companies, and obliged "them to unite, for the future, into one, to which United "Company the States granted the sole commerce to East-India "for twenty-one years from the 20th March 1602." They had, in consequence, several *Chambers* of East-India Commerce in Holland, as Amsterdam, Middleburgh, &c. but they were all under one united Direction.*

In

* See Anderson's Commerce, and Macpherson's Annals of Commerce, under 1602.

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7 — 7 In the time of King William, the Company were allowed five per cent. on the private trade.

8 — 8 Many remarks made upon the sixth article will also apply to this, which might have properly formed a part of it. We need, therefore, only observe here, that the permitting of ships to sail from the outports, will go very materially to injure the interests of those who were let into the Indian trade by the act of 1793; to increase the danger of colonization abroad; and of injury to the revenue, by smuggling, at home, as well as another danger to be noticed in the next article.

10 — 10 It is not only to all our Indian possessions that the exportation of military stores ought always to be prohibited, but also to the numerous islands in the Eastern Seas, inhabited by a vindictive race of people, who may be ready, not only to buy warlike stores, but to engage Europeans in their quarrels, and the sailing of ships from the outports will certainly increase the danger of these evils.

11 — 11 The existing law, as to piece goods, enables the Company to confine the importation of that article to themselves. They have never availed themselves of this privilege; but yet it may be proper to continue it, because "the regular and constant "employment of the manufacturers, under the existing system "of local management," is a matter of consequence, not likely to be otherwise so well guarded, and that great importations of piece goods would operate against the home manufacturers, whilst a smaller select importation would be useful.

12 — 12 There is a new reason for the same restriction in favor of the Company in the article of raw-silk, because such a general competition is now to be opened against them, and because they have, at great expense in a long course of years, by means of their own establishments, brought the raw-silk of Bengal, which they export, to a high state of perfection; and if that article is left to the competition of individuals, who will often have

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have to resort to the agency of indolent natives, the quality of the article may be expected materially to fall, and the silk manufacturers of this country to be much worse supplied than they are at present.

It is proper to add, on this subject, that the restriction in favor of the Company, in the article of piece goods, is by no means of the value it was at first, the demand for that Indian staple being now greatly diminished in this country.

14 — 14 Lord Melville has observed, on the reasons which he apprehends had influenced the Court, in proposing that ships of less than four hundred tons should not be allowed to sail to India, that "though entitled to due consideration, they do not appear "to be sufficiently strong to justify the proposed restriction, or "the making a distinction, in that respect, between ships "trading to the East-Indies and to other countries:" it is therefore deemed necessary to discuss the proposition more at length.

In examining the subject of the sixth proposition, the facility which small ships would afford to smuggling, were the outports opened for the disposal of the homeward cargoes, has already been considered. In further support of the fourteenth proposition, respecting the least size of ships that should be permitted to go to India on account of individuals, the practice of the India Company, in the early part of their intercourse with the East, might be adduced, for they soon dropped the smaller class of ships for one of five hundred tons; but as this country, in its improved state of navigation and commerce, has few ships of that burthen, except those employed by the East-India Company, the limiting of ships to be now employed in the private-trade to India to four hundred tons, was supposed to afford facility to the most respectable houses, to benefit by the proposed enlargement of the trade.

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Every one will admit, that there is more of respectability in the larger class of ships; and this circumstance should not altogether be lost sight of with the inhabitants of India. The impression of the superiority of our maritime strength to that of other nations, and particularly of the Americans, who speak the same language, and who navigate very small vessels to and from the ports of the East, should be kept alive; and, as a reason of State, should have its due weight in the consideration of this subject.

It is not only the respectability of the *ship* that should be attended to, but there is also a degree of respectability and responsibility attached to the character of the commander and of the officers (of whom there is a greater establishment in the larger ships). Their information is pre-eminent, particularly in those essential articles of nautical science, the variation and the lunar observations, in the navigation of the Indian Seas, and to and from thence. By such men, a better discipline is established in those larger ships which suit them: the ships are also better armed, and less liable to capture, than vessels of the smaller class. The length of voyage requires, not only superior equipment and a stouter vessel, but in order to guard against contingencies of every kind, subordinate officers and their assistants are indispensable; because, in the event of the death of the principal officers, the knowledge and skill requisite to supply their places, especially in cases of emergency, could be derived from no other quarter. Small vessels cannot have these necessary advantages; an observation which applies, more particularly, to such petty officers as carpenters and caulkers, in respect to matters that concern the hull of the ship, and to medical men in respect to the crew.

It has been found by experience, that larger ships can be navigated at a less rate per ton than small ones: hence one of four hundred tons will require less rate of freight than two of

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two hundred tons; a point of economy in the conveyance of goods, which is not to be disregarded, even in a national view. As India is concerned, the smaller vessels will multiply a description of persons in the ports and throughout the country, whose conduct may have serious effects on the peace and quiet of the Asiatic Governments, from the causes before mentioned. The minor ports throughout the country will admit of an intercourse and connexion between Europeans and the natives, which the vigilance and power of our Governments cannot discover nor control.

The ships employed in private trade should be constrained to navigate with a certain number of Europeans outward, so as to prevent, as much as possible, the introduction of native seamen to this country: and hence, for the sake of humanity, a surgeon becomes a necessary person, the employment of whom may well comport with the size of ships of four hundred tons or upwards, but not with those of two hundred and fifty or less. If the health and lives of seamen be thought of consequence to the State, the larger class of ships should certainly be preferred. If the present superior class of West-India shipping are of four to five hundred tons, where the passage is not more than six weeks, it appears at least as reasonable, that those employed in an East-Indian voyage, which may last many months, should be equally competent and formidable as the running ships, and not stand on a scale beneath those of the first class upon Lloyd's books, so that the premium of insurance upon the goods shipped may be kept at the lowest possible rate.

Whenever such enlargements, as may induce the subjects of this country to embark very large property in the Indian trade, shall be opened to them, it must be highly expedient that, for such time at least as may be sufficient for the return of one voyage, the utmost possible security, which the Legislature can devise, should be provided, in order to check such

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hazardous adventures as might otherwise be carried on in any description of vessel, or under the conduct of characters not sufficiently responsible, and at the risk or cost of the under writer.

If an honorable commercial intercourse with India be the object, such wholesome regulations will promote it; but if speculations of mere chance outward, and smuggling homeward, should be in the contemplation of any adventurers, protection to the fair trader, to the East-India Company, and to the revenue, can only be secured by some efficient law, respecting the size of the ships, and their consequent equipment in stores and force, under the conduct of able and responsible commanders and crews.

16 — 16 The regulations proposed with respect to Lascars, are only intended for a time of war. No Lascars should be brought to this country in a time of peace.

18 — 18 The existing regulations, as to ingress and settlement of unlicensed Europeans into the Company's establishments and territories, to be continued. No British subjects to be allowed to settle in any country within the Company's limits, and not under the government of the Company

19 — 19 The King's forces, maintainable by the Company in India, not to exceed fifteen thousand men in all; and this number to be reduced, as may be found practicable.

20 — 20 If the proposition made by the Company, to be henceforth charged so much per regiment of a given force, or so much per man, be not adopted, we shall be glad to receive any specific proposition, for putting upon a clear and equitable footing the adjustment of accounts between the Pay Office and the Company. By any such arrangement, we cannot doubt, that, at least, the intricacies of the present mode of settlement, utterly unsatisfactory as it is to the Company, will be got rid of, even if the expence should not be diminished: but will it, for example, admit of any question, whether, when the Company have

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have been charged, as they really have been, with the expense of an entire recruiting company at home, as constantly raising recruits, and whilst, in many instances, the recruits so raised have been sent, not to India, but to other quarters, the recruiting company having also been at all times available for internal service, it can come within the equity of the 127th clause of the Act of 1793, or ever could have been intended to charge the expense of such company to the Indian territories? Or is it just, that the expense of the colonel of a regiment, employed either at home or on the Continent, or perhaps on a furlough staff appointment, should be partly charged to the East India Company, and his pay be drawn from them? As all parties, therefore, agree in the propriety of an alteration, the sooner it is made the better.

21 — 21 The Court of Directors have already objected, and must ever object, to the arbitrary mode adopted by a Committee of the House of Commons in 1805, for the settlement of the demands of the Company on Government. We think it a clear and equitable principle, that the expense of captures made, and not retained by the Company, but transferred to His Majesty, or by His Majesty restored to the enemy, should be charged to the Public.

The ordinary pay of the Company's troops employed on such services, and especially in places out of the sphere of India, as in Egypt, should also be placed to account of the Public.

On these grounds we beg leave to propose, that the balance of demands now made by the Pay Office on the Company, be set off, by the sums which they are yet unpaid for the capture of Ceylon and the Moluccas, and for the expedition to Egypt. Even then, the settlement will be greatly to the advantage of the Public, as the Company have made good to the Pay Office a sum exceeding two millions, in addition to which they have, since the year 1797, been charged for King's

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troops beyond the number for which the law obliged them to pay, at the average annual rate of about three thousand firelocks, besides the officers and serjeants requisite for that number of men.

22 — 22 As a supplement to this article, the Court cannot help again submitting to consideration, the earnest desire and hope of the Proprietors to be exonerated, out of the general funds of the Company, from the payment of the Property-tax. The dividends of other public Companies are thus exempted; and it is but a small consideration, in the immense concerns of the Company, from which the Proprietors have, on the whole, yet derived only the ordinary interest of money, in return for all the hazards their property has run.

23 — 23 The debt of which the Court of Directors meant to speak in the twenty-third proposition, was the whole of the Indian debt, part of which, to the amount of about seven millions, has been transferred to England. The observation of Lord Melville will coincide with this proposition, and the Court of Directors can have no material objection to his Lordship's proviso, respecting the reduction of the bond debt at home to three millions; but experience has shewn the inconvenience of confining within narrow limits, by parliamentary regulation, the amount of this debt.

25 — 25 Considering how probable it is, that private adventurers will desire to obtain a supply of the article of tea, in order to be smuggled into this country and to foreign parts, and considering also the importance of not endangering the commercial intercourse now permitted by the Chinese to the British nation, through its long established organ, the East-India Company, it is obvious, that effectual provision ought to be made, in some mode or other, for preventing both these evils; and we shall be glad to hear any propositions which were in Lord Melville's contemplation, or may be in your Lordship's, as more likely to suit

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suit that end than the suggestion we have offered. In the mean time, we feel it incumbent upon us to request your Lordship's attention to some remarks on the question of admitting private ships to the Spice Islands. The demand of all Europe for the spices of the Moluccas is so limited, that one or two of the Company's ships may import a sufficient quantity for the supply of it: the division, therefore, of this supply among the Company and the Merchants in general of this country, will leave so little to the individuals of the latter class, as to form no object worthy of long and distant enterprize; not to mention, that spices are now rising up in other parts of the East, which renders these islands less important than they have been. The maintenance of the Molucca Islands, which produce no valuable commodity but spices, occasions to the Company a heavy expense, and can only be compensated by a monopoly of their trade; and if private merchants are to participate in that trade, they ought also to bear a proportionable share of the charge of establishment in those islands. But the spice trade is not the most interesting consideration belonging to this question. If in any of the islands in the Eastern Seas, not belonging to the Company, British subjects were to settle, (a thing which the Company, even if armed with legal powers, would find it difficult to prevent, after those seas should be open to all the ships of this country,) it would seem impossible to hinder them from obtaining, by one means or other, a supply of the teas of China, for the purpose of being smuggled into Europe. That object alone might be tempting enough to induce a settlement, where no other circumstance was sufficiently inviting. And if from this motive, or a concurrence of others which might be supposed, a number of Englishmen were once to unite themselves in that quarter, whither new individuals might continually resort, and whence, again, they might repair to all the ports of the Indian continent, it would seem scarcely practicable to preserve the efficiency of regulations formed, either here or by the Indian Governments,

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Governments, for the exclusion of unlicensed persons from their territories. Such would be the danger, especially of any British settlement in the Eastern Archipelago, not subjected to the government of the Company; a danger very seriously to be deprecated: and even in those held by them, as the Moluccas, if they were open to all British ships, it may well deserve consideration, whether there might not be some liability to danger of the same kind. On all these grounds it really seems advisable, that British ships from Europe should not have access to the Spice Islands.

Having concluded our remarks upon the propositions and observations hitherto brought under discussion, we next beg leave to suggest some other regulations, growing out of the general subject now under consideration, and of our past correspondence. These, we trust, will be found so obviously proper and necessary, as to require no enforcing argument.

26th Proposition.—That no ship shall go from any British colony to the East-Indies or China, without the special license of the Company.

27th Proposition.—Private ships going from the United Kingdom to India, to sail direct from that kingdom thither, and from India to that kingdom, without pursuing any circuitous route.

28th Proposition. Ships going from this kingdom to India, not to engage in the coasting trade of India, but to be permitted to go from one port of delivery of the original cargo, to another for the full discharge of it.

We have the honor to be, My Lord,

Your Lordship's most obedient humble servants,

(Signed) Hugh Inglis,
Robert Thornton,
Jacob Bosanquet,
W. F. Elphinstone,
Charles Grant,
Edward Parry,
William Astell,
George Smith.

The Right Honorable the Earl of Buckinghamshire,
&c &c. &c.

No. XLV.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 17th April, 1812.

No. XLV.

Secret Committee. 17th April 1812.

The Committee took into consideration the state of the negociation for the renewal of the Company's exclusive privileges, and deliberated maturely upon several points connected therewith.

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AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 20th April 1812.

No. XLVI.

Secret Committee, 20th April 1812.

The Chairman laid before the Committee minutes of a conversation held yesterday evening, between the President of the Board of Commissioners and himself.

It was unanimously agreed, that the same be submitted to the Court of Directors to-day, together with a minute thereon, now read and unanimously approved, being as follows, *viz.*

[*Entered in the succeeding Minutes of Court,* No. XLVII.]

No. XLVII.

AT A

SECRET COURT OF DIRECTORS,

Held on Monday, the 20th April 1812.

No. XLVII.

Secret Court, 20th April 1812.

The Chairman from the Committee of Correspondence laying before the Court minutes of a conversation between the President of the Board of Commissioners and himself, held yesterday evening;

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Secret Court. 20th April, 1812.

The Court, after deliberating thereupon, agreed unanimously to the following minute, *viz.*

The Chairman having, in a Secret Court of Directors, communicated the minute of a conversation which he held last night with the President of the Board of Commissioners, the Court learn from thence, with very great concern, that it seems to be the present disposition of His Majesty's Ministers, to extend to the merchants of this country the privilege of importing goods from India into all the outports of the United Kingdom, to which the Warehousing Act extends, which ports are in number. The Court have, from the beginning of the negociation, declared their firm conviction, that if the import trade from India were not confined to the port of London, the system of the Company's public sales, their trade to and from China, the dividend depending chiefly on that trade, and the political functions which, aided by those privileges, they exercise, for the benefit of the nation, in the government of the Indian empire, would be destroyed; as well as the revenue of this country, by the extensive practice of smuggling, which would inevitably follow the proposed alteration, be essentially injured. The Court having never before received from His Majesty's Ministers any intimation that they differed with the Court upon this point; having stated their opinion, with the reasons for it, to their Constituents and the Public; having seen no argument advanced in opposition to it; and remaining still persuaded of its truth; they feel it impossible, as men of integrity, invested with public trust and responsibility, to recommend to their Constituents to abandon the proposition for restricting the import trade to London, and would most earnestly request His Majesty's Ministers to reconsider the communication made to the Chairman by the Earl of Buckinghamshire, and to give the Chairs, or a Deputation of the Court, an opportunity of waiting on them, before any final resolution, adverse to the Company, is adopted on this very important head.

No. XLVIII.

MINUTES *of a Conversation between* the Right Honorable the EARL OF BUCKINGHAMSHIRE *and* SIR HUGH INGLIS, *held on Sunday Evening, the 19th April* 1812, *concerning the Trade, and noticed in the preceding Minute.*

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Minutes of Conversation, 19th April 1812.

Lord Buckinghamshire stated, that it had been determined to preserve the monopoly of the tea trade to the Company, but to permit the private traders to fill up and assort their cargoes with nankeens and other articles, the produce of China, which they would procure in India.

His Lordship then stated, that it was the determination of His Majesty's Ministers to recommend to Parliament to permit private ships to clear out from any port of the United Kingdom, but that they should only be permitted to import into those places where the warehousing system existed. Sir Hugh Inglis stated it as his opinion, that the Court of Directors, in the first instance, and the Court of Proprietors, when laid before them, would resist, by every means in their power, a measure so fatal to the vital interests of the Company and to the public revenue, as would be the measure of allowing the ships of individuals to import into any place but the port of London; and that, situated as he was, he should consider it his duty to resist, and recommend to the Court of Directors, and ultimately the Proprietors, to resist the proposition.

No. XLIX.

LETTER *from* THOMAS BROWN, Esq. *to the* CHAIRMAN AND DEPUTY CHAIRMAN, *enclosing Resolutions of a Meeting of the Buyers of Piece Goods.*

No. XLIX.

Resolutions, Buyers of Piece Goods.

London, 21st April 1812.

HONORABLE SIRS,

I have the honor to hand you, by the direction of the Buyers of Piece Goods, a copy of the Resolutions they have agreed to this day, and have to request

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request the favor of your support and influence with His Majesty's Ministers, to preserve to the port of London, alone, the import of India piece goods.

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

Honorable Sirs,

Your most obedient and most faithful servant,

(Signed) THOMAS BROWN.

The Honorable the Chairman and
Deputy Chairman of the United
East-India Company.

At a Meeting of the Buyers and Others, interested in the Sale of East-India Piece Goods, held at the City of London Tavern, the 21st of April 1812.

THOMAS BROWN, Esq. in the Chair.

Resolved Unanimously,

That it is our duty to watch the progress of the East-India Company's Charter, to prevent arrangements being made prejudicial to our interests, injurious to the public revenue, and detrimental to the British manufacturers themselves.

That we see with pleasure, that the Directors of the East-India Company are impressed with the necessity of continuing the import of piece goods solely to the port of London, as their sale at an outport would bring a serious loss on the revenue, and be very hurtful to the cotton manufacturers of Great Britain.

That as piece goods are of an uncertain value, and depend very much on competition, it would not be possible to obtain the same prices for them at an outport, as they fetch in London; and, consequently, that we should be under-sold at the outports, unable to carry on our business with the honour, respectability, and advantage we have hitherto done, and probably obliged to abandon the pursuit many of us have been engaged in for a great number of years, and driven to seek fresh undertakings, at a time when little benefit can be expected from them. And it is the opinion of this meeting, that it is the decided interest of the importers of piece goods themselves, that they should be continued to be brought

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brought to sale in the port of London (as the emporium of commerce) in the way they now are, where they will have the benefit of the Company's own assortment.

That the duty on muslins and nankeens is ..... £10 0 0 per cent. on importation,
and 27 6 8 per cent. on home consumption,
Together £37 6 8 per cent.

On callicoes, dimities, and shawls ..... £ 3 6 8 per cent. on importation,
and 68 6 8 per cent. on home consumption,
Together £71 13 4 per cent.

That as these duties are paid on the prices obtained at the East-India Company's Sales, if a piece of muslin sell for fifty in lieu of one hundred shillings, the revenue for home consumption is injured £37. 6*s*. 8*d*. per cent. on the difference, or 18*s*. 10*d*. per piece. If a piece of longcloth sell for 25*s*. in lieu of 36*s*., the revenue is injured £71. 13*s*. 4*d*. per cent. on the difference, or 7*s*. 10½*d*. per piece.

That in all silk and prohibited goods, and even in white goods, if not brought to the port of London, it is much to be feared, no restraints could prevent smuggling; which would occasion a loss of the whole duty to government, be seriously injurious to the fair trader, and especially to the manufacturers of silk goods in Spitalfields and elsewhere.

That the introduction of Indian piece goods to the consumption of this kingdom at low prices, in consequence of a total evasion of duty, or a payment of duty on reduced prices, would be a serious injury to the British cotton manufacturers.

That the same ill effects would occur to the manufacturers of Lancashire and Scotland, if sales of Indian piece goods were frequently to be made at Liverpool and Glasgow, or in any of the ports in the neighbourhood of the manufactories.

That it is of the greatest advantage to the great body of British cotton manufacturers to confine the import of India piece goods to one port, as it gives them

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Resolutions, Buyers of Piece Goods.

them the opportunity of viewing them, and regulating their manufactories, according to the quantity and sorts intended for sale; whereas, if individuals were allowed to import piece goods, and sell them at an outport, the British manufacturer would never know what quantity might be brought into the market, or how to regulate his manufactory.

That the principal factories in India for muslins, callicoes, and silk goods, being in the hands of our East-India Company, and the greatest attention being paid to maintain the qualities and fabrics of each sort, it is reasonable to conclude, that the same influx of foreigners, who purchase very large quantities of the national manufactures, will attend the sales at the India House (whenever the politics of Europe will allow them to come) as used to resort here for a series of years, provided the quantity exposed to sale by the East-India Company is of sufficient importance to draw their attention.

That the plan now pursued, of having periodical half yearly sales of piece goods, and publishing a declaration, every three months previous to the sale, prevents every merchant and manufacturer from being suddenly surprized by an excessive quantity being brought on, and enables the foreign buyer to make his arrangements to attend the sale, or to send his orders.

That a Committee be now appointed to carry into effect the above resolutions, and add thereto any others they may concur in; and that the following gentlemen be chosen of this Committee, with power to add to their numbers.

Thomas Brown, Esq. Chairman,
Messrs. George Ranking,
Thomas Gould,
James Cazenove,
Frederick Molling,
L. M. Fles,
S. M. Farnworth,
Thomas Wilson,
Robert Brown.

That

That the foregoing resolutions be signed by the Chairman, and that an interview be asked of the Right Honorable the Chancellor of the Exchequer, to lay the resolutions before him.

No. XLIX.

Resolutions, Buyers of Piece Goods.

That a copy of the foregoing resolutions be handed to the Chairman and Deputy Chairman of the East-India Company, with a request that they will continue their strenuous efforts, in securing the importation of India piece goods to the Port of London alone.

(Signed) THOMAS BROWN,
Chairman.

No. L.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

the 24th April, 1812.

No. L.

Secret Committee, 24th April, 1812.

The Committee deliberated on the several points at issue in the present Negociation with His Majesty's Ministers.

No. LI.

No. LI.

Resolutions *of a Meeting of the Merchants, Manufacturers, Traders, and Others, interested in the Export-Trade to India and China, from the Port of London, held the 25th April* 1812; *and the Petition to both Houses of Parliament, therein noticed.*

No. LI. Resolutions, Merchants of London.

At a Meeting of Merchants, Manufacturers, Traders, and Others, interested in the Export-Trade to India and China, from the Port of London, held at the City of London Tavern, the 25th day of April 1812,

John Atkins, Esq. Alderman, in the Chair.

It was moved by David Gordon, Esq. and seconded by Steward Majoribanks, Esq. and

Unanimously Resolved,

That this meeting, consisting of merchants, manufacturers and traders of the port of London, who have been long established in the Export-Trade from thence to India and China, feel themselves called upon, in defence of their respective properties, to state the true situation of such trade to the country at large, in order to counteract any misrepresentations which may have the effect of misleading the public mind upon a subject of such magnitude to the Community at large, and in which their own vital interests are most deeply concerned.

That the anxiety expressed by the various manufacturers in the provincial towns of the United Kingdom, in regard to the quantity of exports to India and China, is grounded upon erroneous data, as will appear by reference to the actual export of such manufactures.

That it appears to this Meeting, from indisputable authority, that the quantity of tonnage engaged by the East-India Company for the private traders of the United Kingdom (exclusively of that allowed to be exported in the privilege of their own captains and officers) amounted, during the last six years, to sixty-three thousand tons; and that, during that period, only sixteen thousand tons of every species of manufacture (including beer and four thousand tons of wine) have been actually engaged and shipped to India.

That

That the fact contained in the foregoing resolution exhibits a striking and incontrovertible proof, that the Company and the Public at large have been disappointed in those hopes and expectations which led to the granting the extra tonnage, and which was done, upon the renewal of the present Charter, by the desire and at the instance of manufacturers, and other persons, who at that time expressed similar feelings with respect to an extensive export, to those exhibited at the various meetings which have been so recently held throughout the country. No. LI. Resolutions, Merchants of London.

That the articles exported to India and China are various, but not extensive in any particular manufacture, and therefore require to be collected from every part of the kingdom, to one concentrated point for exportation, with any rational prospect of advantage either to the manufacturer or the exporter.

That the experience of the last six years impresses this Meeting with a decided conviction, that the market of India is not capable of extending the consumption of manufactures to the extent which the public mind has been led to expect; and therefore if the export-trade to India and China, as now confined to the Port of London, be made general to the out ports, it will be of no benefit to them, but will prove ruinous to those extensive establishments formed by the persons composing this Meeting, and to the large capitals they have invested therein.

That should the *export-trade to India and China* be removed from the *port of London*, the coasting-trade of the United Kingdom, that best nursery for our seamen, and great bulwark of our national superiority and strength; the inland navigation, that new source of great national wealth, as affording incalculable facilities to the improvement of the general agriculture of the country; and lastly the revenue itself; would, with these, suffer very great injury.

That a petition be presented to both Houses of Parliament, in the names of the merchants, manufacturers, traders, and others, interested in the *export-trade to India and China, from the Port of London*, praying that the *export-trade to India and China* may be continued as heretofore to the *port of London*.

That this Meeting approves of the petition now read from the Chair.

That the same be now signed by the gentlemen present, and do remain at this house for eight days for signature.

That

No. LI.

Resolutions, Merchants of London.

That the Committee chosen at the General Meeting, held yesterday at this house, for the purpose of preparing the petition, be requested to continue permanent during the discussions in Parliament, and to use their utmost exertions to promote the object of this Meeting: And that the Committee have the power of increasing their numbers as they shall see necessary.

That the Members for the City of London, the Counties of Essex, Kent, Middlesex, and Surrey, for the City of Westminster, and for the Borough of Southwark, be requested to support the prayer of the petition in Parliament, when any discussion on the subject shall take place.

That the thanks of this Meeting be presented to Sir William Curtis, Bart. Mr. Alderman Combe, and Sir Charles Price, Bart. three of the representatives in Parliament for this City, and to George Byng, Esq. one of the representatives in Parliament for the County of Middlesex, for their attendance this day, and for their kind attention to the important objects of this Meeting.

That the thanks of this Meeting be given to the Committee for convening the same, and for the great zeal and attention to the interests thereof.

That these resolutions, and the Petition of the merchants, manufacturers, traders, and others, of the port of London, (after such petition shall have been presented to Parliament) be published in the morning and evening papers.

That all communications upon the subject of the present Meeting be addressed to the Committee, under cover to Mr. Teasdale, Merchant-Tailors'-Hall, Solicitor to the Meeting.

That a subscription be now entered into by this Meeting, for the purpose of defraying the expences of the petitions to both Houses of Parliament, and of such other measures as may be deemed necessary for the protection of the rights and interests of the exporters from the port of London to India and China.

(Signed) JOHN ATKINS, *Chairman.*

John Atkins, Esq. Alderman, having left the Chair, the same was taken by Christopher Smith, Esq. Alderman, whereupon it was moved, seconded, and unanimously resolved,

That the thanks of this Meeting be given to Mr. Alderman Atkins, for his judicious and able conduct in the Chair.

(Signed) CHRISTOPHER SMITH.

PETITION *to* PARLIAMENT, *noticed in the preceding Resolutions.*

To the Right Honorable the Lords Spiritual and Temporal in Parliament assembled:

No. LI.

Petition of Merchants of London to Parliament.

The humble Petition of the undersigned Merchants, Manufacturers, Traders, and others, interested in the Export Trade to India and China from the Port of London,

SHEWETH,

That your Petitioners are merchants, manufacturers, and traders, residing in the port of London, and have been long engaged in the export trade from thence to India and China.

That such export trade to India and China has, from the first period of its existence, under the sanction of various Charters, successively confirmed and regulated by the Legislature, been exclusively carried on from the port of London, to the great advantage of the manufacturing towns of the United Kingdom, inasmuch as the various articles of manufacture are thereby drawn to the Port of London as an emporium, and brought to one concentrated point for exportation, and the coasting trade and inland navigation of the Kingdom, which have always been considered as a nursery for seamen and assistance to the public revenue, and an improvement of the agricultural interests of the kingdom, are thereby encouraged and materially benefited.

That under the sanction of the various Acts of Parliament passed relative to such trade, and particularly under the sanction of that of the thirty-third of His present Majesty, and in obedience and conformity to the regulations and restrictions therein contained, your Petitioners have enjoyed the advantage of such exports, and in the faith and confidence that no alteration would take place in such trade, hath constructed extensive manufactories, and kept up large stocks of various sorts of merchandize, peculiarly and exclusively adapted for the India and China markets, and have formed large establishments in the port of London, and have otherwise embarked large capitals, for the purpose of carrying on the export trade from thence to India and China.

That

No. LI.

Petition of Merchants of London to Parliament.

That your Petitioners have seen in the printed votes of your Right Honorable House, that numerous applications have been made from the outports and other towns and places in the United Kingdom, that the trade to India and China may be allowed to be carried on from such outports, in the event of the trade being still further laid open at the expiration of the East-India Company's present Charter.

That the anxiety expressed by the various manufacturers in the provincial towns of the United Kingdom, in regard to the exports to India and China, is grounded upon erroneous data, as will appear by reference to the actual export of such manufactures, whereby it can be most clearly and satisfactorily shewn to your Right Honorable House, that not one more than one fourth of the tonnage offered by the East-India Company to private traders has been applied for, and that the Company have, by their printed notices (circulated generally throughout the trading interests of the community) held out encouragement to private adventurers in the export of British manufactures to a still larger extent; and that, notwithstanding such additional stimulus and encouragement, on the part of the Company, to private individuals, experience has proved, that even the quantity now allowed to be exported has never been applied for, thereby proving most satisfactorily, that the India market is trifling in its demand, and already abundantly supplied, and, as will be most satisfactorily shewn to your Right Honorable House, very frequently, to the great loss, and oftentimes to the serious injury, of those who have engaged in such private export trade.

That should the export trade to India and China, which is now confined to the port of London, be extended to the outports, great and extensive injury would not only be occasioned to your Petitioners, but also very manifest injury and inconvenience would be sustained by the revenue and the country at large.

That not only have large establishments been formed, extensive warehouses and manufactories built or provided, and large stocks of merchandize laid in, exclusively adapted to the India and China markets, but docks and wharfs have been formed, and workmen engaged by your Petitioners, to such an extent, and at such an expense, as will, in the event of the removal of the export trade to the outports, tend to the utter ruin of many individuals and their families, who are now, and have been long embarked in this trade, under the sanction of the legislature of the Country.

Your

Your Petitioners therefore humbly pray, that on any renewal of the East-India Company's Charter, the export trade to India and China may be continued, as heretofore, to the port of London.

No. LI.

Petition of Merchants of London to Parliament.

No. LII.

AT A

MEETING OF THE DEPUTATION,

the 28th April, 1812.

No. LII.

Deputation, 28th April, 1812.

Read and considered a letter from the Right Honorable the President of the Board of Commissioners for the Affairs of India, dated the 27th instant.

No. LIII.

No. LIII.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 28th April, 1812.

No. LIII. Secret Committee, 28th April, 1812.

The Chairman laid before the Committee a minute of a conference held on Saturday last, which was read and approved; and the Chairman was desired to lay the same before the Court.

MEM. *This minute is contained in the succeeding Minutes of the Court,* No. LIV.

No. LIV.

AT A

SECRET COURT OF DIRECTORS,

Held on Tuesday, the 28th April 1812.

No. LIV. Secret Court, 28th April, 1812.

The Chairman from the Committee of Correspondence reports to the Court, that in consequence of the request contained in the minute of the 20th April, which was communicated to Lord Buckinghamshire, the Chancellor of the Exchequer and his Lordship favoured the Deputation with an interview on Saturday, the 25th instant, at which Mr. Wallace was also present.

At that meeting various points belonging to the present negociation were touched upon; but the discussion mainly turned on the important question of permitting the ships of private merchants generally to import goods from India,

at the outports of the United Kingdom. The Deputation urged every thing which occurred to them in support of the proposition of the Court upon this subject, as involving the essential interests of the Company; but they found, with regret, that the impressions which His Majesty's Government had received respecting it, since the date of Lord Melville's letter of the 21st March, were not in consonance with the sentiments of the Court of Directors. The Chancellor of the Exchequer, however, and Lord Buckinghamshire, expressed their intention of communicating, in writing, the judgment they had formed on the subject in question; and Lord Buckinghamshire having accordingly addressed a letter to the Chairman and Deputy Chairman, dated the 27th instant, that letter is now laid before the Court.

No. LIV. Secret Court, 28th April 1812.

No. LV.

LETTER *from the Right Honourable the* EARL OF BUCKINGHAMSHIRE, *to the* Chairman *and* Deputy Chairman, *referred to in the preceding Minute.*

India Board, April 27th 1812.

GENTLEMEN,

No. LV. Lord Buckinghamshire's Letter.

IN communicating to you the sentiments of his Majesty's Government, after a full consideration of the several points which have been brought under their view, in consequence of the conferences and explanations I have had with you and the Deputation, since I had the honor of receiving your note of the 3d instant, it is unnecessary for me to enter upon the discussion of the Hints and Observations which have been the subject of the correspondence between the late President of the Board of Control and yourselves, as far as those Hints and Observations have been sanctioned by the General Court.

It was to have been expected, that upon a question involving the various interests of so large a body as the merchants and manufacturers of the United Kingdom, as well as of the East-India Company, that considerable differences of opinion should arise, and that reasons should be alleged of sufficient weight, to

No. LV.

Lord Buckinghamshire's Letter.

to suggest the propriety of revising any plan which might originally have been concerted.

Under such an impression, Lord Melville, in his letter of the 21st ultimo, desired it to be distinctly understood, that public discussion, in the further progress of the measure, might possibly produce an alteration in some of the details, as well as regulations of a different description from those which were then suggested.

You would, therefore, not have been wholly unprepared for the communication made by me to the Chairman at a personal interview, when he was informed that the representations which had been brought before His Majesty's Government, since the publication of the correspondence already referred to, had led them to entertain an opinion, that they would best consult the public interest, by not confining the import trade from the East-Indies to the port of London.

The arguments adduced by you and the other members of the Deputation, and which had been urged with much ability, and at considerable length, in your letter of the 15th instant, have received the most serious attention of His Majesty's Government; but I have to acquaint you, that although they think that the great interest of policy and of revenue, as well as of the East-India Company, will render it their duty to propose to Parliament, that the existing restraints, respecting the commercial intercourse with China, should continue, and that the exclusive trade in tea should be preserved to the Company, for whatever term the charter may be renewed, yet that they remain of opinion that the import trade from the East-Indies should not be confined to the port of London.

They are not, however, insensible to the danger and mischief which the revenue, as well as the East-India Company, might suffer, if under the cover of that trade, an illicit commerce in tea were to be successfully carried on; but they conceive, that regulations, both in India and at home, may be so framed, as to guard against that danger, and to protect the Company and the revenue, whose interests in this respect equally require such protection, from the effects of it.

In submitting, therefore, the propositions to Parliament in this shape, the Government are persuaded, that whilst they would thus be supporting interests justly

justly entitled to public consideration, they would, at the same time, be pursuing a course, essential to the collection of a revenue of nearly four millions sterling, without breaking in upon that system, under which the salutary provisions of the Commutation Act secure the people of the United Kingdom against any failure in the regular and constant supply of an article, which has become a necessary of life.

No. LV.

Lord Buckinghamshire's Letter.

In considering the terms proposed for the renewal of the Charter, as they would stand, should the suggestions I have conveyed to you in this letter be adopted, you will be sensible of the high importance of bringing to a conclusion an arrangement in which the interests of the Company and the nation at large are so deeply implicated, with as little delay as may be deemed compatible with a mature consideration, and satisfactory adjustment, of the several claims and pretensions of the parties concerned.

I have the honor to be, Gentlemen,

Your most obedient humble servant,

(Signed) BUCKINGHAMSHIRE.

To the Chairman and Deputy Chairman
of the Court of Directors.

No. LVI.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 29th April 1812.

No. LVI.

Secret Committee, 29th April, 1812.

Read a letter from the Right Honorable the President of the Board of Commissioners, dated the 27th instant.

Read also and approved draft letter to the President of the Board of Commissioners, in reply.

No. LVII.

AT A

SECRET COURT OF DIRECTORS,

Held on Wednesday, the 29th April 1812.

No. LVII.

Secret Court, 29th April, 1812.

The letter from the Right Honorable the President of the Board of Commissioners, dated the 27th and read in Court the 28th instant, was again read.

The Chairman from the Committee of Correspondence laid before the Court draft of a proposed letter in reply thereto;

And the same was read and unanimously approved.

No. LVIII.

LETTER *from the* DEPUTATION *to the Right Honorable the* EARL OF BUCKINGHAMSHIRE, *noticed in the preceding minutes.*

MY LORD,

East-India House, 29th April, 1812.

No. LVIII

Deputation Letter.

The letter which the Chairman and Deputy Chairman had the honor of receiving from your Lordship on the 27th instant, was the day following laid before the Court of Directors, and engaged their most serious attention. It has again been considered by them this day, and we have now to submit to your Lordship the answer which they have instructed us to make to it: an answer which, from having before well reflected on the principal subject of your Lordship's letter, delivers their mature opinion, and as they presume to hope, in the least time possible, being sensible with your Lordship that, in the present critical period of the negotiation, all unnecessary delay is to be avoided.

It

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Deputation Letter.

It is with extreme concern the Court find, that since the publication of the correspondence between the President of the Board of Commissioners and the Court of Directors on the momentous question of the renewal of the Company's Charter, His Majesty's Ministers have been led, by the representations which have been made to them, "to entertain an opinion, that they "would best consult the public interest, by not confining the import trade from "the East-Indies to the Port of London," and that they still hold this opinion.

Not having been made acquainted with the particulars of those representations, and having urged various arguments which remain unanswered against the measure of opening the outports to the trade from India, the Court, under the disadvantages of such a situation, are imperiously called to the consideration of the circumstances in which the Company are now placed, and in which, according to the best judgment they can form, the Company would be placed, if the new Charter should open the outports of the United Kingdom to the returns of the Indian trade.

Whatever may be thought, my Lord, by the merchants of this country, of their right to enter into the possession of a trade, acquired and maintained through long struggles and vicissitudes, at immense expense, by the East-India Company; a trade still intimately connected with the security of the vast empire which the same Company have gained, and administer for the benefit of the nation at large; the Court of Directors are of opinion, that the sacrifices they agreed to make of that trade to the public feeling, or if they may be permitted to express their idea more accurately, the public prejudice, were very large; and they yielded to them undoubtedly in a firm belief, not at that time discouraged by His Majesty's Ministers, that the importations from India would be confined to London, as well as that the exclusive privilege of the China trade would be carefully secured to the Company. But the concessions frankly made by the Court of Directors and Proprietors, who regard themselves always as a part of the Public, and wish, as much as possible, to be in unison with it, have, it appears, only encouraged farther demands; and if the tide of prejudice, of popular clamour, of most extravagant expectation and unbounded pretension, which have been more industriously than fairly excited, were now to determine the public counsels, not a vestige would remain of that great fabric, which has been

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been reared in the course of two centuries, uniting with commerce an imperial dominion, which would be shaken to its foundation by the destruction of that system which has acquired and preserved it.

It is no surprize, my Lord, to the Court, though it is undoubtedly a great consolation, that His Majesty's Ministers unite with the "great interests of "policy and of revenue," those of the East-India Company, and that it must hence be their object to continue the political functions of the Company, and the means which are necessary for the maintenance of those functions. On this basis, the Court are happy to have the honor of meeting His Majesty's Ministers, and to continue the present discussion.

It is perfectly known, that for a series of years past, since the Indian territory has been loaded with an immense political debt, the Company have derived no surplus from the revenues. They have carried on the currency of their home affairs, they have even aided the political concerns of India, and above all, they have made good the dividends to the Proprietors from the profits on their commerce; and, of late years, these profits have been derived chiefly from the China trade. From the still existing territorial debts of the Company, and the scale of their Indian expenditure, after all endeavours to reduce it, the Court of Directors have no prospect of pecuniary acquisitions, except through the same medium of commerce, for many years to come; and, as already intimated, it is the commercial profits of the Company which enable them to discharge the political functions assigned to them in the management of the Indian empire. Without this resource, or some equivalent one, not within their power, the dividends could not be continued, the value of the stock would diminish, and the Company be brought to a state of dissolution.

It is the extinction, or material diminution of the commercial profits, arising chiefly, as we have said, from the China trade, that we apprehend from the opening of the outports to the returns of the Indian commerce. If this extinction or diminution, were to take place, your Lordship will doubtless agree with the Court, in admitting, that the fatal consequences they contemplate, would follow; and that, after going on a few years on the new plan, the Company would be so impaired in its resources, as to be inadequate to the important part allotted to it in the system of Indian administration.

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When the Court of Directors thus view the consequences of opening the outports, His Majesty's Ministers will not blame the anxiety with which they respectfully contend against that measure. The duty they owe to their Constituents, to their own characters, and to the Public, requires them, in such a case, to act with the greatest circumspection, in order to obtain a reasonable assurance, that the terms of the new Charter will be such, as will enable the Company to go on efficiently in the performance of the political functions it has hitherto discharged.

We do not apprehend, my Lord, that there is any difference in principle on these points, between His Majesty's Ministers and the Court of Directors. The main difference, in respect to the question of opening the outports, is as to the practical effects of that measure. It appeared, in the conference we had the honour of holding with the Chancellor of the Exchequer and your Lordship, to be his opinion, that checks could be devised to prevent an indefinite extent of smuggling tea, ruinous to the Company, which we fear from opening the outports to the Indian trade. We have already given many reasons for thinking, that the practice of smuggling would, in such case, be uncontroulable. Those reasons, which need not be repeated here, we believe it will be difficult for the parties most adverse to the Company to refute; but the subject being so important in the present discussion, we beg leave to add a few more observations on it.

It is a fact notorious, that tea has been smuggled, by the way of India, into this Country, even when the duty was comparatively small; when the Indian import trade was confined to eight or ten Company's ships and to the river Thames. How much more, then, is smuggling, beyond all bounds, to be expected, when the ships shall be unlimited in number and size, and may resort to the outports of England, Scotland, and Ireland? This practice would be much facilitated, because, in the numerous Eastern Islands, not subject to any European power, where we have said tea might be brought for English ships from China, there is no usage of clearing out vessels, or giving them papers or manifests. It would thence be easy for them to break bulk in the passage home, and as they approached the coasts of Britain and Ireland, to put tea, as well as other articles chargeable with duty, on board of ships and cutters,

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destined either for the ports of the Continent, or the remote coasts of Scotland and Ireland, on which, for a hundred miles together, every where accessible from the sea, there is scarcely a custom-house, and where custom-houses could not be sufficiently multiplied. Vessels of very small size being allowed in the Indian trade, they could enter into ports and bays little frequented, and run goods to be carried inland and there dispersed. In some of the northern and western ports of the United Kingdom, we have heard that collusive practices between the revenue officers and the smugglers are not unusual. If this is the case in respect to articles which pay a comparatively small duty, what would it be, where the articles of tea and Indian goods were in question? Ships might stop at intermediate ports for orders, and there smuggle; as those bound to the western coast, at Cork and Falmouth; those to the eastern coast, at Falmouth and the Downs; those going north about, on the Irish and Scotch coasts. Ships having several ports of discharge, would thereby obtain facilities in smuggling; and the state of relations between this country and parts of Northern Europe may be such, as to afford the means of running goods into those parts, which, from their proximity, may again be able to smuggle the goods into our remote ports. In a word, we are led to apprehend, that the means and the temptation of smuggling tea, when an unlimited trade is permitted to India and the Eastern Islands, must be, in a very great degree, uncontroulable by any checks which His Majesty's Government can, in such circumstances, interpose. Nor is it to be overlooked, that a class of Indian goods, styled in the revenue language *prohibited*, because excluded altogether, as interfering with the manufactures of this country, will, by all the openings which the new trade will produce, be every where unavoidably brought into use. It is true, that even if the return trade of India were confined to the Channel, as we proposed, smuggling might be expected, but certainly not, in our opinion, at all to the same extent. And had we conceived otherwise, the same objection we now advance against opening the outports, would have been urged against that enlargement of trade, in which the Court have acquiesced, and for the same reason, to prevent the ruin of the Company; which did His Majesty's Ministers apprehend, they would doubtless, in either case, have desired to prevent, even by refusing the required concessions to the British merchants.

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With these views, my Lord, deeply impressed on the minds of the Directors, acting as they are in a most responsible situation, is it too much for them to expect and to request, that they may be honored with the knowledge of those means which His Majesty's Government may think would be effectual to prevent the practice of smuggling, under the new circumstances, to any ruinous or great extent? could they have a reasonable persuasion of the practicability of such prevention, *that* would, undoubtedly, so far lessen their fears and the arguments on which they now feel it their duty to insist. They hope not to be misunderstood in this proposition. Assured both of the desire of His Majesty's Ministers, as well on account of the Company as of the revenue, to prevent smuggling, and of their belief of the practicability of doing so, feeling also, as the Court do, the delicacy of seeming to interfere in any of the revenue regulations of Government, they are yet so circumstanced, in the present critical conjuncture, as to find this enquiry most interesting to the cause of the Company.

It is indeed true, that the Public appear to have a greater concern at stake here than the Company. The Public may lose the greater part of a revenue of four millions per annum, whilst the Company can have only to the extent of one million at hazard. But then this one million is all the Company's certain income: if they lose that, they lose the foundation on which their efficiency rests; unless, in the new arrangements, some other resource should be provided, which should secure the dividend to the Proprietors; a provision which, undoubtedly, would also materially affect the views the Court of Directors now entertain from contemplating the dangers of the Company's China trade. And suffer us, my Lord, since the assailants of the Company's privileges are so loud in representing their interests as those of the nation at large, to add this remark concerning the national interest in the present question, that if the revenue of nearly four millions, now so easily collected from tea, should fail, or fail to the extent of only two millions, other taxes must be laid upon the public, to compensate for that loss: and whether the nation will gain so much otherwise, by the proposed enlargements of trade, may be a serious question with those who have to decide on this momentous concern; with us it is none. It may deserve also to be recollected, that with the fall of the Company's China trade will fall the exports of woollens and metals, to the extent of a million annually, by which the prosperity

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perity of the counties of Cornwall, Devon, Somerset, Dorset, and Gloucester, and Norfolk in some measure, have been upheld, during the arduous struggle of eighteen years in which the country has been engaged; the excellent fleet of ships employed by the Company, with all the long detail of interests connected with them, must decay; whilst the nation will lose that certain and regular supply furnished by the Company of the article of tea, an article, as your Lordship justly observes, now become a necessary of life.

Before we dismiss this topic, may we be allowed to bring under your Lordship's inspection a succinct view of the capital and interests concerned in the Indian and China trade from the port of London.

There are about fourteen hundred commanders and officers belonging to the ships of the East-India Company (besides the seamen, who may be about eight thousand). The tradesmen engaged in the supply of the Company's shipping in the river Thames are about twelve thousand; and the labourers employed in their warehouses are about three thousand. All these, with their families and dependants, making an aggregate of upwards of thirty thousand persons, would by the removal of the Indian trade from the port of London, be generally reduced to great distress, and many of them become burthensome to their parishes.

The capital now employed in the Indian trade may be moderately computed as follows.

The Company's capital stock of £6,000,000, at the price at which many Proprietors purchased, will amount to - - - - - - - £10,800,000

Capital in warehouses - - - - - - - - - - - -	1,000,000
Capital in ships - - - - - - - - - - - - -	3,800,000
Capital in docks - - - - - - - - - - - - -	400,000
Capital of individuals in the metropolis may be moderately estimated at - - - - - - - - - - - -	5,000,000
	£21,000,090

The trade in which this large capital is employed produces, as we have had occasion repeatedly to observe, an annual revenue to Government of more than four millions sterling; and the net saving to Government, from the present mode of collecting the duties, may, we conceive, be fairly estimated at £150,000 per

per annum. By means of direct and indirect taxation, the capital itself, and the profits upon it, yield a farther sum of large amount to Government; but the productiveness of the capital, in this respect, depends wholly upon the solidity of the basis on which it rests. No. LVIII
Deputation Letter.

These, my Lord, are the sentiments and observations which we are directed to communicate to your Lordship. The reflection upon them has, we trust, been mature, though the expression of them, in the short time allowed for the preparation of this letter, may require indulgence. But we are further specially directed to add, that this is a concern of too great moment for the Court to trust to its own judgment, or to act on its own responsibility; the Directors have therefore summoned a General Court of Proprietors to meet on Friday next, when the correspondence with your Lordship, including this letter, will be laid before them for their consideration.

We have the honor to be, my Lord,

Your Lordship's most obedient humble servants,

(Signed) Hugh Inglis,
Robert Thornton,
Jacob Bosanquet,
W. F. Elphinstone,
Edward Parry,
Charles Grant,
George Smith,
William Astell.

The Right Honorable the Earl of Buckinghamshire,
&c. &c. &c.

No. III.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

London:

PRINTED BY ORDER OF THE COURT OF DIRECTORS, FOR THE INFORMATION OF THE PROPRIETORS,

By E. Cox and Son, Great Queen Street, Lincoln's-Inn-Fields.

1812.

No. LIX.

Minutes of a General Court of Proprietors, held on Tuesday, the 5th May, 1812.

No. LIX.

AT A GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES,

Held on Tuesday, the 5th May 1812.

No. LIX.

General Court, 5th May, 1812.

Minutes of the last Court of the 1st instant were read.

The Chairman acquainted the Court, that it is met by adjournment, for the purpose of taking into further consideration the papers which were laid by the Court of Directors before the General Court on the 1st instant.

And the Court having considered the same accordingly,

It was, on a motion,

Resolved Unanimously, That this Court has learnt with deep concern and surprize, that His Majesty's Ministers have been induced to change the view they first entertained of the propriety of confining to the Port of London the returns of the trade to India, now to be permitted to all British subjects. That the measure of opening the Outports to vessels of all descriptions from India, comprehending in that term the Eastern Islands, appears to this Court to be fraught with consequences ruinous to the Company, and all the long train of interests connected with it; by removing from the Port of London the greater part of the Indian trade, which it has hitherto enjoyed; by rendering useless many of the expensive establishments formed there for the merchandize and shipping of that trade, and throwing out of bread many thousands of persons who now derive constant employment from it; by deranging the practice and frustrating the end of stated public sales, which are useful and important, both to the Country and the Company, who are necessarily restricted to this practice; but, above all, by affording facilities for the smuggling of teas into the ports and harbours of England, Scotland, and Ireland, to an extent unlimited, and as this

No. LIX. General Court, 5th May, 1812.

Court apprehend, uncontroulable. That the consequences of this must be, the destruction of the Company's China trade, their best source of commercial profit; the failure of their dividend; the depreciation of their stock; and unless a fund is provided from some other source for the payment of the dividend, inability on their part to continue to perform the functions assigned to them in the Government of British India. That if the constitution by which the Indian Empire is now administered should thus be subverted, the excellent system of civil and military service formed under the Company, and maintainable only by such a body, will be broken down; the tranquillity and happiness of the vast population which that empire contains, the interests of this country in Asia, and its constitution at home, will be imminently endangered.

That the professed object for which the proposed changes are to be made, and such immense sacrifices hazarded, namely, the increase of the commerce of this kingdom, cannot be in any great degree attained, there being no practicability of extending materially the use of our manufactures among the Indian people, the tonnage allotted by the Company, or afforded by Indian ships in the management of individuals, for such exports, not having been fully occupied. Neither does it appear practicable largely to augment the importation of profitable commodities from thence; of all which the example of the American trade to the East is a proof, British Manufactures, which they could easily have procured, making no part of it, nor their returns exhibiting any new articles of importance. That therefore the trade now enjoyed by the Company and individuals will be the only certain trade to which new adventurers can have recourse. And this will be no addition to the commerce of the Country, but only a transfer from one set of hands to another: so that, old establishments will be subverted, without substituting any thing equally good in their place; and, to all appearance, with great detriment to the nation, particularly in the defalcation of a large part of the duties now collected on tea, to the amount of four or three millions, new taxes must be laid on the people.

That the cause of the Company has been deeply injured by prejudice, ignorance, erroneous assumptions and of late by extensive combinations, and by unfair representation, canvas, and intimidation: in all which the merits and

rights

No. LIX. General Court, 5th May, 1812.

rights of the Company, the political interests of British India, and of this country as connected with them, have been left out of sight, and the single object of the extension of commerce, an object too only of speculation, in opposition to past experience, is the governing principle.

This Court however confidently hope, that Parliament will not decide the fate of the Company, on the representations and demands of private interests, but on just and comprehensive views of national policy; and the Court must also believe that His Majesty's Ministers are too enlightened and equitable, finally to adopt any measure calculated to destroy the commercial profits of the Company, and thereby to disable them from performing their political functions. This Court therefore entirely approving, both of the firmness which their Directors have shewn in maintaining the interests of the Company, and of the manner in which they have, in the papers now produced by them, defended those interests, doth recommend it to them to persevere in the negociation with His Majesty's Ministers upon the same principles; assured of the determination of this Court to support them to the utmost, in maintaining the permanence of the Company and the national interests which are involved in their stability.

Resolved Unanimously, That the thanks of this Court be given to Randle Jackson, Esq. for his very luminous and excellent speech this day; for the great zeal, ability and industry he has on various occasions, and particularly on this, displayed for the honor and advantage of this Company.

Resolved Unanimously, That the warmest thanks of this General Court be offered to the Chairman, Deputy Chairman, and Court of Directors of this Company, for their very able conduct in the negociation with Government for the renewal of the Charter; alike evincing the most luminous ideas of the best interests of this Company, and their most honorable conduct in the management of so important a concern.

The Court then on the question adjourned.

No. IV.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

London:

PRINTED BY ORDER OF THE COURT OF DIRECTORS, FOR THE INFORMATION OF THE PROPRIETORS,

By E. Cox and Son, Great Queen Street, Lincoln's-Inn-Fields.

1813.

LIST OF FURTHER PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors for the Information of the Proprietors.

No. LX.

Minutes of a Secret Committee of Correspondence, the 27th November 1812.

No. LXI.

Letter from the Chairman and Deputy Chairman to the Right Honorable the Earl of Buckinghamshire, dated the 28th November 1812.

No. LXII.

Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman, dated the 28th November 1812.

No. LXIII.

Minute of a Secret Court of Directors, held on Wednesday, the 2d December 1812.

No. LXIV.

Minutes of a Secret Court of Directors, held on Tuesday, the 15th December 1812.

No. LXV.

Minutes of a Secret Court of Directors, held on Wednesday, the 16th December 1812.

No. LXVI.

Minutes of a Secret Court of Directors, held on Friday, the 18th December 1812.

No. LXVII.

Minute of a Secret Court of Directors, held on Tuesday, the 22d December 1812.

No. LXVIII.

Minutes of a Secret Committee of Correspondence, the 28th December 1812.

No. LXIX.

Minutes of a Secret Court of Directors, held on Monday, the 28th December 1812.

No. LXX.

Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman and Deputy Chairman, dated the 24th December 1812, noticed in the preceding Minutes.

No. LXXI.

Minute of a Secret Committee of Correspondence, the 30th December 1812.

No. LXXII.

Minute of a Secret Court of Directors, held on Wednesday, the 30th December 1812.

No. LXXIII.

Letter from the Chairman and Deputy Chairman to the Right Honorable the Earl of Buckinghamshire, dated the 30th December 1812, noticed in the preceding Minutes.

No. LX.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 27th November, 1812.

No. LX. Secret Committee. 27th Nov. 1812.

The Chairman reported to the Committee, that he and the Deputy Chairman had this morning a conference with the President of the Board of Commissioners, on the subject of the Renewal of the Company's Charter, at which his Lordship declared it to be the intention of His Majesty's Ministers, not to abandon the proposition they had made, for allowing a direct trade between India and the outports of the United Kingdom; but that the proposition might be modified, by confining the ports to which ships shall be allowed to import goods from India, to a number less than that to which the Warehousing Act now extends. Lord Buckinghamshire, however, was desirous, before resuming the correspondence relating to it, that the Committee of Correspondence should hold a conference with Lord Liverpool and himself upon the subject.

The Chairman further stated, that, in reply to Lord Buckinghamshire, the Deputy Chairman and himself declined making any observation at present, but stated their intention to communicate the substance of his Lordship's remarks to the Committee of Correspondence, and also expressed their wish, that the Committee might have the honour of waiting upon his Lordship, previously to the proposed conference with Lord Liverpool, to which Lord Buckinghamshire consented.

The Committee, in consequence, resolved to assemble at eleven o'clock on Tuesday next, for the purpose of deliberating upon the subject of the above communication, previously to waiting upon Lord Buckinghamshire, at the hour of two on that day.

No. LXI.

LETTER *from the* CHAIRMAN *and* DEPUTY CHAIRMAN *to the Right Honorable the* EARL OF BUCKINGHAMSHIRE.

No. LXI.

Chairman & Deputy's Letter.

MY LORD, *East-India House, 28th November, 1812.*

We have the honour to acquaint your Lordship, that we have communicated to a Secret Committee of Correspondence the substance of the conversation which we had yesterday the honour of holding with your Lordship, Mr. Wallace, and Mr. Sullivan, and in which it was notified to us, that the opinion of His Majesty's Government remains unaltered, regarding the expediency of not confining the import trade from the East-Indies to the port of London.

The Committee received this communication with the deepest concern and regret, its Members unanimously concurring with us in opinion, that should the proposed extension of the trade, even to a small number of the outports of the kingdom, be sanctioned by the Legislature, the measure will be highly prejudicial to the public revenue, injurious to the East-India Company, and detrimental to the prosperity of the merchants, manufacturers, traders, and other numerous bodies interested in the commerce with India, as now carried on through the channel of the river Thames. The Committee being still desirous of an opportunity of renewing their representations to your Lordship upon this important question, before any communication is made to the Court on the subject, have directed us to request the honour of a conference with your Lordship for that purpose. Should it be perfectly convenient to your Lordship to receive the Deputation on Tuesday next, at two o'clock, we shall be able to lay the result of the conference before the Court on the following day.

We have the honour to be, my Lord,

Your Lordship's most obedient humble servants,

(Signed) HUGH INGLIS,
ROBERT THORNTON.

The Right Hon. the Earl of Buckinghamshire,
&c. &c. &c.

No. LXII.

LETTER *from the Right Honorable the* EARL OF BUCKINGHAMSHIRE *to the* CHAIRMAN.

India Board, 28th November, 1812.

No. LXII.

Lord Buckinghamshire's Letter.

SIR,

I had the honor of receiving your letter of this day, proposing that the Secret Committee of Correspondence should wait upon me at this Board on Tuesday next.

I shall be happy to have the honor of seeing them; but as I am desirous that Lord Liverpool, and other Members of the Board, should be present at the interview, and as I find that twelve o'clock will be more convenient to them than two, you will, I hope, have no objection to make the appointment for the former hour.

I have the honor to be,

Your most obedient and faithful humble servant,

(Signed) BUCKINGHAMSHIRE.

Sir Hugh Inglis, Bart.
&c. &c. &c.

No. LXIII.

AT A

SECRET COURT OF DIRECTORS,

Held on Wednesday, the 2d December 1812.

LXIII.

Secret Court 2d Dec. 1812.

The Chairman acquainted the Court, that a meeting took place yesterday, at the Board, between several of His Majesty's Ministers and the Committee of Correspondence, upon the subject of the renewal of the Company's exclusive privileges,

No. LXIII. privileges, when it was agreed, that no minutes should be then taken, in order to afford the most unreserved mode of carrying on the discussion; at the conclusion of which it was understood, that His Majesty's Ministers would communicate, in writing, their sentiments upon the whole of the subject.

Secret Court, 2d Dec. 1812.

No. LXIV.

AT A

SECRET COURT OF DIRECTORS,

Held on Tuesday, the 15th December 1812.

No. LXIV. Minutes of the 2d instant were read and approved.

Secret Court, 15th Dec. 1812. The Chairman stated, that two conferences between His Majesty's Ministers and the Committee of Correspondence had taken place since the 2d instant, *viz.* on the 5th and 12th instant, but that he had nothing further to communicate to the Court in consequence.

No. LXV.

AT A

SECRET COURT OF DIRECTORS,

Held on Wednesday, the 16th December 1812.

No. LXV. The Court adverting to the statement which the Chairman had, with their approbation, made to the General Court to-day, as to the late conferences with His

Secret Court, 16th Dec. 1812.

His Majesty's Ministers, upon the subject of renewing the Company's exclusive privileges, and this Court deeming it a proper mark of respect to His Majesty's Ministers, that they should be apprized of the same as early as possible,

No. LXV. Secret Court, 15th Dec. 1812.

The Chairman and Deputy Chairman were requested to wait on the President of the Board of Commissioners for the Affairs of India to-morrow, to communicate to his Lordship what had passed in the General Court this day, and to state to his Lordship, that the Court of Directors continue decidedly to entertain the opinion which they have formerly expressed to His Majesty's Ministers, as to the ruinous consequences of admitting the imports from India to the outports of this kingdom.

No. LXVI.

AT A

SECRET COURT OF DIRECTORS,

Held on Friday, the 18th December 1812.

No. LXVI. Secret Court, 18th Dec. 1812.

The Court having resolved itself into a Committee of the Whole Court,

And being resumed, the following report from the Committee of the Whole Court was read:

"The Committee taking into consideration the present state of the negociation with His Majesty's Ministers for the renewal of the Company's exclusive privileges, deem it to be highly important, that the sentiments of the Court of Directors, upon the proposition brought forward for admitting the imports from India to the outports of this kingdom, should be unequivocally known."

"The Committee therefore recommend to the Court to pass a resolution, stating that the proposition in question is, for various reasons already set forth

No. IV.

No. LXVI.

Secret Court, 16th Dec. 1812.

" forth in the Court's writings, pregnant with ruin to the affairs of the Com-
" pany, inasmuch as it would render them incapable of performing the
" functions allotted to them, as well in their commercial as in their political
" capacity, and that the Court cannot therefore, consistently with their duty to
" their Constituents, recommend to them the adoption of such a proposition."

And it was, on the question,

Resolved Unanimously, That this Court approve the said report.

And the Chairman and Deputy Chairman were requested to wait on the Right Honorable the President of the Board of Commissioners for the Affairs of India, and to communicate to His Lordship the above proceedings of this day.

No. LXVII.

AT A

SECRET COURT OF DIRECTORS,

Held on Tuesday, the 22d December 1812.

No. LXVII.

Secret Court, 22d Dec. 1812.

The Chairman acquainted the Court, that in obedience to their resolution of the 18th instant, the Deputy and himself, on Saturday last, waited on the Right Honorable the President of the Board of Commissioners for the Affairs of India, with a copy of the minutes of the Secret Court of the 18th instant.

No. LXVIII.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 28th December 1812.

No. LXVIII.

Secret Committee, 28th Dec. 1812.

Read a letter from the Right Honorable the President of the Board of Commissioners for the Affairs of India to the Chairman and Deputy Chairman, dated the 24th instant; and

Paragraphs proposed to form part of the draft of a letter to his Lordship, in reply.

No. LXIX.

AT A

SECRET COURT OF DIRECTORS,

Held on Monday, the 28th December 1812.

No. LXIX.

Secret Court, 28th Dec. 1812.

Minutes of the 15th, 16th, 18th, and 22d instant, were read and approved.

Read a letter from the Right Honorable the President of the Board of Commissioners for the Affairs of India to the Chairman and Deputy Chairman, dated the 24th instant; also,

Paragraphs proposed to form part of the draft of a letter to his Lordship, in reply.

No. LXX.

LETTER *from the Right Honorable the* EARL *of* BUCKINGHAMSHIRE *to the* CHAIRMAN *and* DEPUTY CHAIRMAN, *referred to in the preceding Minutes.*

No. LXX.

Lord Buckinghamshire's Letter.

GENTLEMEN, *India Board, 24th December,* 1812.

The conferences held at this Board with the Committee of Correspondence, having had for their object the most unreserved and candid discussions upon points of the greatest importance, with respect to the renewal of the East-India Company's Charter, and it having been understood that no further steps should be taken upon the subject, until a communication was made by me, in an official shape, to the Court of Directors, it was not without some surprize that the copy of their resolution of the 18th instant was received by His Majesty's Government, because that resolution, adopted under such circumstances, appeared to them to have for its object an abrupt termination to all discussion.

They cannot, however, consider it the less incumbent upon them, through you, as the proper official channel, to bring before the Court of Directors the principles upon which the opinions I have to apprize you of have been formed, in order to present to the Proprietors and the Public a correct view of a subject to which so much importance is attached.

I shall, therefore, convey to you the sentiments of His Majesty's Government, precisely in the terms I should have done, if no intimation had been made of the resolution of the Court of Directors of the 18th instant; and with that object I proceed to inform you, that with regard to those points, to which the attention of the Committee of Correspondence has been chiefly directed at the conferences held at this Board, the principle uniformly maintained, as the basis of any arrangement for the renewal of the East-India Company's Charter, *viz.* that the merchants of this country have as substantial claim to as much liberty of trade as they can enjoy, without injury to other important national interests, cannot be departed from.

It

No. LXX.

Lord Buckinghamshire's Letter.

It was in the hope that the opening of the export trade with India to the merchants of the city of London and of the outports, whilst the import was confined to the port of London, might not be found inconsistent with this principle, that a disposition was felt by the Government to propose an arrangement to that effect.

In consequence, however, of the promulgation of such an intention, several persons, interested in the commerce of the outports, represented in the strongest terms, that the proposed limitation of the import trade from India, rendered the extension of the export of no value to them; and they declared themselves prepared to maintain, that this limitation was not called for by any adequate motive of public interest.

They urged their claim to an equal participation in the general trade to India, and their conviction, that the ground upon which the exclusion in favour of the port of London was defended, *viz.* the additional danger of smuggling, could not be supported, and they were satisfied that the alleged danger might be obviated by revenue regulations. They also entered largely into the subject of the China trade, contending strenuously against the renewal of the Company's exclusive Charter; and stated their reasons for believing, that measures might be adopted by which that trade could be opened, without injury to the revenue, and without hazarding the continuance of the intercourse with the Emperor of China's dominions.

The importance attached to these representations, induced His Majesty's Government to revise the arrangement which had been in contemplation; and although they did not see cause, under all the circumstances bearing upon this question, to alter the opinion they had entertained, of the propriety of continuing the existing restrictions upon the commercial intercourse with China, and of preserving to the Company the monopoly of the tea trade, they nevertheless felt, that the merchants belonging to the outports had established a claim against an absolute restriction of the import trade to the port of London.

Under this impression, I addressed my letter to you on the 27th of April ultimo.

The observations made by the Committee of Correspondence, in their reply of the 29th of the same month, did not fail to engage the serious attention of His Majesty's Government, but after the best examination of those observations

No. LXX.

Lord Buckinghamshire's Letter.

servations, aided by all the information they have obtained from the Boards of Customs and Excise, they are not enabled to concur in the opinion, that the proposed extension of the import trade from India would be productive of any great encrease of smuggling, and certainly not to the extent stated by the Court of Directors.

It is conceived, that the apprehensions entertained on this account might be obviated by various regulations, such as confining the trade to those ports which are, or may be so circumstanced, as to afford security to the due collection of the revenue; by the limitation of it to vessels of four hundred tons burthen; by attaching the forfeiture of the ship and cargo to the discovery of any illicit articles on board; by an extension of the manifest act; by regulations for checking the practice of smuggling in the ships of the Company; as well as by other provisions, too minute to be entered into at present, but which will, of course, be attended to, in discussing the details of the subject.

I am persuaded it will not escape your observation, that from obvious considerations, the English Channel must, at all times, especially in time of peace, afford facilities and inducements for smuggling, which do not occur elsewhere to the same extent, on account of the clandestine traffic already established, and the ready communication with the opposite shore.

But, with respect to the whole of this part of the question, it is impossible to lose sight of the deep interest which the Government must feel in the prevention of smuggling. The interests of the Company are, no doubt, involved in it; but those of the Government are still more concerned: and it cannot be supposed that they would bring forward any proposition, which appeared to them likely to endanger a revenue of from three to four millions; or that, if a defalcation should unexpectedly arise, they would not immediately take measures for applying a remedy. The Company have, therefore, an ample ground of confidence, not only in the disposition of Government, but in their effectual co-operation on those points, on which the Court of Directors appear to feel the greatest anxiety, and on which they urged their strongest objections to the proposed arrangement.

The several articles which may be imported from the countries within the limits of the Company's Charter, and which are charged with an *ad valorem* duty, although, with the exception of tea, they bear a very small proportion

to

to the whole of the revenue collected from the Trade from India and China, are nevertheless of sufficient importance to demand the attention of Government, as the question may affect the interests of the East-India Company, as well as those of the public revenue.

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Lord Buckinghamshire's Letter.

With this view, it will be necessary to consider whether, with respect to some of them, a rated duty might not be substituted, and whether regulations may not be made for the security of the duty *ad valorem* on those articles which shall continue to be so charged, and which, at the same time, shall prevent their being purchased at a price, likely to operate injuriously to the manufacturers of this country.

The justice of the observations, respecting the additional number of Europeans that would find their way to India in consequence of the extension of the trade, must be admitted to a certain extent; but it is obvious, that this danger would arise from the extension of the export trade to India, and would scarcely be lessened by confining the import trade to the Port of London. Every individual, during his residence in India, would of course be subject to the existing regulations of the local Governments.

The situation of Lascars, who are occasionally employed in the navigation of ships from India to this Country, would demand the humane interposition of the Legislature; and there can be no doubt that effectual provision for their maintenance while in England, and for their return to India, will be made.

Having gone through the principal points to which our recent conferences have related, it may be proper for me to apprize you, that His Majesty's Government are of opinion, that the establishment of King's troops, which may be requisite for the preservation of the peace and security of the British possessions in India, must depend upon circumstances that it would be difficult to anticipate; but as the financial situation of the Company may render it necessary, that the numbers to be maintained at their charge should be limited, there can be no objection to propose to Parliament, to specify that number by legislative enactment.

I have thus endeavoured to bring the sentiments of His Majesty's Government before you, with the same candor that has been evinced in our recent discussions; and I can venture confidently to assure you, that my colleagues,

as

No. LXX.

Lord Buckinghamshire's Letter.

as well as myself, are most anxious to promote such an adjustment between the Public and the Court of Proprietors, as may be satisfactory to all parties.

The expediency of adhering to that system, by which the Government of India has been administered through the intervention of the Company, is strongly felt by His Majesty's Government; but it must not be supposed, that there are no limits to that expediency, or that there are no advantages which might result from a different course.

It is for the Court of Proprietors to decide, whether their own interests, as well as those of the numerous persons depending upon them, both at home and abroad, can best be preserved by their rejection of, or acquiescence in, those conditions, upon which alone, consistent with their public duty, His Majesty's Government can submit a proposition to Parliament for the renewal of the Charter.

You, Gentlemen, must be aware, that from its approaching expiration, provision must be made, without delay, for the future government of India; and that His Royal Highness the Prince Regent, in his speech at the opening of the present session, has called upon Parliament to make such provision.

I have the honor to be,

Gentlemen,

Your most obedient and faithful humble servant,

BUCKINGHAMSHIRE.

The Chairman and Deputy Chairman
of the Court of Directors.

No. LXXIII.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 30th December 1812.

No. LXXIII. Secret Committee, 30th Dec. 1812.

Draft of a letter to the President of the Board of Commissioners, in reply to his Lordship's letter of the 24th instant, was read and unanimously approved.

No. LXXII.

AT A

SECRET COURT OF DIRECTORS,

Held on Wednesday, the 30th December 1812.

No. LXXII. Secret Court, 30th Dec. 1812.

Draft of a letter to the President of the Board of Commissioners, in reply to his Lordship's letter of the 24th instant, was read and unanimously approved.

No. LXXIII.

Letter from the Chairman *and* Deputy Chairman *to the Right Honorable the* Earl *of* Buckinghamshire, *noticed in the preceding Minutes.*

My Lord, *East-India House, 30th December* 1812.

No. LXXIII. Chairman and Deputy's Letter.

We were honoured, on the 25th instant, with the letter which your Lordship was pleased to address to us on the preceding day, and have laid it before the Court of Directors. We are instructed by the Court to acquaint your Lordship, that a General Court of Proprietors of East-India Stock has been summoned, for the special purpose of taking into consideration the important subjects treated of in your Lordship's letter, and we shall lose no time in submitting to your Lordship the result of the deliberations at that meeting.

In reference to the first paragraph of your Lordship's letter, in which the resolution passed by the Court, on the 18th instant, is stated to have caused some surprise to His Majesty's Government, as appearing to have for its object an abrupt termination to all discussion, we are desired by the Court of Directors respectfully to offer the following explanation.

Your Lordship is aware, that at the commencement of the recent conferences on the subject of the Renewal of the Company's Charter, it was agreed between your Lordship and the Deputation from the Court, that no minutes should be taken of what passed in conversation. Accordingly, no particular communication was made, prior to the receipt of your Lordship's letter of the 24th instant, of the result of these conferences: but an earnest desire having been expressed by those Gentlemen in the Direction who are not Members of the Committee of Correspondence, to be informed, whether the differences of opinion, formerly known to exist, on some important points, between His Majesty's Government and the Court, were in a train of reconciliation, and the general answer which we thought ourselves bound in duty to give, not having tended to afford them the satisfaction they expected, they deemed it proper that

that the sense of the Court, respecting the question of the outports, should be formally notified to your Lordship, and in consequence the unanimous resolution of the 18th was transmitted. Had the Court perceived that that proceeding admitted of the interpretation which has been put upon it by His Majesty's Government, they would assuredly have taken pains more effectually to guard against so great a misconception of the real intention, which was no other than to mark their adherence to the opinions they have uniformly entertained on the disputed question, of extending the import trade from India to the outports of this kingdom, which had formed the principal subject of discussion between the Members of His Majesty's Government and the Committee of Correspondence. It was certainly desirable for the Members of that deputed Committee, and it was thought that it might not be unacceptable to your Lordship, to know that the sentiments which they had expressed in the course of discussion, were sanctioned by the unanimous concurrence of the Body by whom they were delegated. The mode in which the resolution was adopted was conformable to the usage of the Court of Directors on solemn occasions, namely, after a report from a Committee of the whole Court, which always requires signatures, and which, in the present instance, was subscribed by every Director.

No. LXXIII. Chairman and Deputy's Letter.

We trust, my Lord, that this explanation of the measure alluded to, will prove satisfactory to your Lordship and the other Members of His Majesty's Government; and while we return our sincere acknowledgments for the attention with which our representations have been listened to, in the various interviews with which we have been honored by your Lordship and His Majesty's Ministers who attended, we hope, at the same time, to stand perfectly acquitted of any design, either to prevent or embarrass a full and deliberate discussion of the great interests at stake.

It is matter of deep concern to us to find, that His Majesty's Ministers seem still to adhere to the principle of opening the outports of the United Kingdom to the importation of commodities from India. We have already, in our letters of the 15th and 29th April last, fully stated the dangers that must result to the Company, from so great an enlargement of the privilege in Eastern commerce to British merchants. We presume to think our objections to that enlargement have not been adequately answered; and we have to express the concern felt by the Court, that no communication has yet been made to them, of

No. LXXIII.

Chairman and Deputy's Letter.

of those representations which first led His Majesty's Ministers to entertain, and which induce them still to adhere to the opinion, that the public interest will be best consulted, by not confining the import trade from the East-Indies to the port of London. It would occasion much satisfaction to the Court, should such a communication have the effect of obviating their objections, even in part, to a measure, which the most imperative considerations alone could have influenced them to oppose: and were it unfortunately to fail in producing this effect, it is nevertheless desirable, that the Court of Directors shall have an opportunity of reviewing the question with all the intelligence that can be brought to bear upon it. Your Lordship has, indeed, been pleased to favour us with a brief summary of some of the arguments used by the merchants on this subject,—arguments, we must own, not in the least convincing to us: and we assure ourselves, that in adverting to them, your Lordship does not mean that the Company should be concluded, or their fate determined, by what those who oppose their interests choose to advance; although their representations appear to have so far influenced His Majesty's Ministers, as to lead them to think, that the merchants "have a claim to as much liberty of trade as they "can enjoy, without injury to other important national interests." In those interests, we may presume, are comprehended both the consideration of the public revenue, and the maintenance of the East-India Company. But what that extent of trade is, "which can be granted with safety to those interests," is still a question undetermined. We confess that the regulations contemplated by His Majesty's Ministers, so far as your Lordship has been pleased to explain them to us, appear by no means calculated to remove our fears. The comparative interest which the Public and the Company have in preventing the smuggling of tea, was described in our letter of the 29th April; and though it be true, as your Lordship observes, that the stake of the Public in this concern is numerically greater than that of the Company, yet the importance of the Company's inferior stake is, to them, infinitely greater, than would be to the Public the importance of the loss the revenue might sustain; because, as matters now stand, the Company have no certain dependance but the China trade, for resources essential to their subsistence. We do not the least question, that His Majesty Ministers would be thoroughly disposed to frame additional regulations

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Chairman and Deputy's Letter.

lations to prevent smuggling tea, should those now in contemplation be tried, and be found insufficient. But, besides that we extremely distrust the practicability of preventing smuggling to a large extent, where the temptations would be so great, we must entreat your Lordship and His Majesty's Ministers seriously to consider, what would be the situation of the Company, if they obtained a charter upon no better terms than those now proposed, and upon trial it should be found that their commercial income failed, and that their dividend should be unprovided for or lowered:—their stock would immediately fall; their credit would be diminished; the currency of their affairs, in their payments particularly, would be impeded; general alarm and dissatisfaction in all parties connected with this great establishment would be felt; and there would be a necessity for going to Parliament again, when evils great, perhaps irretrievable, would have been experienced. It is the duty of the Executive Body of the Company to carry their views forward to such contingencies, and to seek provision against them: and we must beg leave to add, that whatever rights the merchants may claim, or the nation be pleased to bestow on them, it cannot be equitable to make concessions to them which should destroy the Company, who acquired the Indian empire, and who are as much the owners of the chief seats of European trade in that empire, as they are of their freeholds in London.

With respect to the resort of Europeans to India, if we do not misunderstand the scope of your Lordship's observation, it seems to imply, that their numbers might be in proportion to the export trade from this country. If, indeed, they were to be regulated by this scale, our apprehensions would be the less; but we have no difficulty in acknowledging, that in addition to all our other arguments against admitting importations to the outports, we think that the granting of this privilege would increase the spirit of rash speculation from Great Britain and Ireland, and thereby the number of adventurers in search of fortune in India; for it is to be remembered, that those adventurers would naturally seek for new establishments, even out of the Company's territories, and there endeavour to acquire real property.

But, my Lord, this is only one of many points which require particular regulations; and, at the stage at which we are now arrived in the negociation, we

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Chairman and Deputy's Letter.

we cannot but state to your Lordship, the anxious wish of the Court to be made acquainted with the whole plan which His Majesty's Government may have it in contemplation to recommend to Parliament for a Renewal of the East-India Company's Charter; including such amendments in the system of the Company's territorial government and administration, as past experience may have indicated; the regulations deemed necessary for promoting the discipline and efficiency of the Indian army; the amount of force which His Majesty may be empowered to maintain in India at the expense of the Company; and the provisions that may be thought requisite for settling the relative powers of the Board of Commissioners and the Court of Directors. Though these topics were specifically mentioned in the letters from Lord Melville to the Chairs, of the 30th September 1808 and the 21st March 1812, the Court are still, in great measure, uninformed of the arrangements, in regard to them, which His Majesty's Government may have in view to propose. And we entreat, also, that your Lordship will enable us to lay before the Court of Directors, and ultimately the Proprietors, in any shape that you may judge fit, the information, additional to that of the merchants already solicited, on which the determination of His Majesty's Ministers rests, as to the extension of the trade to the outports, and their intentions upon the other parts of the arrangement to which we have now adverted.

The requests we now make appear to us the more reasonable, from the weighty intimation conveyed in the concluding part of your Lordship's letter. It brings into view (to repeat an expression used in our letter of the 15th April), "*questions of the last importance to the safety of the British Empire in India,* "*and of the British Constitution at home.*" This is a solemn subject for the Country, as well as the Company. If, indeed, it should ever come under actual discussion, we have that confidence in the equity and wisdom of the nation, that notwithstanding all present clamours, they will wish to do the Company justice, and to guard all the other great interests which must come into question. But prepared as we shall be, if forced into this situation, to maintain the rights and claims of our Constituents, we must yet express our hope, that the Company will not be reduced to the hard alternative, of thus having to contend for all that

is

is dear to them, or to accept a Charter, on terms which will not enable them to execute the part hitherto assigned to them in the Indian system.

No. LXXIII.

Chairman and Deputy's Letter.

We have the honour to be,

My Lord,

Your Lordship's most obedient humble Servants,

(Signed) HUGH INGLIS,
ROBERT THORNTON.

The Right Honorable the Earl of Buckinghamshire,
&c. &c. &c.

No. V.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

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1813.

LIST OF FURTHER PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors for the Information of the Proprietors.

No. LXXIV.

Minute of a Secret Court of Directors, held on Tuesday, the 5th January 1813.

No. LXXV.

Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman and Deputy Chairman, dated the 4th Jannary 1813, noticed in the preceding Minute.

No. LXXIV.

AT A

SECRET COURT OF DIRECTORS,

Held on Tuesday, the 5th January 1813.

No. LXXIV. Secret Court, 5 Jan. 1813.

The Chairman laid before the Court a Letter from the Right Honorable the President of the Board of Commissioners for the Affairs of India, dated the 4th instant, which was read.

No. LXXV.

LETTER *from the Right Honorable the* EARL OF BUCKINGHAMSHIRE *to the* CHAIRMAN *and* DEPUTY CHAIRMAN, *noticed in the preceding Minute.*

India Board, 4th January, 1813.

GENTLEMEN,

No. LXXV. Lord Buckinghamshire's Letter.

I had the honor to receive your Letter of the 30th ultimo, and proceed to convey to you the sentiments of His Majesty's Government, as far as it would seem advisable, under present circumsances, to continue the discussion.

With respect to your observation, that the representations which induced His Majesty's Government to form their opinions upon the subject of the extension of the Import Trade, have been withheld from the Court of Directors, and that your objections to that extension have not been "adequately answered," you must allow me to avail myself of this occasion to apprize you, that although His Majesty's Government have shewn a strong disposition to enter into the most frank and unreserved explanations with the Court of Directors, they

No. LXXV.

Lord Buckinghamshire's Letter.

have not felt that it was within the range of their duty to engage in a controversy upon the points at issue. That duty has been sufficiently discharged, in stating, for the information of the Court of Proprietors, the conditions upon which they were prepared to submit a proposition to Parliament for the renewal of the Charter, accompanied by such reasons as are conveyed in the communications they have authorized me to make.

I can, however, have no difficulty in acquainting you, that the claims of the Merchants connected with the outports have not been brought before Government by written documents; that they have been urged and discussed at personal conferences with individuals, interested in their success; and that you have already been informed of the grounds upon which they were supported; but that it does not appear to His Majesty's Government, that you can be warranted in expecting that they should give a more particular account of the arguments adduced at those conferences.

I may add, however, that as the merchants and manufacturers connected with the outports, considering themselves entitled, at the expiration of the Charter of the East-India Company, to carry on that trade, from which they had been excluded for a limited time, had entered into a statement of their case, by petitions presented to Parliament in the course of the last session, you may obtain from those records that further information which you appear desirous to possess.

With regard to those points to which you have alluded, as requiring particular regulation, the Ministers of His Royal Highness the Prince Regent having signified to you, that consistently with their sense of public duty, they can submit no arrangement to Parliament, that does not include an extension of the import trade, and the Court of Directors having, with a knowledge of their opinions upon that point, by their resolution of the 18th ultimo, declined to recommend to the Court of Proprietors to agree to such an extension, it would seem premature to enter into details, until that question shall have been finally determined.

You are apprised of the disposition of His Majesty's Government to adhere to the present system of administration in India, and I am not aware that, if circumstances should admit of its continuance, it would be necessary to propose any

any material alteration in the existing provisions for carrying it into execution, except such as may arise from the opening of the trade.

No. LXXV.

Lord Buckinghamshire's Letter.

The confidence you express in the wisdom and justice of Parliament will, I am persuaded, not be disappointed; nor is it to be supposed, that in the consideration of this great question (to use your own words) "the safety of the "British Empire in India and the British Constitution at Home" will be overlooked, either by the Legislature or the Ministers of the Crown.

If the Government of India cannot be carried on with safety to the Constitution, except through the intervention of the Company, the propositions of the Court of Directors, whatever they may be, must unconditionally be admitted.

It will be for Parliament to determine, whether the Nation is, in this respect, without an alternative; or whether, if a change of system should be rendered necessary by the decision of the East-India Company, measures might not be taken for opening the trade, and at the same time providing such an administration of the government of India, as might be found compatible with the interests and security of the British Constitution.

I have the honor to be,

Gentlemen,

Your obedient and faithful humble Servant,

(Signed) BUCKINGHAMSHIRE.

The Chairman and Deputy Chairman
of the East-India Company.

No. VI.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

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LIST OF FURTHER PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors for the Information of the Proprietors.

No. LXXVI.

Minutes of a General Court of Proprietors, held on Tuesday, the 5th January 1813.

No. LXXVII.

Resolution of a General Court of Proprietors held the 5th May 1812, noticed in the preceding Minutes.

No. LXXVI.

AT A

GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES,

Held on Tuesday, the 5th of January 1813.

No. LXXVI. General Court, 5th Jan. 1813.

The Chairman acquainted the Court, that it is specially summoned for the purpose of there being laid before them further papers respecting the negociation for a renewal of the Company's exclusive privileges.

The said papers were then read, being as follow, *viz.*

Minutes of a Secret Committee of Correspondence, the 27th November 1812. (No. LX.)

Letter from the Chairman and Deputy Chairman to the Right Honorable the Earl of Buckinghamshire, dated the 28th November 1812. (*No. LXI.*)

Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman, dated the 28th November 1812. (No. LXII.)

Minute of a Secret Court of Directors, held on Wednesday, the 2d December 1812. (No. LXIII.)

Minutes of a Secret Court of Directors, held on Tuesday, the 15th December 1812. (No. LXIV.)

Minutes of a Secret Court of Directors, held on Wednesday, the 16th December 1812. (No. LXV.)

Minutes of a Secret Court of Directors, held on Friday, the 18th December 1812. (No. LXVI.)

Minute of a Secret Court of Directors, held on Tuesday, the 22d December 1812. (No. LXVII.)

Minutes of a Secret Committee of Correspondence, the 28th December 1812. (No. LXVIII.)

No. LXXVI.

General Court, 5th Jan. 1813.

Minutes of a Secret Court of Directors, held on Monday, the 28th December 1812. (No. LXIX.)

Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman and Deputy Chairman, dated the 24th December 1812, noticed in the preceding Minutes. (No. LXX.)

Minute of a Secret Committee of Correspondence, the 30th December 1812. (No. LXXI.)

Minute of a Secret Court of Directors, held on Wednesday, the 30th December 1812. (No. LXXII.)

Letter from the Chairman and Deputy Chairman to the Right Honorable the Earl of Buckinghamshire, dated the 30th December 1812, noticed in the preceding Minute. (No. LXXIII.)

Letter from the Right Honorable the Earl of Buckinghamshire to the Chairman and Deputy Chairman, dated the 4th January 1813. (No. LXXV.)

The Chairman acquainted the Court, that the above papers are printing, and will be ready to be delivered to the Proprietors to-morrow.

The Court then proceeded to take the same into consideration, when the resolutions of the General Court of 5th May last were called for and read.

It was then moved, and on the question,

Resolved, That this Court do highly approve the vigilance, attention, and able conduct of the Court of Directors, in their negociation with His Majesty's Ministers for the Renewal of the Charter, and that, for the purpose of taking the important subject now submitted to them into their most serious deliberation, the Court do adjourn unto Tuesday the 19th instant.—

And the Court adjourned accordingly.

No. LXXVII.

RESOLUTIONS *of a* GENERAL COURT OF PROPRIETORS, *held the 5th May* 1812, *referred to in the preceding Minutes.*

No. LXXVII.

Resolutions General Court.

Resolved Unanimously, That this Court has learnt with deep concern and surprize, that His Majesty's Ministers have been induced to change the view they first entertained of the propriety of confining to the Port of London the returns of the trade to India, now to be permitted to all British subjects. That the measure of opening the Outports to vessels of all descriptions from India, comprehending in that term the Eastern Islands, appears to this Court to be fraught with consequences ruinous to the Company, and all the long train of interests connected with it; by removing from the port of London the greater part of the Indian trade, which it has hitherto enjoyed; by rendering useless many of the expensive establishments formed there for the merchandize and shipping of that trade, and throwing out of bread many thousands of persons who now derive constant employment from it; by deranging the practice and frustrating the end of stated public sales, which are useful and important, both to the Country and the Company, who are necessarily restricted to this practice; but, above all, by affording facilities for the smuggling of teas into the ports and harbours of England, Scotland, and Ireland, to an extent unlimited, and as this Court apprehend, uncontroulable. That the consequences of this must be, the destruction of the Company's China trade, their best source of commercial profit; the failure of their dividend; the depreciation of their stock; and unless a fund is provided from some other source for the payment of the dividend, inability on their part to continue to perform the functions assigned to them in the Government of British India. That if the constitution by which the Indian Empire is now administered should thus be subverted, the excellent system of civil and military service formed under the Company, and maintainable only by such a body, will be broken down; the tranquillity and happiness of the vast population which that empire contains, the interests of this country in Asia, and its constitution at home, will be imminently endangered.

That

No. LXXVII.

Resolutions General Court.

That the proposed object for which the professed changes are to be made, and such immense sacrifices hazarded, namely, the increase of the commerce of this kingdom, cannot be in any great degree attained, there being no practicability of extending materially the use of our manufactures among the Indian people, the tonnage allotted by the Company, or afforded by Indian ships in the management of individuals, for such exports, not having been fully occupied. Neither does it appear practicable largely to augment the importation of profitable commodities from thence; of all which the example of the American trade to the East is a proof, British Manufactures which they could easily have procured, making no part of it, nor their returns exhibiting any new articles of importance. That therefore the trade now enjoyed by the Company and individuals will be the only certain trade to which new adventurers can have recourse. And this will be no addition to the commerce of the Country, but only a transfer from one set of hands to another: so that, old establishments will be subverted, without substituting any thing equally good in their place; and, to all appearance, with great detriment to the nation, particularly in the defalcation of a large part of the duties now collected on tea, to the amount of four millions sterling per annum; for all which defalcation, whether, one, or two, or three millions, new taxes must be laid on the people.

That the cause of the Company has been deeply injured by prejudice, ignorance, erroneous assumptions, and of late by extensive combinations, and by unfair representation, canvas, and intimidation: in all which the merits and rights of the Company, the political interests of British India, and of this country as connected with them, have been left out of sight, and the single object of the extension of commerce, an object too only of speculation, in opposition to past experience, is the governing principle.

This Court however confidently hope, that Parliament will not decide the fate of the Company, on the representations and demands of private interests, but on just and comprehensive views of national policy; and the Court must also believe that His Majesty's Ministers are too enlightened and equitable, finally to adopt any measure calculated to destroy the commercial profits of the Company, and thereby to disable them from performing their political functions. This Court therefore entirely approving, both of the firmness which their Directors have shewn in maintaining the interests of the Company, and of the manner in

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Resolutions General Court.

in which they have, in the papers now produced by them, defended those interests, doth recommend it to them to persevere in the negociation with His Majesty's Ministers upon the same principles; assured of the determination of this Court to support them to the utmost, in maintaining the permanence of the Company and the national interests which are involved in their stability.

Resolved Unanimously, That the thanks of this Court be given to Randle Jackson, Esq. for his very luminous and excellent speech this day; for the great zeal, ability and industry he has on various occasions, and particularly on this, displayed for the honor and advantage of this Company.

Resolved Unanimously, That the warmest thanks of this General Court be offered to the Chairman, Deputy Chairman, and Court of Directors of this Company, for their very able conduct in the negociation with Government for the renewal of the Charter; alike evincing the most luminous ideas of the best interests of this Company, and their most honorable conduct in the management of so important a concern.

No. VII.

FURTHER PAPERS

RESPECTING

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LIST OF FURTHER PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors for the Information of the Proprietors.

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Minutes of a General Court of Proprietors, held on Tuesday, the 19th January 1813.

No. LXXIX.

Minutes of a General Court of Proprietors, held on Friday, the 22d January, 1813.

No. LXXX.

Minutes of a General Court of Proprietors, held on Tuesday, the 26th January 1813.

No. LXXVIII.

AT A

GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES,

Held on Tuesday, the 19th of January 1813.

Minutes of last Court of the 5th instant were read:—

The Chairman acquainted the Court, that it is met by adjournment, for the purpose of taking into further consideration the papers laid before them at their last meeting.

The following motion was then made and seconded, *viz.*

"That this Court perceives with deep regret, that after a long correspondence and discussion, conducted with exemplary firmness, temper, and ability, on the part of the Court of Directors, and with much difference of opinion among the several Ministers who have represented His Majesty's Government in the discussion, and closed on the part of His Majesty's present Ministers with a reference to the petitions lately presented to Parliament, as a ground of their new determination, the parties have at length arrived at a point when decision is absolurely required, between the ruin of the Company and the disappointment of the petitioners against their Charter."

And after a debate of considerable length,

The question of adjournment of the said debate was moved and seconded;

But it having been signified by a Proprietor, that an amendment to the first motion was prepared and intended to be made,

The question of adjournment was, by consent of the Court, withdrawn.

It was then moved and seconded, pursuant to the intimation already given, to amend the first motion, by leaving out all the words after the word "that," in order to substitute the following words, *viz.*

"That

No. LXXVIII

General Court, 19th Jan. 1813.

"That this Court, deeming it prudent and proper to acquiesce in the "principles and preliminaries stated by His Majesty's Ministers, through the "President of the Board of Control, in the papers laid before the Court, "respecting the renewal of the Company's Charter, with certain provisions in "favor of the merchants and manufacturers of Great-Britain and the Outports "of these realms."

"*Resolved*, That it be referred back to the Court of Directors to continue "their negociation for the carrying these principles into effect, this Court "relying on due attention being paid to secure to the Company as great "advantages in their commerce, as are consistent with their claims upon the "public, and the prosperity and interests of the country at large; and for that "purpose, by proper regulations, to guard against the mischiefs that might "arise from disputes in India or in England, between those engaged in the "commerce, to protect the trade from smuggling, and those consequences "which are now dreaded by a departure from the present established system; "and particularly to prevent the residence or interference of Europeans in any "part of India, so as to endanger the Company's governments there, in their "exclusive administration of the territorial possessions which they now have "or may hereafter obtain, as well in their revenue as in their judicial and "military departments. That the Directors be instructed to endeavour to "obtain from His Majesty's Ministers a guarantee to the Proprietors of India "Stock, for their capital stock and dividends, in case the trade and territories "should, at any future period, be taken under the immediate management of "His Majesty's Government, or not afford the necessary supply for the dis-"charge of the same. That as the Company consider themselves guardians of "the prosperity of the empire in India, and protectors of the liberty and hap-"piness of the millions of people who live under their government, they "repose confidence in the abilities of their Directors and the wisdom of the "Legislature, that every possible safeguard will be provided, to prevent danger "to the empire and injury to its people."

And a debate having arisen on the proposed amendment,

It was moved, and on the question,

Resolved, That the further debate on the said questions be adjourned till Friday next, the 22d instant.

And

And it was then moved, and on the question,

Resolved, That this Court do now adjourn till Friday next, the 22d instant.

And the Court adjourned accordingly.

No LXXVIII.

General Court, 19th Jan. 1813.

No. LXXIX.

AT A

GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND, TRADING TO THE EAST-INDIES,

Held on Friday, the 22d January 1813.

No. LXXIX.

General Court, 22d Jan. 1813.

Minutes of last Court of the 19th instant were read:—

The Chairman acquainted the Court, that it is met by adjournment, for the purpose of taking into further consideration the papers which were laid before them on the 5th instant.

The Court then proceeded to take into consideration the motion made at the last General Court, and the amendment proposed thereto.

And after a debate of very considerable length,

It was moved, and on the question,

Resolved, That the further debate on the said motions be adjourned till Tuesday next, the 26th instant, and that a General Court be summoned to meet on that day, at eleven o'clock in the forenoon, precisely.

And then the Court, on the question, adjourned till Tuesday next accordingly.

No. LXXX.

AT A

GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND, TRADING TO THE EAST-INDIES,

Held on Tuesday, the 26th January 1813.

No. LXXX. General Court, 26th Jan. 1813.

Minutes of last Court of the 22d instant were read:—

The Chairman acquainted the Court, that it is met by adjournment, for the purpose of taking into further consideration the papers which were laid before them on the 5th instant.

The motion made on the 19th instant, and the amendment proposed to be made thereto, were read.

It was then, after a debate of considerable length, moved, that the words in the original motion, proposed to be omitted, stand part of the question.

And the question thereon being put,

The same was carried in the Affirmative.

The main question being then put,

It was

Resolved,—That this Court perceives with deep regret, that after a long correspondence and discussion, conducted with exemplary firmness, temper, and ability, on the part of the Court of Directors, and with much difference of opinion among the several Ministers who have represented His Majesty's Government in the discussion, and closed on the part of His Majesty's present Ministers with a reference to the petitions lately presented to Parliament, as a ground of their new determination, the parties have at length arrived at a point, when decision is absolutely required, between the ruin of the Company and the disappointment of the petitioners against their Charter.

Resolved

No. LXXX. General Court. 26th Jan. 1813.

Resolved,—That on former discussions relative to the renewal of the Company's charter, and particularly in 1793, His Majesty's Government were prepared, at the outset, to state the precise extent of concession which could safely be allowed to the petitioners against the Company's charter; and their mature conviction appeared then to be, that the regulated monopoly of the Company was essential to the interests of the country, and that this consideration alone was a sufficient answer to all pretences for interference with that monopoly.

That the territorial possessions of the Company in India are their certain right, and that the system provided for the Indian Government by the wisdom of Parliament, together with the disinterested spirit in which it has been administered by the Company, have extended and consolidated the British Empire in the East, and added to the strength and glory of the British Empire at Home.

That the trade of the Company has long ceased to bear the character of a strict monopoly; and that, by some further modifications, if thought indispensable, in addition to the arrangements of 1793 and of 1802, it may be rendered as much an open trade, as will be consistent with the security of revenue and the prosperity and safety of the Indian empire.

That it is the opinion of the ablest Indian statesmen, as well as of the generality of persons acquainted with India, that no large or sudden addition can be made to the amount of British exports to that country or China; that this opinion is confirmed by the practice of the Americans, who export chiefly bullion, and by the overloaded state of the Indian markets; that the habits and religion of the natives are hostile to any such extension; and that the Company actually suffer a loss in this department of their concerns, with the view of employing the capital, and encouraging the industry of their countrymen at home.

That so far as relates to the ordinary produce of India, the import trade is now carried to the full extent of the demand, as appears by the value of three millions and a half sterling of private property at this moment remaining in the Company's Warehouses; and that to open the Outports to that trade, would be no other than a ruinous transfer of it into new channels, to the destruction of immense and costly establishments, and the beggary of many thousands of industrious individuals.

That

No. LXXX.

General Court. 26th Jan. 1813.

That an extension of the trade in other products, the *supposed* effect of opening the Outports, could be realized only by a large transfer of capital to India, and its consequent colonization; that, if realized, it might fatally interfere with the manufactures of England, or with her commerce to countries where similar products are already raised by British capital, imported in British shipping, and paid for by British manufacturers, and that thus, such extension would deeply injure those very persons who are most impatiently petitioning for it.

That any unrestrained intercourse of Europeans with our Indian Empire is highly to be deprecated; that the unlimited competition of commercial agents would, from the peculiar circumstances of the country, produce "a boundless "scene of confusion and fraud, and ultimately the ruin of the manufacturers "themselves;" and that tempting opportunities would be held out to the agents to maintain illicit intercourse with the Native Powers, and to conduct a dangerous system of communication with China from the Eastern Islands.

That this Court do most highly approve the conduct of the Directors upon the vital question of admitting the Outports to the import trade from India; and that the confusion and hazard from irregular sales at the Outports, the loss to the revenue from smuggling, and the consequent ruin of the Company's China trade, are decisive obstacles to the policy of such a measure; they are therefore firm of opinion, that the Court of Directors should, on no consideration whatever, cede this point in the discussion.

That it also appears, from numerous petitions presented to the last parliament, that on the faith of approved and long established practice, an immense capital has been invested in establishments, peculiarly adapted to the export trade between India and China; and that many heavy engagements have been entered into by persons in the city of London, and on both banks of the Thames, from London-bridge to Gravesend, the very subsistence of many of whom depends upon the continuance to the port of London of the export trade to India and China; and that nearly 10,000 industrious artificers, together with their families, would be in danger of beggary, in proportion as they would be thrown out of employment, by the removal of the export trade from its accustomed channel. This Court therefore conceives, that it is of vital importance to the city and port of London, that the export trade to India and China should continue to be carried on as heretofore.

That

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That since the high duties on articles imported would still remain, the abatement in the price of freight expected by the petitioners to ensue from the subversion of the present system, would be productive of trifling relief to the consumer; and that this relief would be purchased at the extreme hazard of the revenue of Customs and Excise, now collected easily by the Company, as well as imminent danger to all the sources of their wealth in India.

That there is no foundation, in fact, for the statement which ascribes to the Company's charter the advantages enjoyed by neutral foreigners over British merchants, in the admission of the former to a trade from which the latter are excluded; for that the profit with which that trade has been carried on by those foreigners, has been entirely owing to the facilities necessarily belonging to their neutral character, and which, of course, cannot belong to the merchants of a belligerent state.

That the discharge of the political functions of the Company depends on the continuance of its commercial privileges. That the propositions of His Majesty's government, by giving a fatal blow to the commercial interests of the Company, will, if insisted on, eventually terminate in its political dissolution; and that political advantages, of the highest importance, will thus be lost to the country, among which the following deserve to be distinctly noticed, as much too valuable to be sacrificed for a trifling reduction in the freight of Indian goods to Europe.

1. A marine of 100 large ships, containing a tonnage of 103,333 tons, employing 1400 officers and 10,000 seamen, of acknowledged skill and bravery, and which has been found ready and able, at all times, to minister to the national convenience and to augment the national glory.

2. An extensive establishment of yards, which has often rendered large and seasonable assistance to the Royal Navy, and might, in cases of necessity, be made available to the national defence.

3. The remittance of the fortunes accumulated by above 3,000 officers of the Company's military service, and some hundreds of civil servants, which are transferred to the capital, and stimulate the industry of Britain.

That, in addition to these considerations, the liberal disbursements of the Company for national enterprizes, and the meritorious contribution of their service

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service to the National Fund of strength and glory, are entitled to a just and honorable remembrance, in the preparation of any measure which may vitally affect their interests.

That connected with this department of the subject, is the extreme danger to which, in case of the Company's dissolution, the balance of the Constitution would be exposed, by the transfer of the Indian Patronage to the Crown, and the enormous burden which would be entailed on the public, in satisfying the claims of compensation on behalf of the Company, and of all the complicated interests which would be involved in its fate.

That, by the destruction of the Company, a vast number of those Proprietors, amongst whom its capital of twelve millions sterling is divided, would be reduced to extreme distress; and nearly forty thousand persons, directly employed by the Company, with many others indirectly concerned in its prosperity, would be brought to a state of absolute beggary.

That, from the tenor of the preceding considerations, it appears to this Court, that no case of political or commercial delinquency has been established against the Company, to justify the ruin with which they are threatened, or to forfeit their claim to a continuance of their Charter: that, on the contrary, their commercial management has been frequently deranged and interrupted by costly enterprises, to which they were compelled on grounds of imperial policy, and which no temporary possession could have induced them to execute: that their remonstrances against these undertakings were silenced by reference to future and distant recompense, in the improved prospect of permanent peace, revenue, and commerce, and that, by arguments which implied little less than a pledge that their privileges should be continued, at least until their indemnity should be complete: and that it is manifestly unjust to allege against them, as a proof of commercial mismanagement, pecuniary difficulties arising out of this forcible diversion of their commercial funds to national purposes.

That, with a view to their financial difficulties, thus incurred on the Public account, the Directors, in the year 1803, apprehending the consequences of the transfer of the Indian territorial debt to England, proposed methods to meet and provide for those consequences; but that His Majesty's Ministers refused to forward those propositions to India, and have not substituted any other proceeding for the same end.

That

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That the Court appeal confidently to the following particulars, from the close of the Fourth Report of the Committee of the House of Commons appointed in the late Parliament, for a proof, not only that the Company have carried on their affairs without any expence to the finances of this country, but that the operations of their system have been in manifold ways beneficial to its interests.

1st. That since 1791, British industry has been encouraged by the employment of £46,000,000.

2d. That the produce and manufactures of India, purchased with this sum, together with those of China sold in England, realized in sale amount nearly £140,000,000.

3d. That the purchase of the produce and manufactures of England amounted to £29,200,000.

4th. That the employment of British shipping amounted to £25,000,000.

5th. That the duties on imports, collected through the Company at a trifling expense to Government, amounted to £39,300,000; and on exports to £660,000;—together, £39,960,000.

6th. That the combination of these, and other sums, producing £185,960,000, shews that, on an average of the last seventeen years, £10,900,000 has been diffused in various channels through the whole circulation of the British Empire, &c.

That, for proof of the moral and political benefits derived to the population of India from the government of the Company, this Court appeals to the Fifth Report of the Committee of the House of Commons, which exhibits the gratifying picture of a people raised from the lowest disorder and degradation, to a state of industry, security, and freedom; and that his Court confidently hopes, the improvement in the condition of fifty millions of natives will not be interrupted, by the pernicious experiments to which the sanction of Parliament is now so loudly solicited.

That the interests of the Company are now become so interwoven with the political and commercial system of Britain, that, by their sudden dissolution, the credit and grandeur of this country would receive a shock, which *must* be perilous, and *might* be fatal: and that the measures proposed by Government are therefore anxiously to be deprecated, inasmuch as they must have the effect of bringing the Company to speedy destruction.

That,

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That, with such a case in favor of the Company, the Court is assured they may approach Parliament with confidence, and without the smallest alarm from the misrepresentations with which they have been assailed; and they are persuaded that the wisdom of that enlightened body will never countenance the sacrifice of clear and positive interests of one class of men, to the contingent and uncertain advantage of another; nor demolish a mighty practical system, which has been raised by such immense exertions, in order to place its materials at the disposal of interested speculation.

That this Court approves, most highly, the firm exertions, by which the Directors have now enabled the Company, if necessary, to bring their case in its integrity before the tribunal of Parliament. They tender their warmest thanks to the Chairman, the Deputy Chairman, and the Court of Directors, for their zeal and ability in support of this important cause; and they trust that, if any opening should present itself for a renewal of the discussion between the Company and His Majesty's Government, upon the principles detailed in this resolution, it will be conducted by them with the energy and moderation which they have hitherto displayed.

And the Court, on the question, adjourned.

No. VIII.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

London:
PRINTED BY ORDER OF THE COURT OF DIRECTORS, FOR THE INFORMATION OF THE PROPRIETORS,

By E. Cox and Son, Great Queen Street, Lincoln's-Inn-Fields.

1813.

LIST OF FURTHER PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors for the Information of the Proprietors.

No. LXXXI.

Minute of a Secret Committee of Correspondence, the 27th January 1813.

No. LXXXII.

Minute of a Court of Directors, held on Wednesday, the 10th February, 1813.

No. LXXXIII.

Report of the Committee of Correspondence, dated the 9th February 1813, noticed in the preceding minute.

No. LXXXIV.

Letter from the Chairman and Deputy Chairman to the Right Honourable the Earl of Buckinghamshire, dated the 10th February 1813, also noticed in the preceding minute.

No. LXXXI.

AT A

SECRET COMMITTEE OF CORRESPONDENCE,

The 27th January 1813.

No. LXXXI. Secret Committee of Correspondence, 27th Jan. 1813.

THE Committee adverting to the following passage in Lord Buckinghamshire's letter of the 4th instant, *viz.*

"I may add, however, that as the merchants and manufacturers connected with the Outports, considering themselves entitled, at the expiration of the Charter of the East-India Company, to carry on that trade, from which they had been excluded for a limited time, had entered into a statement of their case, by petitions presented to Parliament in the course of the last session, you may obtain from those records that further information which you appear desirous to possess."

And the Committee deeming it proper, in consequence, to enter into the consideration of the petitions above referred to,

Ordered, That the said petitions be laid before the Committee.

No. LXXXII.

AT A

COURT OF DIRECTORS,

Held on Wednesday the 10th February 1813.

No. LXXXII. Court of Directors, 10th Feb. 1813.

A report from the Committee of Correspondence, dated the 9th instant, being read, detailing at considerable length their observations and opinions on the arguments urged in the petitions from the Outports, that the East-India trade may be thrown open, and the Committee also submitting draft of a letter to the Earl of Buckinghamshire, transmitting a copy of the said report for his Lordship's information,

Resolved unanimously, That this Court approve the said report and draft of the letter therewith submitted, and that the said letter and report be transmitted to the Earl of Buckinghamshire, for his Lordship's information, accordingly.

Draft

No. LXXXII.

Court of Directors, 10th Feb. 1813.

Draft of a petition to the Honorable House of Commons, praying a renewal of the Company's exclusive privileges of trade, was read and unanimously approved; whereupon

The draft of an advertizement, giving notice that a General Court will be held at this House, on Wednesday next, the 17th instant, for the purpose of taking into consideration the said petition, was read and approved.

No. LXXXIII.

REPORT *of the* COMMITTEE *of* CORRESPONDENCE, *dated the 9th February* 1813, *noticed in the preceding Minute.*

No. LXXXIII.

Report of Committee of Correspondence, Feb. 9 1813.

The President of the India Board having, in his recent letter of the 4th January, referred the Court to the petitions presented to Parliament in the course of last session, from the Merchants and Manufacturers connected with the Outports, for fuller information than had been then imparted to the Court, concerning the representations which had induced His Majesty's Ministers to be of opinion, that the import trade from the East-Indies should not be confined to the Port of London, your Committee determined on examining those petitions, as they stand recorded in the votes of the House of Commons. But, in going into this task, your Committee found, that it involved a review of all the petitions lately preferred against a renewal of the Company's Charter, because the arguments in favour of the Outports were interspersed through them. The whole of those petitions have, therefore, been perused; and one remark which immediately presents itself on that perusal,—a remark entitled, in the opinion of your Committee, to particular attention,—is, that those arguments in behalf of the Outports are, in a very material degree, the arguments which are directly urged for the abolition of the whole of the Company's exclusive commercial privileges; and the claims of the Outports are contended for, as a part of the entire freedom in the Eastern trade, which is demanded for all the subjects of the empire. The places, especially, which are strictly Outports, proceed in their petitions upon principles which arraign every species and degree of monopoly; and it is chiefly from those principles that they deduce, as a consequence,

consequence, the right of the Outports to a free participation in Indian imports. But as, in the deliberate and just opinion of His Majesty's Ministers, those principles and arguments are not valid for the main claim of the petitioners, it is to be presumed, that neither can they, in the same opinion, be valid for the subordinate claim of the Outports, so far as it is rested on the same foundations, which, however, are the foundations built on by the generality of the petitions. The few remaining arguments on this question, relate, principally, to the facility and certainty with which the revenue may be collected at the Outports, and to the safety with which the honorable men, composing the commercial class of this country, may be admitted to all the settlements and countries of the East. But these are mere assertions of opinion, to be classed with the "untried theories" of the time, and, as far as the light of experience goes, opposed by it. If they were even proved, which they are in no degree, they would not, by any means, satisfy all the great interests abroad and at home, which are involved in the question of the Outports; and therefore your Committee are entirely at a loss to discover, how the arguments in favor of those ports, as they stand in the petitions to Parliament, resting chiefly on principles which His Majesty's Government do not admit, have so presented themselves to the Ministers, as, in their view, "to establish a claim against an absolute "restriction of the import trade to the port of London;" or how, from the *ex-parte* representations of those petitions, which proceed on the demand of an entire liberty of trade to India and China, a demand resisted by His Majesty's Government, any clear definite idea is to be obtained of that degree of "liberty "of trade, which the merchants may enjoy, without injury to other important "national interests." And hence your Committee humbly conceive, that this problem, so important in its nature, namely, the measure of further liberty which may be safely granted, still remains to be solved, and requires deliberate and accurate investigation.

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These remarks may, perhaps, receive some confirmation, from the succinct view which your Committee, enlarging somewhat their first design, are now about to submit, of the principal matters contained in the petitions for the abolition of the Company's commercial privileges, and of the answers to which they are obviously liable. Although the same allegations, which are thus urged, have often been combated, it may be proper, on account of the channel in which they

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they now come forward, and of the publicity of the present discussion, to give some distinct reply to them, which will, at least, further evince the disposition of the Court to shrink from no charge, and to shun no inquiry.

All the material objections which appear in those petitions to the renewal of the Company's Charter, may be comprised under the following heads:—

1st.—That commercial monopolies, especially if extensive and long continued, are, in their nature, and according to the experience of past ages, inexpedient, impolitic, and unjust; and that the monopoly of a joint stock company must be managed with negligence, waste, and prodigality, unlikely to be practised by private merchants. (Some of the petitions admit, that monopolies may be tolerated in the beginnings of trade.)

2d.—That the monopoly of the East-India Company has been injurious to the nation, great evils having resulted from it:—that it is inadequate to an extended trade; has locked up national capital; has retarded improvement; has not advanced trade, nor carried it to many countries within the Company's limits:—that it cools the ardour of generous and liberal competition; has deprived the woollen manufacturers of Gloucester, Wiltshire, Exeter, Shrewsbury, and the manufacturers of other places; some, of supplying an immense population; others, of preparing articles for China, onlower terms than the Company allow; others, of carrying on trade with India and the countries north of it; others, of receiving orders, infinitely beyond what they now obtain from the East-India Company:—that it is (particularly in the opinion of the Staffordshire potters) unfavourable to the introduction of *new articles*:—that its exports to the East do not amount to a fifth of the exports of this country to America:—that all ideas of participation in the profits of a monopoly trade, by payment into the exchequer, ever will be vain and illusory; of which the disappointment of the nation, in regard to the Company, is a complete illustration:—that the intention of opening the trade will be frustrated, by leaving the Company any control over private-trade:—that it is proved, by undeniable documents, that if the trade be allowed to remain under its present restrictions, it will languish, decay, and pass into the hands of other states:—that it must, if continued, *diminish* the sources of private wealth and national

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national revenue:—that the reasonings in favor of the monopoly proceed from narrow partial views, have been demonstrated fallacious, and will apply equally to every other branch of British commerce:—that it is humiliating to individuals, degrading to the national character, and a national grievance.

3d.—That, notwithstanding the *increase* of the Company's territories, their trade has *decreased*, though protected from enemies and hostile rivalry:—that, since the renewal of the Charter in 1793, they have added greatly to their debt:—that the pecuniary participation held out to the country in 1793, has not been realized, but has been converted by the East-India Company into repeated claims on the public purse and credit, for enormous sums to support their establishments; and that further, and still greater pecuniary assistance is now required, to avert embarrassments, in which they may be soon involved.

4th.—That a full and free right to trade to and with all countries and people in amity with His Majesty, and more particularly those countries *acquired and maintained by the efforts and valour of the forces of His Majesty*, is naturally the undoubted birthright and inheritance of the people of this empire, of every subject of it, and every port in it; and that the unrestrained exercise of that right is essentially necessary to the maintenance of the manufacturers, and prosperity of the commerce of this country:—that the confinement of the Eastern trade to the port of London would be a violation of that right, at once unnecessary, unjust, and impolitic:—unnecessary, because the duties may be collected with greater ease and less loss by pilferage in the Outports, the taxes on West-Indian and American produce being now collected with known safety:—unjust, because every mercantile place in the United Kingdom is entitled to the same privileges:—and impolitic, because the superior economy and dispatch that prevail in the Outports, are requisite to secure an equality with foreign nations. In these claims for the Outports, there is a general concurrence in the petitions from Plymouth, Glasgow, Paisly, Dundee, Arbroath, Leith, Edinburgh, Belfast, Bristol, Liverpool, and Hull; of which three last-mentioned places, Bristol and Liverpool state, that they have, in contemplation of the opening of

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of the trade to India, enlarged their docks; and Hull, that there should be no restraint as to the size of vessels to be admitted into the Indian trade.

5th. That no satisfactory reason can be assigned, why the trade to China should not be opened:—that the difficulty apprehended in collecting the tea duties is ideal:—that the British character forbids injurious suspicions, as to inconveniences in India and China from opening the trade:—that, in the avowed opinion of one set of petitioners, the merchants of this country should be allowed to trade directly from the East to the British West-Indies; and another set claim, that the products of the East shall, without being first landed in this kingdom, be transported to the British West-Indies, the American colonies, and all other countries south of Cape Finisterre, and within the Mediterranean.

6th. That the existing menopoly has, contrary to reason and justice, led to a singular peculiarity,—the concession of privileges to foreign nations in amity with His Majesty, which are rigorously denied to merchants of the British empire; or, according to others, that the trade is open to *all the world* except British merchants:—that the American States have long enjoyed this trade, at the expense of our own people, employing British capital, and compelling the Company to shrink from competition:—that they have engrossed a great part of this trade, and also of that to China, which the Company formerly possessed:—that the American merchants, being unfettered, have undersold the Company in the markets of Europe, have deprived them of those markets, and also the markets of South America, the West-Indies, the Mediterranean, and Malta, whilst the English trade has become less extensive and profitable:—that the example of the citizens of the United States, who have evinced the superiority of individual industry, when opposed to the negligence and prodigality of a joint stock company, and the delays and abuses of their concerns, proves the competency of British individuals to carry on an extensive commerce to the East-Indies, China, and other countries within the Charter of the Company:—that the monopoly is favorable to foreigners, injurious to British subjects, and its abolition necessary, to enable British merchants to meet neutrals, and other foreigners, in fair competition with the products of the East

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East in their own markets; or at least, according to others, that British subjects should be put on a footing with foreigners in this trade.

7th. That the distresses and privations of the manufacturing and trading classes (distresses aggravated, say some, by the monopoly of the East-India Company), under the continental system of Buonaparte, the disputes with America, the exclusion from usual markets, the stagnation or decline of trade, are grievous:—that the mercantile, manufacturing, and shipping interests, all suffer:—that the country is burthened with great naval and military establishments:—and that, under such hardships, pressures, and exclusions, every possible relief is wanted, and new sources of trade ought to be looked for; and that, on account of the existing war, and for the maintenance of our naval superiority, and the preservation of our commercial, maritime, and financial interests, an open trade is necessary.

8th. That it is a well ascertained fact, that during the time of the Protectorate, there were men who boldly violated the Company's Charter, and carried on the trade with such success, that they were able to sell the commodities of the East in the different markets of Europe, on lower terms than had ever been known; and, at this day, individual merchants have traded to India with profit, even under all the difficulties, delays, and taxes imposed upon them by the Company:—that the private trade has continued to increase, although fettered with many restrictions; but that these restrictions deter people, unacquainted with India, and residing at home, from engaging in the trade:—that a free trade to the East would be a measure admirably calculated for removing present evils, would be a substitute for the loss of European commerce, an equivalent for all other markets, and would necessarily open new and extensive markets; a field greater than any other country offers, and beyond the grasp of the enemy; a field to British skill, industry, and enterprize, and to capital, otherwise useless, whilst the national resources are stunted:—that thousands, who are now reduced to idleness and poverty, might be actively engaged:—that the capital, spirit, and *knowledge* of British merchants, are unbounded:—that a free trade to India would turn the wealth acquired by the foreign merchant into the pockets of the subjects of this country; would excite a fair emulation to

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bring all the produce of the East to its proper level in the home market, to the great benefit of this country; would enable our manufacturers, with more advantage, to exert their skill and industry to produce new articles of trade, and to give full employment to the operative classes of the community; would circulate the trade, now confined to London, through every part of the United Kingdom; would be the means of increasing our maritime strength, our financial resources, and the wealth and glory of the British Empire. Such is the general tenor of the petitions on this head; but the language of the one from Sheffield is so animated and sanguine, that it may not be improper to transcribe a part of it. "The petitioners "are fully persuaded, if the trade to the East-Indies were thrown open to "all His Majesty's subjects, such new and abundant markets would be "discovered and established, as would enable them to set at defiance every "effort to injure them, by that sworn enemy to their prosperity and the "peace of Europe, the present unprincipled ruler of France; and that the "petitioners doubt not, if the trade of this United Kingdom were permitted "to flow unimpeded over those extensive, luxuriant, and opulent regions, "though it might, in the outset, like a torrent represt and swoln by obstruc-"tion, when its sluices were first opened, break forth with uncontrolable "impetuosity, deluging, instead of supplying the district before it, yet "that very violence, which, at the beginning, might be partially injurious, "would, in the issue, prove highly and permanently beneficial; no part "being unvisited, the waters of commerce, that spread over the face of the "land, as they subsided, would wear themselves channels, through which "they might continue to flow ever afterwards, in regular and fertilizing "streams; and that, to the wealthy, enterprizing, honorable, and inde-"fatigable British merchant, conducting in person his own concerns, no "obstacle would prove insurmountable, no prejudice invincible, no difficulty "disheartening: wants, where he found them, he would supply; where "they did not exist, he would create them, by affording the means of "gratification."

9th. That the imagined hardship of depriving the Company of the only lucrative branch of their trade, that to China, will be alleviated, by the

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the wealth, influence, knowledge, and experience, which, in their united capacity, they will still be enabled to oppose to the unassisted efforts of private merchants:—that if, indeed, the Company can carry on trade to greater advantage than the private merchant, they have nothing to fear; they will reap their merited reward by the benefit of competition; and without competition, neither would commerce have risen to its present standard, nor will it increase to bear the increasing expenses of the nation:—And with respect to the danger of excessive speculation, it is said by Glasgow to be imaginary, because the enterprize of individuals is uniformly limited by their means and success; because any evil of this nature is temporary, and checks itself; and that, *the very worst that can occur, in the event of the abandonment of the trade by the public, would be, that matters would again return to their present state.* On all the grounds, therefore, stated in the petitions, they in general require a full and entire freedom of trade to the Eastward of the Cape of Good Hope, including China, and all the countries within the Charter of the East-India Company; *and, for the means of indemnifying or remunerating the claims of the Company,* one petition proposes, "*a fair and equal impost on the "trade in question.*"

Your Committee having thus submitted an abstract, under different heads, of the contents of the petitions, in which abstract, they are persuaded, nothing material is omitted, will now proceed to offer some observations on each of those heads.

And *first*,—With regard to the doctrine of monopolies in general, your Committee do not conceive, that they are much called upon to enter into any discussion of it; because, what is termed the monopoly of the East-India Company is, as it now exists and has long existed, an institution of a singular nature, formed upon principles peculiar to itself, not merely or chiefly for the purposes of trade, and must be examined with reference to the ends of its institution, and the importance of those ends, which will be the subject of the next article. In the mean time, it may be observed upon this first head, that the ablest writers on political economy, and the most strenuous against monopolies, have not condemned them simply and universally, as most of the petitions

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petitions now in question do. Even Dr. Adam Smith acquiesces in the establishment of the chartered Banks of England and Scotland, which are a species of monopoly; and he praises the Act of Navigation, which is founded on the principle of exclusive privilege. He admits, also, the propriety of a temporary monopoly of new machines and new books; and what is more immediately to the present purpose, he grants, in agreement with Montesquieu and others, as some of the petitioners seem also candidly to allow, that "when "a company of merchants (to use his own words) undertake, at their own "risk and expense, to establish a new trade with some remote and barbarous "nation, it may not be unreasonable to incorporate them into a joint stock "company, and to grant them a monopoly, in case of their success, for a "certain number of years. It is the easiest and most natural way in which "a State can recompense them for hazarding a dangerous and expensive "experiment, of which the public is afterwards to reap the benefit." But, even in this proposition, it may be observed, that the interests of the two parties, the company of merchants and the public, seem scarcely to be equally cared for. The privilege given by the State is a privilege for its own benefit, which is to cost it nothing should the experiment fail; and of which it is to enjoy the permanent advantage, if the experiment succeed. It is safe from loss; and besides its share of what present advantage there may be, is to have ultimately the fee-simple of all the gain that may result. Undoubtedly, in this case, the term of enjoyment by the merchants, after all the season of hazard and vicissitude is past, should be ample; and it were to be wished, that those who are now so eager to take gratuitous possession of all the commercial establishments, formed at such immense risks and expense by the East-India Company, would consider more equitably than the language of their petitions does, the fair claims of a body, even if regarded merely in a commercial light, who have hitherto been working through a long series of time, of difficulties, and dangers, to the vast benefit of the nation, whilst their own fair compensation yet remains to be obtained.

Secondly,—With respect to that species of exclusive privilege, called the East-India Company's monopoly, your Committee cannot begin their remarks upon the accusations brought against it, without lamenting the surprising want of

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of information which the generality of the petitioners discover, relative to the Company's System, conduct, and affairs; and, your Committee are compelled to add, a mortifying defect of attention, also, regarding things that could not possibly be unknown to the petitioners. They treat the whole question of the *monopoly*, as if it were purely a commercial question; as if it involved no high question of policy; as if it stood unconnected with the acquisition, the government, and the preservation of a great Indian empire; and as if, from its political relations, the question concerning it had no bearing on the British constitution. Thus, say some of the petitioners, "the reasonings in favour of "the monopoly proceed from narrow partial views, demonstrated to be fallacious, "and which will apply equally to every other branch of British commerce;" whereas it is abundantly obvious, that the exclusive commercial privileges enjoyed by the Company in the Indian trade (however well entitled they are to them on other accounts) are contended for by them, and have been continued by the Legislature, mainly because deemed to be necessary for the political government of India, and not at all on account of any pecuniary participation, which one of the petitions erroneously assumes to be now in question. The same cause also was understood to require the continuance of the China monopoly, though that privilege stands upon other irrefragable grounds, as the unlimited admission of British ships into any quarter of the Eastern Seas could not be thought compatible with the system adopted for the security of our eastern territorial possessions. The commercial monopoly therefore is, in a word, an instrument in the hands of the Company, for the political government of India. Such it has been maintained by them, and admitted by Ministers, in the discussions respecting the Charter, to be; but this great truth, either as a fact or as a principle, is unnoticed in the petitions. Some of the petitioners are, indeed, so just as to recollect, that the India Company have territorial rights, and to say that it is not their wish to trench on them; but they do not seem to be aware, that those rights can be enjoyed only through the medium of commercial privileges, or that any provision can be made for securing them, compatibly with their own claims for an universal opening of the Eastern trade. The petitioners proceed, not only as if the renewal of the privileges in the Indian trade were merely a question of commerce, but as if it were a question of strict

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monopoly, such as was agitated in King William's time. To the admission given to private merchants into the Indian trade by the act of 1793, enlarged by the arrangement of 1802, and in practice occasionally still further extended (not to speak of the considerable privileges enjoyed by the commanders and officers of the Company's ships), the petitioners do not advert, except to blame the Company for the alleged inefficiency of all those concessions, which, in reality, greatly relaxed the monopoly, and made it what the late Lord Melville called a regulated, or qualified monopoly. In thus censuring the Company, the petitioners resort to some representations formerly brought against them, and sufficiently answered on their part; except in respect to the irregular dispatch of the extra ships from India, a matter originating with the governments there from the political circumstances of the times: but that controversy is now past, and quite irrelevant to the present state of things; for another point to be held up to particular attention is, that the Company have lately acquiesced in vastly larger concessions, that is, in a general trade between the United Kingdom and India, through the port of London. Yet this new and great change in the Indian system, the petitioners too generally overlook. That it has ever attracted their notice, is only to be inferred from their contending, that the trade shall be general to all the ports of the kingdom; but in their attacks upon the Company, they act as if the whole original structure of the monopoly were still standing and obstinately defended, and when the Company acquiesce in large relaxations, the petitioners nevertheless persist in charging them with all the evils of the most rigid monopoly, for the purpose, as it would seem, of aggravating the case against the Company in the eyes of Parliament and of the public, and strengthening the prejudices, which so much pains have been taken to diffuse. Thus the political part of the Company's system, and its intimate connexion with the commerce, is left entirely out of sight; and the present state of the Company's commercial privileges is not accurately represented, nor the actual state of the question, concerning the future measure of those privileges, fairly brought into view.

But it ought to be again and again pressed upon the public attention, that the first and great object, in any new arrangement for India, is not commercial, but political; and that the safe and beneficial administration of that empire is a consideration

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consideration paramount to all others. No one has denied, either that the Company have conducted, and do conduct the administration, to the great improvement of the security and happiness of the vast population that empire contains; or that the government of it should remain with them, and consequently that the means requisite to enable them to continue to execute so great a trust, should also be afforded. The nature and extent of those means form, therefore, the precise question now at issue: but on this important point, as has been already intimated, the petitions in general are quite silent, and the propositions contained in them go to deprive the Company wholly of those means, particularly the monopoly of the China trade, the reasons for continuing which will be explained in a subsequent head.

With regard to the effects of the monopoly on the manufactures, trade, and other interests of this country, if any thing said in these days to the discredit of the Company could occasion surprize, it would be the representations given in the petitions on that head. The Company are accused of obstructing the export of the manufactures of this country, even by some (with an honorable exception of the rest) of those woollen manufacturers, who have owed their chief employment to the Company's commissions, continued for the benefit of the nation, under a certainty of deriving no profit from the exported article.

Of those "undeniable documents," by which one of the petitions, in an authoritative style, affirms, "it is proved, that if the trade be allowed to "remain under its present restrictions, it will languish, decay, and pass into "the hands of other states; that the monopoly must, if continued, *diminish* "the resources of private wealth and of national revenue;" your Committee have never heard, and they cannot conceive, that any such documents exist. It is more probable, that the Petitioners have put their own sense upon the statements of the Company, which furnish the most authentic materials in this case, and if fairly examined, with a reference to other relative circumstances, will lead to conclusions directly opposite. The subject of the American trade to India, which seems chiefly alluded to, will be discussed in the sequel. That trade, as will hereafter more fully appear, has owed its increase essentially to the state of war, in which this nation has been placed for a long series

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series of years past. If the American trade with India were still going on, a much easier and juster remedy for the alleged evils of it could be found, than the extinction of the Company's remaining commercial privileges. But these heavy forebodings are pronounced, when America, and every European nation (the distressed one of Portugal excepted) are actually wholly excluded from the Indian Seas.

There seems to be a general and deplorable delusion, respecting the practicability of a vast extension of the sale of the manufactures of this country in India and China, and of the productions of those countries here. This question will be the immediate subject of a following article; but your Committee may, in the mean time, confidently say, that the Company have, in a long course of years, made more numerous, persevering, costly experiments, in attempting to push the vent of British commodities, particularly woollens and metals, in the East, than the means, the resources, the safety of private merchants, are likely to enable them to make. The correspondence of the Company with their servants abroad, at different periods, on this interesting concern, would fill many volumes. That the East-India Company, far from impeding the prosperity of the country, as the petitions, in opposition to history and experience, allege, have, by means of their monopoly, essentially contributed to its wealth and its greatness, it will be much more easy to shew, than to discover, accurately, where the limit of the advantages resulting from their institution is to be fixed. They gave a very early impulse to the manufactures and trade of this country. They opened a new commerce, not with the East only, but, by means of their returns from thence, with foreign Europe. They soon increased the ship-building, and improved the navigation of the kingdom; both which they have, in latter times, carried to a degree of advancement, that has made their fleets serviceable in the wars of the nation, and the commanders successful, in adding to the naval glory of their country. Against the jealous rivalship of the Portuguese and Dutch, they, through a long course of hostilities from a superior force, maintained for this nation a share in the India trade; they preserved it from being totally lost, amidst all the convulsions of the civil wars; they outlived, even the more dangerous innovations of subsequent periods; they upheld, in India, the national interests, against the ambitious

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ambitious designs of European enemies, and the despotic violence of native powers; and, in a long and arduous struggle, maintained, with little exception at their own expence, they acquired a territorial empire for the mother country, which exalted its rank in the scale of nations. They have, since, expelled every European nation, except our ally of Portugal, from the Indian Continent and Ocean; and they have given a better government to an immensely extended empire, than the East ever saw before.

In all this progress, not the ability and wisdom of their civil servants only have been conspicuous, but the talents and valour of their military officers have signally added to the glory and renown of the British nation. By those officers a grand army has been formed of native troops, in discipline, attachment, and efficiency, a just subject of admiration; and from the time of the first Clive downward, the exploits performed by the Company's military servants in India equal, in brilliancy, those recorded in any period of modern history.

To all these public benefits is to be added the direct wealth, with which the Company have been the means of enriching the nation. The amount of these contributions, consisting in the profits of manufacturers, ship-builders and tradesmen, ship-owners and officers, servants and labourers, miners, re-exporters of Eastern productions to foreign parts, and other descriptions of persons gaining by the Company's trade, in dividends to proprietors, payments to Government, and the influx of private fortunes acquired in India, especially in the last fifty-five years, may perhaps be moderately estimated at one hundred millions sterling. Such are the injuries, the grievances, the evils, such the degradation, which the East-India Company have brought on the country.

Thirdly.—The charges under the third head are nothing more than groundless accusations, calculated to render the Company unpopular; and, except the first article, which is new, have been often answered. As to this article, it is not true that, on the whole, the Company's imports have decreased, although the sales have, in some years, fallen off, by the exclusion of British commodities from the European Continent; an evil common to all the merchants of this country, but now the occasion of a charge against the Company. And what virtue can the expulsion of enemies and rivals from the Indian Seas have to increase trade, if, when merchandize is brought to Europe, there is only a tardy

tardy and diminished sale for it? Again, is it a thing of course, that recently acquired provinces, impoverished, unsettled, containing a people every way dissimilar to us, should purchase our commodities, when the inhabitants of other parts of Hindostan, where we have been settled for ages, have still so little relish for them? The stipulation in the Act of 1793, for a pecuniary participation by the Public, was a conditional stipulation, depending on a contingency, which has never become a reality, but in one year that immediately following the last renewal of the Charter. The long war, in which, with hardly any intermission this country has been engaged, ever since 1793, has, by increasing the Company's expences, beyond the most extravagant supposition that could have been previously formed on that head, absorbed all the expected sources of accumulation. Of this, every Administration since 1794 has been sensible; but the same utterly groundless charge continues to be repeated. This "promised participation," say some of the petitions, "has been converted by the Company into "repeated claims on the public purse and credit for enormous sums, to support "their establishments:" a most unfounded statement. The Company have never had ocasion to apply for aid to support their establishments; their applications to Parliament have either been in consequence of levies by Government on the score of participation in the territorial revenues, or for re-imbursement of immense sums expended for the state in military expeditions, sums very tardily acknowledged, and not yet fully paid: or to enable the Company to meet the transfer of Indian territorial debt to this country; a debt not increased by their order, or according to their wish, though the petitions charge the increase to them, but sanctioned by His Majesty's Government and by Parliament; a debt which, every intelligent person knows, it never was, or can be possible, in the nature of things, to discharge out of the Company's commercial funds, and therefore most unjustly made a ground of accusation against them.

Fourthly.—The claim to a full and free trade, as the right, by birth and inheritance, of every subject of this realm, and the arguments in favor of extending it to the Outports, are contained under the fourth head.

With regard to the general position on which the arguments are founded, little need be said. It is an obvious principle, that men, living in society, must submit to the laws of the society, and to restraints upon their natural liberty,

liberty, when the public interest, in the opinion of the legislative authority, requires it. The Indian monopoly was at first established, because it was thought beneficial to the commercial interests of the country. It was long continued on the same principle: now it is more a political than a commercial question. It may be stated thus: Whether it be more for the interest of the nation, to maintain the Indian empire under the system which has hitherto preserved and improved it,—a system greatly relaxed as to the trade with India, and which has also preserved a lucrative commercial intercourse with China,—or to adopt a system of entirely free commercial communication with both countries, at the hazard of losing that empire and the China trade, or of rendering the tranquillity and retention of the one, and the enjoyment of the other, less secure? Until this question, or one reduced to still lower terms, namely, Whether it would be prudent, for the sake of the object in view, to run any hazard, where the stake is so great? is solved in favor of an open trade, the plea of natural inherent right has no title to be heard. No such solution has yet been produced. It has, on the contrary, been shewn, that dangers and disadvantages, both in the East and at home, would attend the opening of the trade; but it has not been shown, that any measures, which have been suggested as preventives, would be at all effectual. No adequate provision, therefore, against those dangers and disadvantages is yet proposed; hence, it may fairly be presumed, none has been found. But, until such a remedy is discovered, the present system ought not to be overturned. The opening of the Outports would, according to the unanswered reasonings of the Court, have this effect. The opening of a part of the Outports would lead to the same effect, though perhaps by a somewhat slower progress; for it would immediately reduce and derange the periodical public sales of the Company, which is the master-wheel in the mechanism of their import trade. His Majesty's Ministers, in not proposing to open all the Outports, both admit the contingency of danger from such a measure, and set aside the argument of universal inherent right: but it remains utterly unproved, that danger would not result from opening even a few Outports, especially if the export trade is allowed to all; and that, after any had been so privileged, which would be in effect a monopoly against the rest, those others would ever be quiet, until they also were

were admitted: so that the whole of the danger will follow from the first step, and ought to be contemplated accordingly. It may just be observed, that the quality ascribed to certain countries, as giving the petitioners more particularly a right to a free trade with them, the quality of having been "acquired and "maintained by the efforts and valour of the forces of His Majesty," properly appertains neither to Hindostan nor to China, and that the territories held by the Company were acquired under exclusive powers and privileges received from the Legislature.

Upon the same ground of natural inherent right, and of the necessity of the exercise of that right, as essential to the maintenance of the manufactures and commercial prosperity of the country, is placed the claim of the Outports to a free importation of goods from India and China. Under the fourth head, therefore, your Committee have collected the strength of the arguments contained in the petitions in support of this claim; arguments to which the President of the India Board was pleased to refer the Court. The argument of inherent right has been already considered: the other arguments, which may be given in the words of the Glasgow petition, are, "that the confinement of "the Indian imports to the port of London would be unnecessary, impolitic, "and unjust:—unnecessary, because, first, the ideal difficulty of collecting "the taxes is fully obviated, by the known safety with which the duties are "levied on articles of West-Indian and American produce; and secondly, be- "cause the duties may be collected with greater ease, and less loss from pilfe- "rage, in the Outports; unjust, because every mercantile place in the kingdom "is entitled to the same privileges; and impolitic, because the superior economy "and dispatch that prevail at the Outports, are requisite to secure an equality "with foreign nations."

On the second of these three arguments it may be observed, that the claim of all the Outports to a participation in the Indian trade, as matter of equal right, stands upon the same principle as the claim of all individuals, which has just been considered, and must be determined in the same way and order; it therefore demands no farther notice here. If it shall be judged, that no larger interest than that of the Outports opposes their claim, then, and then only, will it be entitled to attention.

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The first argument is, the known safety, and greater facility, with which duties are collected at the Outports. Whether that facility be, in fact, greater or not, it is needless to examine. If it were indeed so, it would still leave undecided a much more important question,—the danger of smuggling. On that danger the Court have enlarged, in their letters to the President of the India Board, of 13th January 1809, and 15th and 29th April 1812. Your Committee cannot but hope, that these letters will be perused by Members of Parliament, as their contents are material to a just consideration of the subject. The Court have respectfully stated to Lord Buckinghamshire, that no adequate answer has been given to these letters: his Lordship, in addition to what he has himself said, has referred the Court to the petitions. The argument just quoted is the most direct, and indeed the only one to the point, which your Committee have discovered in all the petitions. But it does not meet the main objections of the Court, taken from the dangers of smuggling: they remain untouched and unnoticed. Those dangers were contemplated, upon the supposition that only the opening of the Indian trade was in question; and in this way your Committee will now consider them, reserving to a future article some remarks on the still greater danger of smuggling which would follow, if the China monopoly were abolished, and which would be experienced, whilst our merchants were permitted to visit China at all. It is from the facilities of smuggling tea, that ships cleared out for, or from India, would find in the Eastern Islands, in the voyage home, and on the coasts of Scotland and Ireland, that the Court have apprehended the chief dangers would arise. In the Eastern Islands there are no custom-houses, clearances, manifests. There are great ranges of coasts in the remoter parts of the United Kingdom where there is no custom-house: bulk might be broken, and no detection follow where the ship should afterwards be regularly entered. It does not in the least follow, that these evils might not happen, though it should be true, that the taxes on West-Indian and American commodities are safely collected; for these commodities come generally in very large unwieldy casks or packages, are, in proportion to their bulk, of much less value than tea, which is also packed in small portable cases, and they come from countries abounding with regular custom-houses, whence they cannot sail without manifests and clearances: yet, with all these safeguards, your Committee are credibly informed,

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informed, that the Americans find means to smuggle tea into this country. But, even supposing ships came direct to an Outport, without having broken bulk, what comparison is there between the collection of duties at any port, provincial or metropolitan, and the collection of tea duties with perfect certainty, facility, and a very trifling expence, at the India-House? The objections stated at large in the Court's letters, your Committee beg leave to repeat, remain without any sound answer; and it is extremely material to observe, that the opinions maintained in them, on this subject, are corroborated, by the reports which the Boards of Customs and Excise have made to His Majesty's Ministers, respecting the danger that would arise to the revenue, from the adoption of the new system: a danger which, in their judgment, would be inevitable.

The third argument urged in the petitions is taken from the necessity of securing an equality with foreign nations, which, it is said, the superior economy and dispatch at the Outports will do. If this alleged advantage of the Outports were admitted, it would, in the opinion of your Committee, weigh but little in the general question. The difference cannot be material in itself, and its effect little, in a trade so unlikely to become of any magnitude.

There are, however, other considerations of great weight belonging to the question of opening the Outports, to which the petitions do not advert. One of these is, the immense interests which the port of London, with all its descriptions of merchants, tradesmen, tea-dealers, factors, brokers, dyers, packers, callendrers, inspectors, labourers, ship-builders, ship-chandlers, rope-makers, ship-owners, mariners, and all their train of establishments, warehouses, wharfs, docks, yards, premises, shipping, formed in the course of two centuries, in which the Company's privilege, and the law of the land, have made the metropolis the sole seat of the eastern commerce: all these interests, with the Corporation of London, have represented to Parliament, the ruin in which they would be involved by the opening of the trade to the Outports. The Company's periodical public sales, on which so much of the order and success of their business depend, would be interfered with, and their very large property in warehouses and other buildings deteriorated: in short, all the institutions, public and private, of the capital, for carrying on the eastern trade, would be shattered or broken down. The removal of the trade would effect this, although the new speculations and enterprises

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prises would establish nothing equivalent in other places; far less compensate the losses of the supplanted parties. Your Committee cannot go into this subject, sufficiently to give a just sense of the magnitude and importance of it; but they may seriously ask,—Is the case equal between the people of London and those of the Outports? Would it be right to expose to privation and ruin one set, by withdrawing from them what they have long enjoyed, in order to add to the comfortable provision the other set already possess; and this only to save them the slight inconvenience of bringing their Indian imports to the port of London?

Let it never be forgotten, too, that the Indian people are concerned in this question. The Court have already, in their letters to Lord Melville and Lord Buckinghamshire, stated their apprehensions, that the opening of the Outports to imports from India might increase the resort of European adventurers to India. It has been advanced, in return, from some quarters, that the police of India is so excellent, as to obviate every danger of this kind. Your Committee are sorry to observe, that they find in the records of the Bengal Government, informations concerning the police, which do not warrant them to conclude quite so favorably of it; for, in fact, with all the progressive improvements in the system of the government there, they have not yet been able to bring the police into a state of perfect efficiency. The Fifth Report of the Committee of the House of Commons has entered much into this subject, and one quotation from the conclusion of it may suffice to justify this observation. "It does not, therefore, appear to have been "from any want of information, in regard to the imperfect state of the police, that "the Government was unable to prevent its becoming worse, but rather, as "your Committee should suppose, from the difficulties which presented themselves to the application of an efficacious remedy."

Fifthly,—on the China monopoly. Besides the connection already noticed of the China monopoly with the policy of our Indian system, the uniting of this trade under one head is necessary, both on account of the extreme caution required in the conduct of our intercourse with so jealous and inflexible a government as the Chinese, and of the security of the large revenue derived by the British public from this branch of commerce. The habits of the Chinese nation are known to be as fixed as they are peculiar. Their government is a pure despotism,

potism, jealous of the smallest tendency to insubordination or innovation; the people are guided by a principle of implicit submission to their superiors; and both government and people hold all disorderly conduct in the utmost abhorrence. Foreign trade is held in low estimation, and the commerce which Europeans have been permitted to carry on is subjected to manifold and rigorous restrictions, intended to prevent the intermixture of strangers with the natives, and to guard against their entrance into the interior of the country, and the hazard of their becoming, in any way, troublesome to the government. The ships of European nations are allowed to resort to only one port in an empire of so vast extent; and there, even, no stranger is permitted a constant residence, without credentials from the sovereign of the state to which he belongs. When a factory is established, for which one spot is fixed, the factors are confined to very narrow precincts around it; they dare not make an excursion beyond those precincts into the open fields, nor enter into the closely adjoining city of Canton. The government of China does not allow to its own subjects freedom of trade, or unrestrained intercourse with foreigners:—both are interdicted; and the restrictions imposed, together with the sumptuary laws in force, oppose the strongest obstacles to any great extension of the sale of our manufactures among the Chinese. The trade with Europeans is given in monopoly to a company of ten or twelve Chinese merchants, styled the Hong; and these merchants become responsible to the government for the conduct of the foreigners with whom they deal. After the ships are dispatched for the season, the factors are obliged to withdraw to the island of Macao, a low Portuguese settlement, till the ships of next year arrive. And, with respect to the ships, they are, whilst in harbour, under the controul of the Chinese officers, who are empowered by law to take the custody of their guns:—and if, in the intercourses, and consequent frays, between the natives and our English sailors, one of the former happens to meet his death, *by accident*, from an unknown hand, it may produce the most serious consequences; for the Chinese government has been known, in such a case, to claim the life of an European in expiation, and for an occurrence like this the Company's establishment is held responsible, and their trade liable to be stopped. With a government so absolute, in requiring implicit conformity to its peculiar laws and usages, and so marked with pride, suspicion, and despotism, British subjects

subjects have the utmost difficulty to act; and the Company's agents frequently submit to caprices and humiliations, to which the honour of a sovereign would not allow any representative of his to yield. Is it, therefore, in the least probable, that the Chinese would tolerate the indiscriminate ingress of numberless unconnected, unaccredited Europeans? or, if they did give them admission, that their multiplied, irregular, desultory visits and intercourses with the natives, would not be attended with disorders, with violations of Chinese usages, (with smuggling for instance, a high offence in China), which would soon end in the utter expulsion and exclusion of these strangers, or in such injustice and humiliating punishments, on the part of the Chinese Government, as might call on the honor of this country to demand redress? The splendid embassy which His Majesty sent by Lord Macartney to the Emperor of China had, with all its imposing attendant circumstances, and all the skilful address of that nobleman, no influence to induce the Chinese Government to relax from their rigid restrictions on the commerce and intercourse of British subjects with its territories; and it may be safely concluded, that all which that Government must have since heard, respecting the revolutions in Europe, will make it adhere still more obstinately to its jealous precautionary system. To all these probable dangers, the Petitioners oppose nothing but the honorable character of Britons, and the example of the American adventurers to China.—Frail dependance! British sailors carry to every shore their habits of excess, as is too often found in the Company's ships, notwithstanding the strict discipline established in them. The American seamen are a much more sober and quiet class of people, and the adventurers of that nation have derived in China a sanction from the pre-establishment and credit of the English factory, to which, from their language and manners, they appeared to be related. It is, indeed, by the prudent, respectable conduct of the Company's representatives there, in the management of their own trust, and the controul exercised by them over other British subjects; it is by this means, and by the extent and regularity of the Company's dealings; by their probity, now so famed, as to pass the bales which have their mark, without inspection, though the Chinese empire, that this jealous and supercilious people have been at length greatly conciliated:—but the Company's establishment could not, on the principles now proposed, retain either its credit or position. To expose a

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trade, of such value and importance to the nation and the revenue, to hazards so great; to break down the present system, with the immense establishmentsand property connected with it, particularly the China fleet of the Company—a thing unparalleled in the commercial annals of the world,—would, therefore, in every view, commercial, financial, and political, be utterly unwise: and if this desperate risk were run, further evils would avait the new system at home. Upon the supposition of a general resort of British ships to China, how would it be possible to prevent the smuggling of tea on the coasts of England, Scotland, and Ireland, with the facility which exists of receiving that article on board in many of the Eastern Islands, where there are no custom-houses, and with the temptation of evading a duty of ninety-five per cent at home? The petitions offer not the least satisfaction on this point; a point highly interesting, as has already appeared, if the question were only about opening the Indian trade to the Outports; but yet more interesting, in respect to the proposal for laying open the China trade, which is, at the best, a proposal to incur the most imminent risk of losing that trade, and the great revenue arising from it, merely in order to change the hands through which it shall pass; for supposing it to be preserved to the nation, there is no reasonable ground to think that it could be increased, because the Chinese now *take our woollens only in barter* for tea, and the present importations of tea are as large as the country requires.

Sixthly.—On the complaints of the superior advantages enjoyed by neutrals, particularly the Americans, in the Indian trade. The vessels of the American States first appeared in the Indian Seas about the year 1785. At that time several European nations possessed settlements on the continent of India, in virtue of grants from the native sovereigns, recognised by this country, after the Company obtained territorial dominion. It had not then been disputed, that those settlements might receive other European flags, as well as their own (though the Company have, within these few years, properly held, that the original grant gave a right of trade only for the ships of the nation to whom the grant was made); therefore the Bengal Government thought it politic to admit the American ships into the British ports, rather than oblige them, by refusal, to carry their custom to the French, Dutch, and Danes. This was, however, merely a gratuitous license, revokable at pleasure. But, in 1794, the Government

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ment of this country, induced by the political circumstances of the time, gave to the United States, by treaty, a right to a direct trade between their own ports and those of British India, on the terms of the most favoured nation; and, in 1797, the privilege of free ingress to the British ports in India was conferred on all friendly nations. By the long continuance of the war which followed the French revolution, these concessions proved of unforeseen high advantage to the subjects of the American States. The settlements on the Indian continent, of the French, and of the Dutch and Danes, who had fallen under French influence, were successively captured by the English. The Portuguese and Americans were then the only neutrals who frequented the Indian Seas; and the troubles of Portugal at length left the neutral trade very much in the hands of the Americans, who succeeded, in effect, to the excluded traders of foreign Europe, and supplied their wants, as well as those of the increasing population of the United States and the demands of Spanish America. The subjects of those states, undoubtedly, abused the privileges conceded to them by His Majesty's Government, in the Indian trade. They were, by treaty, restricted to a direct trade between America and India; but they visited the ports of foreign Europe, going and returning, and became the general carriers. They even supplied our own West Indian and North American colonies with eastern commodities, and they entered actively into the China trade, deriving a facility of admission there from being viewed as a cast of Englishmen; perhaps also a sanction, from the countenance of the British establishment there.

For several years after the appearance of the Americans in the Indian Seas, they were, no doubt, assisted by British capital; partly by that which wanted a remittance to Europe, but to no very great amount. They exported from Bengal in ten years, through which their trade, on the whole, was considerably progressive, and which ended with 1804-5, goods to the amount of Sicca Rupees 3,71,50,029 (£4,643,575), or £464,357 per annum; and they imported to the amount of Sicca Rupees 3,12,48,544 (£3,906,068), or £390,606 per annum. The excess of exports above the imports, being in ten years £737,507, or £73,750 per annum, may be supposed to be the property of British residents in Bengal remitted by the way of America. Whether they were furnished with British capital from London, and to what amount, it is difficult to ascertain; but

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but it appears evident, that as they proceeded in the trade, their imports to Bengal more nearly equalled their exports, which shews they were better able to do without Indo-British assistance, and probably it was the same as to European assistance.* Upon this trade, however offensive to our private merchants, and in some views also, to the Company, it may be justly observed, that it was favorable to British India. It carried seasonable and large supplies of bullion to that country from year to year, not above a seventh of its imports being in goods, and these chiefly wines and other articles for the consumption of Europeans. It also carried the commodities of India to foreign Europe, to Spanish America, and other places to which British ships, on account of the war, could have no access; and when, by the policy and increasing power of Buonaparte, the produce of this country and its colonies were nearly shut out from the Continent, the Americans still continued to introduce the commodities of India there, and with the returns of their adventures they probably purchased English manufactures to carry to the American continent: so that this country, also, eventually benefited by their Indian trade. And however much their large participation of that trade became a matter of complaint among English merchants connected with India, it is certain, that whilst we were engaged in war with almost all Europe, those merchants could not, even by circuitous means, have occupied the place which the Americans filled in the Indian commerce: of which position no other proof is necessary, than the frequent want of sales for the goods, public and private, actually brought into the India House, during the period in question. The great progress and profit made by the Americans in the Indian trade, therefore, proceed

* Other Averages of the American Trade with India, from Statements before your Committee, may also be here noted.

	In Six Years, from 1802-3 to 1807-8.			In Three Years, from 1808-9 to 1810-11.		
	Goods.	*Bullion.*	*Total.*	*Goods.*	*Bullion.*	*Total.*
	£.	£.	£.	£.	£.	£.
Imports into all India. ..	957,224	6,528.250	7,487,524	351,602	4,531,233	4,882,836
Exports ditto	6,901,269	25,696	6,926,965	5,107,818	9,625	5,117,443

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proceed essentially, not from their activity, or the advantage of individual enterprize, but from their neutral character, which besides giving them access to countries from which belligerents are shut out, enables them to navigate more cheaply, easily, and expeditiously: and it may be taken as a certainty, that whenever war ceases, all their advantages will cease with it, and their power of entering into competition with us, in the trade of our own settlements, be very greatly reduced. The cry that has been raised, and continued against the Company, on this account, confessedly with the view of obtaining a general admission of Indian ships into England, is therefore altogether unfair. If a circuitous trade in Indian commodities, from Britain to foreign parts, has been prevented by the rivalship of the Americans, the Company have suffered as well as individuals; they have suffered, also, by the smuggling of eastern articles from America into our West Indian and North American colonies They were anxious to check the abuses of the treaty of 1794, and when it expired, they obtained the consent of His Majesty's ministers to impose a double duty on the neutral trade with India, which then applied almost solely to the Americans; but, if the complaints against the rivalship of the Americans in the Indian trade had been well founded, what was the natural and proper remedy? Was it, that the Company, part of whose own trade had, during the war, passed into American hands, should sacrifice the rest of their exclusive privileges, and, by the extinction of them, endanger the territorial possessions? Or was it not, obviously, that the Americans should be excluded from a trade, supposed to be carried on at the expence of Great Britain? Yet this cry is still unaccountably kept up, even when we are at war with America, and the flag of the United States dares not be seen in the Indian Seas! Nay, it is kept up to injure the cause of the Company, after they have actually agreed on enlargements of the trade to England, greater than ever were contemplated, even by the private merchants of India, before the present negociation; and, if enlargements could effect the object, more than sufficient to bring the whole Indian trade of the Americans to the port of London.

It is singular, that the party who complains of the large share that has been engrossed by the Americans of the Indian trade, should be the same party who

who complain, also, of the large share which the Americans, in a state of neutrality, enjoyed of the British trade between Great Britain and foreign nations. It is well known, that previously to the rupture between England and the United States, it was urged as a grievance, that though America exported from this country to the amount of twelve millions sterling annually, the country was *not* benefited to the utmost possible extent from this export trade, because the British merchants and manufacturers were, by the intervention of America, deprived of the carrying, and of the second selling profit upon the manufactures. America, it was alleged, bought from us to a great extent, and Great Britain was, to a certain degree, a gainer, to the extent of the American purchases; but, because America sold our goods at second hand (to the Spanish Americans for example) it has been alleged, that had it not been for the intervention of the North American States, *we* should have supplied Spanish America, and, in addition to the profits we have received, would have engrossed all the advantage which has accrued to the merchants of the United States from the carrying and circuitous trade. But may it not, on the other hand, be argued, that if the British manufacturers in an open trade, and during a state of war, have found the assistance of America necessary to the circulation of their own manufactures, the same assistance was wanted by the manufacturers of India to the circulation of their productions: that the large exports from India, as well as the large exports from Great Britain, by the Americans, were owing to their neutral character: that if the trade between India and England had been as open as is now contended for, the quantity of Indian goods, circulated through the world, could not have been greater than it has been, under the competition that has actually existed between the merchants of the United States and the East-India Company: and that a greater share in the export trade from India could only have been obtained for the free British traders in one of these ways, either by America abandoning, or Great Britain returning to her pacific relations with other countries. If a free trade has the virtue that is imputed to it, why under complete freedom of trade, has this country been rendered tributary to America for a vent to the produce of British industry? and, if the pacific relations of States pass for no account in such a question, whence

whence the congratulations we so often hear, upon what we have gained, and may yet gain, by the rupture with America? *

Seventhly,

* The following statement, which has been received from an intelligent merchant who resided a number of years in America, shews the advantages under which the trade of that country was carried on in a state of peace.

The advantages which Americans, as ship-owners, enjoyed in a state of neutrality, are obvious, not only from their free communication with belligerents, but from other causes.

Their first-rate vessels do not cost one half what those of the same tonnage, built in Britain, generally cost: hence, the capital employed is one half less, and one half the insurance is sufficient to cover the property at stake.

The premium of insurance on an American neutral, from Britain to America, was less than half what was given on an English vessel for the same voyage. On Americans the premium was from two to two and a half per cent., on English vessels from five to six per cent.

The countervailing duties in America, induced shippers always to give a preference to American vessels. Goods arriving in America, paid twelve and a half to fifteen per cent. duties; whilst the same goods, by a British vessel, not only paid the same rate of duty, but an additional ten per cent. on the amount of those duties, which is one and a quarter to one and a half per cent. increased duty.

The freight of goods from America to England, in American bottoms, was never, in the best times, higher than one shilling and six-pence per foot; and many times the whole freight of an homeward bound American of three hundred tons (that is to say, an American going from this country) could have been had for £300 or £400. The cargoes of three-fourths of Americans homeward consisted either of crates of ware, salt, or coals, which are well known to yield but a very small freight indeed, taking the whole difference betwixt the purchase and sale as freight.

The provisioning a ship in America, did not certainly cost more than one half that provisioning the same ship in Britain would have cost. Bread at 16*s.*, beef at 30*s.* to 36*s.*, pork at 45*s.* to 50*s.*, rum at 2*s.*, I believe will not be more than half the British prices for the same articles; and these were the current rates in 1800 to 1805.

Upon a calculation of all these advantages, it will be found that an American, in war time, could make a saving voyage from any of these ports to this country and home, when an English vessel would inevitably have brought her owner into debt; and that an American could actually import goods into the United States from this country, and sell them at their average wholesale importation profit to others, as low as a British merchant could send them to America in a British ship, and deliver them over to be transhipped, without any profit at all.

The American ships, being of a lighter construction than ours, they sail with at least one-third fewer hands.

The following statement will better elucidate these remarks. An American, of 250 tons, is employed

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Seventhly. That the distresses of the manufacturers, the exclusion of our trade from the continent of Europe and from North America, its consequent great decline, and the support of the war, require new channels of enterprize, and therefore an open trade.

Every British heart must lament the obstructions to which our commerce has been subjected; must wish for the removal of all continental exclusions, as well as of our differences with America, and that commercial freedom and activity may be restored. It is also extremely desirable, that new sources of trade should be discovered; and natural for those who are now suffering under privations and hardships, to catch eagerly at the flattering prospects and promises, so confidently held out to them from opening the trade with the East. But can the Court of Directors, thoroughly convinced, as they are, that all such expectations are groundless and delusive; that those who should act upon them, if

employed in a voyage to Britain and back. Her value, as a first rate vessel for that trade, is £2,000, and the voyage occupies five months. A ship of 250 tons would carry 3,000 barrels of flour, at 9s., which was the ordinary freight - - - - - - £1,350
The average freight home of such vessels could not exceed - - - 600
£1,950

American Charges.	£.	s.	d.
Insurance out and home, £2,000, at 4½ per cent. - -	95	0	0
8 men, 5 months, at £5 -	200	0	0
Captain and mate, £10 each	100	0	0
2,400 lbs. bread, at 16s. -	19	4	0
Beef, 10 barrels, at 32s. -	16	0	0
Pork, 10 ditto, at 50s. -	25	0	0
150 gallons rum - -	16	17	0
Interest of £2,000, 5 months	41	13	4
	£513	14	4

British Charges.	£.	s.	d.
Insurance out and home, vessel valued at £4,000 at 9 per cent. -	360	0	0
12 men, 5 months, at £5 - -	300	0	0
Captain and mate - -	100	0	0
360 lbs. of bread for 14 people, 5 months, at 32s. - -	57	12	0
15 barrels of beef, at £4 - -	60	0	0
15 ditto, pork, at 90s. - -	67	10	0
220 gallons rum, at 5s. - -	55	0	0
Interest of £4,000, 5 months -	83	6	8
	£1083	8	8

These are not to be understood as the total charges on the voyage, but are those which shew the advantages which Americans have enjoyed.

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if the trade were opened, would be sure to experience ruinous loss and disappointment, and that the abolition of the Company's commercial privileges would be, in effect, the extinction of the whole of the present Indian system; can the Court, with these convictions, lend themselves to promote a dangerous deception, already too prevalent, at the sacrifice of so much individual interest, and of that public interest, the care of which is entrusted to them? If it were, indeed, probable that by a slow process, the commercial intercourse between this country and the East could be enlarged, the effect would be far too distant to relieve present pressures, and the first adventurers be more likely to plunge the trading world into fresh difficulties, as proved to be the result of the general rush into the trade of Buenos Ayres, where it was easy to send exports, but difficult to find sale or return. It will, perhaps, now be said, that the trade with Buenos Ayres has become a regular one: but it can be a regular one only to a very limited extent, being, indeed, partly what subsisted with Lisbon before it was turned into a different channel; it may not, in a long time, replace the vast sums at first lost there, and, at any rate, it displaced no important system existing before. From the late very favorable change in the affairs of Europe, a better prospect of relief now appears; from the East, it will be found that no hope of any can be rationally entertained.

Eighthly. That a free trade to the East would be a substitute and cure for all present commercial evils; would open an unbounded field to British manufactures, British capital, skill, enterprize, and knowledge, which would not only supply the wants of the vast population of the East, but create wants where they did not exist.

The practicability of extending, in any great degree, the commerce of this country with the natives of the East, in exports and imports, is undoubtedly a vital question in the whole of the discussion respecting the renewal of the charter; for, if no such extension be indeed practicable, to what end should the present system, with all the establishments which have grown out of it, be destroyed? The British merchants appear to entertain the most extravagant ideas of a new world for commercial enterprize; ideas upon which they are ready to risk their own property, and to sacrifice all the interests of the existing Indian system. The Company, backed by the great mass of British subjects now

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now in Europe, who are acquainted with the countries of the East, maintain, in direct opposition to all such imaginations, that it is not now possible greatly to extend among the inhabitants of the East the consumption of British productions; or, in this country, the sale of Asiatic commodities. On the side of the merchants there is, in truth, nothing but a sanguine theory. On the side of the Company there is the experience of all the nations of Europe for three centuries; there is the testimony of ancient history; there are the climate, the nature, the usages, tastes, prejudices, religious and political institutions of the Eastern people. If the discovery of the passage by the Cape of Good Hope, and the account of the first Europeans sent by that route to the shores of India, were only just announced to us, some explanation might be given of the enthusiasm with which the hope of unbounded commerce thither is entertained; but that, after all the knowledge which successive ages have afforded upon this subject, men of general intelligence and cultivation should, in opposition to the usual course of human affairs, adopt the fond idea of entering, at once, into the enjoyment of a new world of commerce, is a most striking instance of credulity, and of the power which interest and imagination united have to impose upon the understanding. The theory of Dr. Adam Smith did not anticipate any such sudden burst of new commerce, when he pronounced, that "the East-Indies offered a "market for the manufactures of Europe, greater, and more extensive, than "both Europe and America put together." Eminent as Dr. Smith certainly was in the science of political economy, he was not infallible. His information respecting India was very defective, and erroneous; his prejudices against the East-India Company extreme, and his prognostics concerning their Indian government, wholly mistaken. In the period which has elapsed, of near forty years, since he first published his work on the *Wealth of Nations*, the endeavours of all Europe and America have made no discovery of that immense market for European manufactures, which, he said, was offered by the East-Indies: yet the same doctrine seems to be still in the minds of some of the Petitioners, who make it a serious charge against the Company, that its exports to the immense regions of the East do not amount to a fifth of the exports of this country to North America. But, as well might it be a matter of charge against the merchants of England, that their exports to the great continent of Africa, which

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which contains so many millions of inhabitants, less influenced by religious prejudices, and more inclined, by taste and manners, than the people of the East, to use our productions, do not equal their exports to our remaining American colonies. The reason is obvious in both cases. All the North American colonists are the same people as ourselves, live under a climate nearly similar, and have a variety of commodities, valuable to us, to exchange: the Africans live under a tropical sun, are poor, and have little means of purchasing even such of our manufactures as they would like to use. It has been already noticed, that the Americans have been in the habit of carrying our commodities into other countries.

A profound observer of human affairs, the President Montesquieu, had, before the time of Dr. Smith, who however overlooks his opinion, reasoned more agreeably to nature and experience on this subject. "Although," says he, "commerce be liable to great revolutions, it may happen that certain "physical causes, such as the quality of soil and climate, shall for ever fix its "character. In the commerce which we carry on with India in modern times, "the export of money thither is indispensable. The Romans carried to India, "every year, about fifty millions of *Sesterces*. That money, as ours now is, "was exchanged for goods, which they brought back to the West. Every "nation which has traded to India has uniformly carried the precious metals "thither, and brought back goods in return. Nature herself produces this "effect. The Indians have their arts, which are adapted to their manner of "life. Our wants are essentially different from theirs; and what is luxury to "us, never can be so to them. Their climate neither requires, nor permits "the use of almost any of our commodities. Accustomed to go almost naked, "the country furnishes them with the scanty raiments they wear; and their "religion, to which they are in absolute subjection, instills into them an "aversion to that sort of food which we consume: they, therefore, need "nothing from us but our metals, which are the signs of value, and for which "they give in return the merchandize that their frugality, and the nature of "the country, supply in abundance. Ancient authors, who have written upon "India, represent the country precisely such as we now find it, as to police, to "manners, and to morals. India always has been, and India always will be, "what

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"what it now is; and those who trade to India will carry money thither and "bring none back."

As the Court have, in their letter of the 13th January 1809 to the President of the India Board, given the same views, and in some detail, on this subject, not deriving their opinion from any single authority, but from the broad page of history and practice, it is unnecessary for your Committee again to enlarge upon it. But may not the attention of the manufacturers of woollens, metals, cotton fabrics, potteries, be still called to the habits of the Indian people, the bulk of whom live all their days upon rice, and go only half covered with a slight cotton cloth; the rice and cotton both produced by their own soil? The earnings of the common labouring classes, and consequently their expenses may be estimated, on an average, not to exceed* £4 10s. per man per annum. They are indolent by nature, frugal by habit, under manifold religious restrictions:—what demand of the manufactures from Europe is to be expected from these? Of the better classes few are rich, unless those connected with Europeans: and *even these* during a course of near three centuries, in which they have lived in European settlements, have adopted none of our tastes or fashions, unless perhaps in a few articles of jewellery and hardware, looking-glasses, and carriages, with the use of a mantle of broad cloth in the cold season. As to the north of India, though the climate there be less dissimilar to ours, the people are extremely so: and in poor, ill-governed countries, where property is insecure and concealed, what hope can there be of a vent for foreign luxuries? The persons who now imagine that region to present a great field for commerce, have no conception of the difficulty of carrying goods there from the sea; the delays, expense, and insecurity, that must be experienced when the boundaries of the Company's government are passed; and in finding and bringing back returns if the European commodities could be disposed of. With respect to China, it is not denied that it might, in

* In a late statistical account of Dinagepore, a province of Bengal, there are statements of the annual expenses of different classes of society, and among them one of the expenses of a labouring man, with a wife and two children. The amount is only Rupees 22.10.11, or near £3 per annum, being at the rate of fifteen shillings per head. The article of clothing for this family of four persons is only six shillings per annum.

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in all probability, take off many of our manufactures, if the Chinese government would allow the free dissemination of them. The jealous restrictions of that Government, however, which though they have been already stated, it may be proper to notice again here, prevent their own subjects, in general, from any dealings with Europeans: and it has been seen, that the magnificent style of Lord Macartney's embassy, which bespoke the grandeur of the British sovereign, with the refined diplomatic talents of that nobleman, which even struck the Chinese courtiers, were incapable of moving the Government to depart, in the smallest degree, from its established policy. If, instead of the regulated, long experienced organ for European trade, the Company's Canton establishment (under whose respectability, in fact, the Americans were admitted), a swarm of unconnected private-traders were to be let loose upon that country, it is altogether probable, that the Chinese would either shut their doors entirely upon them, or contract even the present narrow entrance.

If so many proofs of want of knowledge on Indian subjects did not croud on your Committee, they might express surprize, at findi g any persons still so uninformed, as to hold up the trade carried on by individuals, in the time of Cromwell, as gainful to the parties and useful to the nation. The fact is now ascertained to have been notoriously otherwise. The competition of the traders led them to undersell their exports in India and their imports in England. The public, indeed, for a little time, got Indian goods remarkably cheap; but the adventurers could not go on, and Cromwell, induced by the representations made him, in which several of those very adventurers joined, restored the Company, *in order to save the Indian trade to the nation.*

Parliament is now told by the Petitioners, that the private-trade, to which individuals were admitted by the Act of 1793, enlarged by the arrangement of 1802, has succeeded and produced a profit, even whilst the Company have been trading to a loss. The Court have very substantial reasons to believe, that although some articles of private-trade may, at certain times, have sold to a profit; yet that large importations of other articles, both into India and into England, have repeatedly sold to a loss, or have remained long on hand for want of sale.

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The nature of this trade should be considered. The numerous commanders and officers of the Company's ships (a very superior class of nautical men) have no adequate provision from direct pecuniary allowances: their compensation has always been given in the privilege of trade, and a certain allowance of tonnage freight free. This has generally made them traders; and as they are to look to trade for their emolument (for but few, comparatively, make money by passengers) they continue to adventure, though often with little success: and your Committee are assured, that though they pay no freight nor commission, being their own agents, they still find it, on the whole, a precarious unproductive business. Now, if these men do not succeed, it can hardly be expected that those, who have freight and commission to pay, can fare better.

But it will be said, that other individuals do nevertheless embark in this trade. To this it is to be answered, that the manufacturers of indigo in Bengal, an article originally promoted, and always fostered by the Company, generally send their produce to England, and this is a matter of necessity, because the great bulk of the article cannot otherwise be disposed of. Again, there is a certain annual amount of acquisition by Europeans in India; and as this, doubtless a large amount in all, is, in one way or another, to be remitted to England, merchants in India may find their account tolerably well in taking up such money in India, investing it in goods, and granting bills, at a rate favorable to the drawer, payable from the sales in this country. A sort of new transit capital arises in this way every year; and men may be tempted, occasionally, to seek to make an advantage of it, who would not regularly fix a capital of their own in the trade. There is also a third sort of trade from India, which men of large capital speculate in, when favorable occasions seem to offer; and, in this way, sometimes cotton piece goods, sometimes cotton-wool, sometimes indigo and raw-silk, have been adventured in. But your Committee suppose it to be an undisputed fact, that these larger adventures have repeatedly been attended with heavy losses to individuals; particularly the very great importations of piece-goods, exceeding in value two millions sterling, in 1802: the large importations of cotton, and even of indigo, since that time: and what may be sufficiently decisive on this head is, that very large quantities of those have remained long in the Company's warehouses without a sale, or uncleared after sale. The following abstract account will sufficiently exhibit these facts.

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Value of Private Goods from India remaining in the Company's Warehouses.

	SOLD.	UNSOLD.	TOTAL.
On 1st January 1809	£1,576,185	£815,000	£2,391,185
- - - 1810	1,370,958	1,057,760	2,428,718
- - - 1811	2,513,761	1,005,000	3,518,761
- - - 1812	2,547,668	1,002,932	3,550,600
- - - 1813	2,411,259	1,008,000	3,419,259

Of the Sold Goods remaining in Warehouses, 1st January 1313.

246	bales cotton-wool have been in warehouse	ten years	£2,460	
112	- do. - - - - -	five -	1,120	
6,600	- do. - - - - -	four -	66,000	
30,000	- do. - - - - -	three -	300,000	
6,000	- do. - - - - -	two -	58,930	
42,958	bales cotton-wool, value - - - - -			£428,510
71	chests of indigo remaining	seven years - -	£4,828	
722	do. - - - -	six - - -	49,096	
424	do. - - - -	five - - -	28,832	
230	do. - - - -	four - - -	15,640	
5,121	do. - - - -	three - - -	358,228	
1,593	do. - - - -	two - - -	108,324	
9,080	do. - - - -	one - - -	613,838	
17,241	chests indigo, value - - - - - -			£1,178,786
				1,607,296

Piece Goods Imported in 1803, 1804, *and* 1805.

Remained in warehouses in 1809 - - - -	£276,784
Do. - - - - 1810 - - - -	153,891
Do. - - - - 1811 - - - -	132,094

But it will still be said, the private-trade between Europe and India has greatly increased since the enlargement of 1793 was granted.

To explain this it is to be remembered, first, that, as already stated, the commanders and officers of the Company's ships are, in a manner, obliged to be traders, and that they have greatly increased in number since 1793: they are forced to carry out goods, and therefore to bring goods back, because, *in general*, specie would be a losing remittance. Secondly, that the number of Europeans in India has been very greatly increased in India since 1793. Every class has increased; the civil, military, and medical servants of the Company; the King's troops, from a few regiments to twenty thousand men; the naval servants of the Crown; ladies, lawyers, free-merchants, free-mariners, and the mixed race of European descent, now become a great multitude, who imitate, as far as they can, the fashions of their fathers. For all these descriptions of persons, every thing required for use or luxury is sent from this country: thus the exports are necessarily enhanced; and exports being made, returns for them in the commodities of the country become necessary, whether they are sure to answer or not.

A brief view of the state of the private trade between England and India may here be given from the Indian Registers of External Commerce, commencing with 1795-6, when the act of 1793 began to operate in India, to the year 1810-11. But it is to be remarked, that only the Bengal registers commence in 1795-6: those for Madras and Bombay not till 1802-3.

Statement of the Private-Trade between London and Bengal, from the Year 1795-6 *to* 1801-2, *both Years inclusive.*

	IMPORTS INTO BENGAL.			EXPORTS FROM BENGAL.
	MERCHANDIZE.	BULLION.	TOTAL.	MERCHANDIZE.
	Sicca Rupees.	*Sicca Rupees.*	*Sicca Rupees.*	*Sicca Rupees.*
1795-6 - - - -	17,91,623	4,81,538	22,73,161	84,08,800
1796-7 - - - -	15,49,906	2,33,096	17,83,002	50,79,310
1797-8 - - - -	11,88,048	3,46,176	15,34,219	69,71,529
1798-9 - - - -	10,13,105	7,30,209	17,43,314	41,07,834
1799-1800 - - -	31,50,696	16,36,405	47,87,101	67,66,649
1800-1801 - - -	40,98,360	3,74,112	44,72,472	84,87,356
1801-1802 - - -	36,51,650	3,24,019	39,75,669	1,31,97,420
	1,64,43,383	41,25,555	2,05,68,938	5,30,18,878

Statement of the Private-Trade between London and British India, from the Year 1802-3 *to* 1810-11, *both Years inclusive.*

	IMPORTS.			EXPORTS.		
	STORES AND MERCHANDIZE.	BULLION.	TOTAL.	MERCHANDIZE.	BULLION.	TOTAL.
	Sicca Rupees.	*Sicca Rupees.*	*Sicca Rupees.*	*Sicca Rupees.*	*Sicca Rup.*	*Sicca Rupees.*
Bengal, in nine Years, from 1802-3 to 1810-1811.	3,35,33,443	52,19,768	3,87,53,211	7,62,87,574	2,540	7,62,90,114
Madras - -	1,14,96,218	50,17,839	1,65,14,057	93,72,303	5,867	93,78,170
Bombay - -	1,48,03,575	29,65,079	1,77,68,654	93,18,775	53,644	93,72,419
Total - -	5,98,33,236	1,32,02,686	7,30,35,922	9,49,78,652	62,051	9,50,40,703

This is the comparative state of the private-trade with Bengal and India, in former periods, beginning with 1795-6 and at the present time. But the increase is, by no means, to be conceived as merely the result of the enlargement given by the Act of 1793, or afterwards. It is (let it be again observed) most materially to be ascribed to the increase in the number of Company's commanders and officers; to the necessity of making returns in goods from India for their exports; to the great increase of Europeans and their descendants in India; to the vast increase in the culture of indigo, cherished by the Company and permitted to come in their ships before the Act of 1793; and what the enlargements of that Act and subsequent measures have opened the way for, has been occasional large speculation in cotton piece goods, raw cotton, and indigo, which speculations have more often failed than succeeded. But the great conclusion to be derived from the account of the trade, since 1793, is this: in all the period, of nearly twenty years, from that time to the present, in which, undoubtedly, facilities and enlargements, never enjoyed before, have been given for private enterprize and adventure, in which the private trade has considerably increased, and on the whole a very ample experiment has been made, *not one new article*

No. LXXXIII.

Report of Committee of Correspondence, Feb. 9, 1813.

article for the consumption of the natives of India has been exported, and little perceivable difference in the few articles of metals and woollens of which they participated before. This is a very remarkable fact, and ought to make a deep impression on all persons who, in any way, interest themselves in this subject. Let us not hear of that unfair charge, so often repeated, that the Company's restrictions have prevented persons from availing themselves of the privilege held out by public regulations. Would the commanders and officers, not restrained by high freight, or any uncertainty of getting tonnage, not have carried out articles for the use of the natives, if they had found that any such were saleable? Would not European residents in India, keen merchants, and acquainted with the dispositions and tastes of the natives, have commissioned for such articles, if they had seen any vent for them? Would not native merchants, who buy and sell European commodities, have recommended the importation of things for the natives, if they had seen any chance of a sale? Yet, of 54,000 tons allotted for the private trade since 1793, only 21,806 tons have been actually used by private merchants, and these filled wholly with commodities for the use of Europeans. On the whole, then, this may be pronounced a decisive experiment: a decisive proof that there is no opening, nor any material opening to be expected, for the sale of European articles for the use of the natives of India.

Of the import trade from India on private account, since 1793, after what has already been said, it may be sufficient to present the following abstract.

IMPORTS FROM INDIA IN PRIVILEGE TRADE.

	Piece Goods.	Raw Silk.	Cotton Wool.	Indigo.	Sugar.	Saltpetre	Pepper.	Drugs.	All other Articles.	Total.
	£	£	£	£	£	£	£	£	£	£
1793-4	83,439	34,938	—	47,038	12,465	—	—	3,830	—	181,710
1794-5	296.098	17,069	11,054	105 346	6,280	32,706	—	1,320	—	469,879
1795-6	134,046	3,058	5,693	235,013	8,610	13,084	—	10,283	—	409,787
1796-7	319,053	3,315	30,148	273,654	15,525	17,169	—	19,885	—	678,749
1797-8	167,210	3,684	67,674	283,893	77,594	33 527	—	13,200	—	646,782
1798-9	214,616	—	38,109	440,275	105,200	13,168	—	61,484	8,810	881,662
1799-800	295,658	—	445,413	782,449	94,959	—	18,077	102,804	7,779	1,747,139
1800-1	197,732	53,009	395,372	491,472	222,118	12,483	40,041	130,009	24,736	1,566,972
1801-2	394,890	36,660	142,480	636,046	36,172	62,326	70,400	151,354	193,889	1,724,217
1802-3	861,872	37,588	180,915	789,314	41,424	101,871	120,673	206,054	246,870	2,586,581
1803-4	884,467	44,963	67,006	602,582	44,643	18,495	37,488	142,858	18,232	1,860,734
1804-5	673,787	65,218	93,242	811,214	65,391	11,220	33,718	92,479	6,781	1,853,050
1805-6	633,911	12,184	18,201	939,861	—	—	1,376	111,875	5,564	1,722,972
1806-7	164,111	165,839	122,072	549,871	—	—	572	24,230	2,067	1,028,762
1807-8	69,314	178,128	125,636	1,434,238	9,171	—	19,918	90,506	4,774	1,931,685
1808-9	18,199	89,085	158,032	510,406	—	—	—	19,372	2,135	797,229
1809-10	64,918	12,780	208,190	764,203	—	—	—	62,491	16,826	1,129,408
1810-11	48,043	85,498	550,078	1,382,767	10,827	1,982	38,533	58,791	22,813	2,199,332
1811-12	149,07	90,335	257,545	425,0 4	20,924	8	19,921	178,366	27,690	1,169,023
Total.	670,443	933,351	2,916,860	11,504 716	771,309	318,120	400,717	1,481,191	588,966	24,585,673

IMPORS FROM INDIA IN PRIVATE TRADE of COMMANDERS and OFFICERS.

	Piece Goods.	*Raw Silk.*	*Cotton Wool.*	*Indigo.*	*Sugar.*	*Saltpetre*	*Pepper.*	*Drugs.*	*All other Articles.*	TOTAL.
	£	£	£	£	£	£	£	£	£	£
1793-4	98,190	—	37,921	218,841	5,054	—	5,280	76,640	3	441,929
1794-5	162,967	—	—	140,974	9,834	—	—	60,093	—	373,868
1795-6	127,146	—	—	202,218	3,807	29	2,593	121,823	925	458,541
1796-7	55,303	—	—	148,659	1,324	—	11,163	57,453	910	274,812
1797-8	25,254	—	21,740	141,506	499	—	—	96,389	7,772	293,160
1798-9	29,499	—	11,334	266,176	6,197	—	1,768	129,372	3,715	448,061
1799-800	40,077	1,034	10,538	226,708	4,140	3,060	8,041	64,990	12,220	370,808
1800-1	91,387	46,615	8,889	280,886	17,332	—	4,378	50,222	36,710	546,419
1801-2	34,965	274	—	168,588	7,211	97	12,501	41,326	3,465	268,427
1802-3	207,799	—	8,151	89,261	827	—	18,367	102,530	29,117	456,052
1803-4	174,848	11,164	—	100,052	924	—	8,388	18,411	1,516	315,303
1804-5	180,034	60,233	593	269,926	—	1,058	7,471	5,819	45,852	570,986
1805-6	138,089	32,044	7,636	452,997	—	144	7,395	84,445	5,360	728,110
1806-7	36,401	86,231	19,485	224,515	135	14	980	47,529	9,556	424,846
1807-8	42,229	74,902	18,104	419,580	—	377	—	45,960	16,724	617,876
1808-9	47,334	12,696	35,220	300,152	—	48	271	83,503	41,379	520,603
1809-10	12,646	90,433	22,021	231,735	—	156	4,762	66,414	5,108	433,275
1810-11	76,335	121,695	7,626	360,180	1,602	194	17,664	91,678	13,422	690,396
1811-12	51,112	148,867	—	47,637	—	28	1,398	60,494	19	309,555
Total.	1,631,615	686,188	209,258	4,290,591	58,886	5,205	112,420	1,315,091	233,773	8,543,027

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Report of Committee of Correspondence, Feb. 9, 1813.

SHORT ABSTRACT.

Total Privilege - - - - -	£24,585,673
Private Trade - - - - -	8,543,027
	33,128,700

Which contained—Indigo £11,504,716
4,290,591
£15,795,307
Cotton £2,916,860
209,258
£3,126,118
£18,921,425

All other articles - - - 14,207,275

It may be proper to point out to attention, the great proportion which the articles of indigo and cotton bear to the whole of these imports; and likewise to refer to the great quantities of these two articles which, it has already appeared, remain still in the Company's warehouses, either unsold or uncleared. Of the practicability of enlarging the imports into this country of Indian productions, fit for the European market, it was formerly stated by the Court, that the diligence, not only of the different East-India Companies of Europe, but of individual Europeans trading through the whole extent of the Indian Seas, has been excited, during three centuries, to discover articles which might be profitably exported to Europe, and, after all the experience thus acquired, particularly in the present day, when the coasting and internal trade of India has been greatly enlarged, it is not reasonably to be assumed, upon merely theoretical ideas, that there is any source of materials, raw or manufactured, in India, yet undiscovered, by which the imports from India into this country can be profitably augmented: and, with respect to those articles which may now be considered as the staples of India, namely, cotton piece goods, raw silk, indigo, raw cotton, and sugar, the demand for the first is reduced and limited, by the vast growth and excellence of the cotton manufacturers of Britain and Europe; the second, to whatever extent demanded, can be brought home in the ships

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Report of Committee of Correspondence, Feb. 9, 1813.

ships of the Company; the third, already imported to an extent that nearly supplies the consumption of Europe, may also be easily carried home in the same channel; and the article of raw cotton, brought from a great distance, at an unavoidably high freight, which renders it incapable, when this country is engaged in war, and North America and Portugal at peace with us, of entering into competition with the cottons of Georgia and Brazil, both superior in quality, and brought to this market more expeditiously, to meet the fluctuations of price and demand, and at a far cheaper rate of freight. As to sugar, if it could be imported to this market, so as to rival the produce of our West-India colonies, which it cannot be in time of war, surely this is not a trade which could be, on the whole, profitable to the nation: and no other great article of Indian produce has ever been thought of; except hemp, of which the culture is still in an early stage in India, not capable of standing a competition with Russia, whenever our intercourse with that country is open. It is in this state of things, when the Company cannot find vent for more exports in the East, when their warehouses are filled with goods from the East for which there is no demand, and when they suffer from the continental restrictions in common with all His Majesty's subjects, that the Petitioners, whose chief complaint is of a general stagnation of trade, censure the Company for not enlarging their's.

Ninthly. The demand of a full and entire freedom of trade to the Eastward of the Cape of Good Hope, including China, and all the countries within the Charter of the East-India Company.

Such are the views of the Petitioners: professedly no less than a complete subversion of the fabric of the East-India Company, and all the great commercial establishments connected with it; involving, also, the hazard of the political interests of the British Empire, Indian and European. Certainly it must be presumed, the Petitioners expect such advantages to follow from all these changes, as shall compensate for the immense sacrifices which they require; but, your Committee hope, it has sufficiently appeared from the preceding discussion, that all such expectations are illusory and vain. If, however, they are not indeed the offspring of sanguine theories, but the result of sober rational consideration might not the same sobriety of thought be expected to pay an equitable regard to the ruin which would be inflicted on existing interests, and to look to some suitable provision against the possible contingency of final disappointment? Yet these important objects seem to have received no adequate attention. Against the alleged

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alleged danger of excessive speculation (a danger which is, in fact, a public concern) it is argued, "that the enterprize of individuals is uniformly limited "by their means and success." But, if they involve all their friends, and sink in their attempts, and this should be the case of many, would not the result be a general calamity? The argument of the Petitioners assumes, that the new trade will be finally successful; but the foregoing review deprives them of all right to go upon this supposition.

For the deep injuries which all the London establishments connected with the Eastern trade would receive, there is absolutely no relief or reparation of any kind adverted to; and, for the Company, they are told, first, of their wealth, knowledge, and experience (all which have been before disparaged), as enabling them to oppose unassisted private efforts; that, if they can carry on trade to greater advantage than individuals, they have nothing to fear, and that they will reap their reward in competition. All this is particularly applied to the China trade, which is not a new trade, nor, as has been shewn, either susceptible of increase, or likely to be preserved at all as a general trade. The transfer of it to other hands would add nothing to the nation, whilst the entire benefit of it is necessary for the support of the political interests of the Company. Secondly, it is proposed, that for indemnifying and remunerating the claims of the Company, they "shall have a fair and equal impost on the trade in question." If the trade and rate of impost were both likely to be considerable, which your Committee see no reason to suppose, the idea of an indemnification for the whole, by giving afterwards a part (and probably a small part), can hardly be treated as a serious idea.

But for the detriment which the Company, in their political capacity, might sustain, for all the ill consequences that might ensue to the government and immense population of India, no provision whatever is proposed. And against an entire failure of the vast prospects, now so sanguinely entertained, this consolation is at last administered, that "the very worst that can occur, in the event of "the abandonment of the trade by the public, would be, *that matters might "return again to their present state.*"

But can it be seriously supposed, that after the fabric of the Company, and its immense dependent and connected establishments, in England, in India, and China,

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Report of Committee of Correspondence, Feb 9, 1813.

China, should have been set aside, and left to decay and ruin; when India should have been laid open and the China establishment superseded, and so much capital sunk, that things could be brought back to their former state? The possibility of such a mighty convulsion, and the ease with which it is contemplated by the Petitioners, may be sufficient to excite a salutary fear of the rage of theory, speculation, and innovation; may suggest the prudence of stopping short of the precipice to which they would conduct us; of at least resting at some point, so far safe, as not to expose the whole of the empire, Indian and European, to the terrible alternative here brought into view. A great extension of the trade to or from the East, the object for which such dangers are to be run, is shewn, in the preceding pages, to be impracticable; and it has been also shewn, that in the prosecution of the attempt to obtain it, the interests of British India, and of the finances of this country, would be endangered: but if an experiment is still required to be made in the vast continent of Hindostan and its adjacent islands (for to push the experiment into China would be to risk the trade of that country, and all its advantages, without the chance of any benefit) the means of making a large ample experiment, in which the whole nation may participate, through the port of London, are now offered; means which shall give the fairest opportunity to ascertain the practicability of extending the trade, without breaking down present establishments, or exposing the empire, in case of failure, to the most disastrous consequences. At the safe point, therefore, here described, your Committee humbly hope the wisdom of His Majesty's Ministers and of Parliament will still see fit to rest.

(Signed) Hugh Inglis,
Robert Thornton,
Jacob Bosanquet,
Wm. F. Elphinstone,
Theophilus Metcalfe,
Joseph Cotton,
Charles Grant,
George Smith,
Edward Parry,
Sweny Toone,
William Astell.

No. LXXXIV.

Letter from the Chairman *and* Deputy Chairman *to the Right Honorable the Earl of* Buckinghamshire, *also noticed in the preceding Minute.*

No. LXXXIV.

Chairman and Deputy's Letter.

My Lord, *East-India House, 10th February,* 1813.

By the desire of the Court of Directors of the East-India Company, we have the honour to submit to your Lordship a Report of the Committee of Correspondence, and respectfully to entreat your serious attention to it.

It contains an answer to the matter of the petitions which were last session presented to the House of Commons against the renewal of the Company's Charter, and particularly to those arguments to which your Lordship was pleased to refer us, in support of the claims of the Outports to be opened to the import trade from India and China:—it also enters into a review of all the principal questions of a commercial nature, which have been agitated by those persons who demand the abolition of the Company's exclusive privileges: and in this minute, my Lord, the Court hope you will find the following positions, among many others, well established.

First. That the Petitioners have not correctly described the present state and effects of the Company's exclusive privileges and trade, nor at all appreciated the evils, political and commercial, which would result from withdrawing those privileges; but have arraigned the monopoly, as if it retained all the strictness given to it a century ago, as if no considerable relaxations had been made in it within the last twenty years, and as if still larger relaxations were not now acquiesced in by the Company.

Secondly. That the clamours which have been raised against the Company, on account of the trade of neutrals, particularly the Americans, with India, are wholly unjust; that no such trade, unless with the Portuguese, now exists; and that the prevention of injury from it is easy.

Thirdly. That the Petitioners have, by no means, obviated the objections advanced by the Court against the opening of the Outports, nor, in the least, proved the expediency or safety of that measure; and that the adoption of it would

No. LXXXIV. Chairman and Deputy's Letter.

would be attended with those dangers, which the Court have, in their former letters, described.

And, *Fourthly.* That all the former reasonings of the Court against the practicability of enlarging the consumption of British manufactures in India or China, or of extending profitably the imports of those countries into Britain, are confirmed by the result of the large experiment which has actually been made by private merchants and traders, in the course of near twenty years past; from which experiment, accurately recorded, it appears that *not one new article for the consumption of the natives of the East* has, in all that time, been sent from Great-Britain.

And, *from this very important fact,* new perhaps to your Lordship and the public, though long existing in the records of the Company, the Court of Directors join with their Committee of Correspondence in hoping, that as the views of the Petitioners are unlimited, going, in the first place, to the subversion of all the existing establishments in the India and China trade; as this ruin would be immense, and the compensation which would be due for it would be immense also; as the political evils which would thence follow, as detailed in the former letters of the Court (evils still to be pre-eminently regarded) would fatally affect the interests of the whole empire; and as the means are now offered of making the fullest and fairest further experiment of the practicability of enlarging the trade to and from India, upon so great a scale as shall admit the whole nation to participate in it; as this is an experiment, which may be made without breaking down the present system and all its establishments; as it affords a method of ascertaining all the good that is attainable, without hazarding the dreadful evils that are otherwise to be apprehended; we say, my Lord, the Court of Directors do, under these momentous circumstances, earnestly hope, that His Majesty's Ministers will still see fit to stop at a safe point, which will give the utmost reasonable concessions to one set of men, whilst it will preserve the interests of British India, of all parties now connected with it, and of the empire at large, from the disastrous consequences of unbounded innovation.

We have the honor to be,

My Lord,

Your Lordship's most obedient humble servants,

(Signed) HUGH INGLIS.
ROBERT THORNTON.

The Right Honorable the Earl of Buckinghamshire,
&c. &c. &c.

No. IX.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

London:

PRINTED BY ORDER OF THE COURT OF DIRECTORS, FOR THE INFORMATION OF THE PROPRIETORS,

By E. Cox and Son, Great Queen Street, Lincoln's-Inn-Fields.

1813.

LIST OF FURTHER PAPERS.

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors, for the Information of the Proprietors.

No. LXXXV.

Minutes of a General Court of Proprietors, held on Wednesday, the 17th February, 1813.

No. LXXXVI.

Letter from the Right Honourable the Earl of Buckinghamshire to the Chairman and Deputy Chairman, dated the 15th February 1813, noticed in the preceding Minutes.

No. LXXXV.

AT A

GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES,

Held on Wednesday, the 17th February 1813.

No. LXXXV. General Court, Feb. 17, 1813.

Minutes of last Court of the 26th ultimo were read.

The Chairman acquainted the Court that it is assembled for the purpose of taking into consideration the Draft of a Petition to the Honourable House of Commons, respecting the Renewal of the Company's exclusive Privileges.

The said Petition was then read.

The Chairman also acquainted the Court, that the Court of Directors had prepared the Draft of another Petition to the Honourable House of Commons, for payment of a Debt due by the Public, and for relief by way of Loan.

The same was also read.

And the Court proceeding to take the above-mentioned petitions into consideration,

It was moved, and on the Question,

Resolved, That the further consideration of the said Petitions be adjourned till Tuesday next.

The Chairman then acquainted the Court that the Petitions will lie at this House for the perusal of the Proprietors.

The Chairman further acquainted the Court, that the Committee of Correspondence had prepared a Report on the subject of the Petitions presented to Parliament during the last Session against the renewal of the Company's Charter, which Report was laid before the Court of Directors and unanimously approved by them on the 10th instant; and that the said Report is now printing for the information of the Proprietors.

The title of the Report was then read, as was also

Draft of a Letter to Lord Buckinghamshire, transmitting copy of the above-mentioned Report, and

Letter from Lord Buckinghamshire in reply.

The Court then on the question adjourned.

No.

No. LXXXVI.

Letter from the Right Honorable the Earl *of* Buckinghamshire *to the* Chairman *and* Deputy Chairman, *noticed in the preceding Minutes.*

No. LXXXVI.

Lord Buckinghamshire's Letter.

Gentlemen, *India Board, 15th February,* 1813.

I had the honor of receiving your letter of the 10th instant, enclosing a Report of the Committee of Correspondence to which you desire my serious attention, and you may be assured that the Report will receive that serious and deliberate attention which has been given to every part of the important subject to which it relates.

I have the honor to be, Gentlemen,

Your obedient and faithful humble servant,

(Signed) Buckinghamshire.

The Chairman and Deputy Chairman
of the East-India Company.

No. X.

FURTHER PAPERS

RESPECTING

THE NEGOCIATION

FOR A RENEWAL OF THE

EAST-INDIA COMPANY'S EXCLUSIVE PRIVILEGES.

London:

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1813.

LIST OF FURTHER PAPERS

Respecting the Negociation for a Renewal of the East-India Company's exclusive Privileges, printed by Order of the Court of Directors, for the Information of the Proprietors.

No. LXXXVII.

Minutes of a General Court of Proprietors, held on Tuesday, the 23d February 1813.

No. LXXXVIII.

Copy of a Petition from the East-India Company to the Honourable House of Commons, noticed in the preceding minutes.

No. LXXXIX.

Copy of a further Petition from the East-India Company to the Honourable House of Commons, also noticed in the preceding minutes.

No. LXXXVII.

AT A

GENERAL COURT

OF THE UNITED COMPANY OF MERCHANTS OF ENGLAND TRADING TO THE EAST-INDIES,

Held on Tuesday, the 23d February 1813.

No. LXXXVII. General Court, Feb. 23, 1813.

Minutes of last Court of the 17th instant were read.

The Chairman acquainted the Court, that it is met by adjournment, for the purpose of taking into further consideration the drafts of the petitions to the Honourable House of Commons, which were laid by the Court of Directors before the General Court on the 17th instant.

The draft of the petition, praying a renewal of the Company's exclusive privileges, in which some amendments have been inserted, as proposed by the Court of Directors, since the last General Court, and now submitted to this Court, was read.

It was then moved to amend the said petition, by leaving out the following words, *viz.* "Your Petitioners submit, that they would not be justified in "becoming parties to any system, which, on consideration, should appear to "them likely to prove an illusion."

And the question being put, that the words proposed to be left out stand part of the petition, the same was carried in the affirmative.

It was then moved, and on the question,

Resolved, That this Court approve the above petition.

The draft of the petition to the Honourable House of Commons, for payment of the debt due from the Public to the Company, and for other pecuniary

No. LXXXVII. General Court, Feb. 23, 1813.

pecuniary relief, in which petition sundry amendments, as also proposed by the Court of Directors since the last General Court, and now submitted to the General Court, was read.

It was then moved, and on the question,

Resolved, That this Court approve the above petition.

Drafts of petitions to the Honourable House of Commons, for leave to present the above petitions, were also read and approved.

And it was, on a motion,

Resolved, That the Company's seal be affixed to fair transcripts of all the said petitions, and that they be presented to the Honourable House of Commons accordingly.

The Court then on the question adjourned.

No. LXXXVIII.

Copy of a Petition from the EAST-INDIA COMPANY *to the Honourable* HOUSE OF COMMONS, *noticed in the preceding Minutes.*

No. LXXXVIII. Petition for renewal of Privileges.

To the Honourable the Commons of the United Kingdom of Great Britain and Ireland in Parliament assembled,

The humble Petition of the United Company of Merchants of England trading to the East-Indies,

SHEWETH:

That your Petitioners, in approaching this Honourable House with an application for a continuance of the system by which the relation between Great Britain and the East-Indies is now regulated, hope they may be permitted to state the outlines of the history of the establishment of your Petitioners, as well as their present situation, as to their property and rights, their functions and obligations.

That the first adventurers in a trade from England to the East-Indies, by the way of the Cape of Good Hope, were incorporated by Her Majesty, Queen

No. LXXXVIII. Petition for renewal of Privileges.

Queen Elizabeth, by her royal letters patent, bearing date the 31st day of December 1601* by the stile of "The Governor and Company of Merchants of "London trading into the East Indies," to whom, by the same instrument, the exclusive right of trading to that country was granted by Her said Majesty for a term of fifteen years from Christmas then last past.

That the corporate capacity of the said Governor and Company of Merchants of London trading into the East Indies, with the privilege of the exclusive trade, was renewed, revived, and confirmed to them, in perpetuity, by several charters, or letters patent, granted respectively by their Majesties, King James the First, King Charles the Second, King James the Second, and King William and Queen Mary†: subject, nevertheless, to a provision, that if the continuance of any of their charters, in the whole or in part, should not be profitable to the realm, that, upon three years warning to be given to the said Company, all the said charters should cease, determine, and be void‖.

That the said Governor and Company were empowered by their Charters to establish factories and settlements in the East Indies‡; to have the government of such factories and settlements, and to appoint governors; with a judicial power to equip and maintain military forces, by sea and land, for the defence of their settlements; with the power of making peace and war with any princes or people who were not christians, within any places of their trade; to make reprisals from those persons, in those parts, from whom they should sustain any loss or injury; to erect castles, fortifications, forts, and garrisons; and also to coin Indian money§.

That, by virtue of these powers, the said Governor and Company made settlements, and built forts and factories at different places in the East Indies, at a very great expence; which settlements, forts, and factories, with some territory annexed to them, were purchased from the native princes of the countries within their limits. The sovereignty remained with their respective chiefs, but the immediate government of those acquisitions was exercised by the Company, under

* Printed Charters, 4to edition, page 3.

† Ibid. 31st May 1609, page 27; 3d April 1661, page 54; 5th October 1677, page 108; 9th August 1683, page 116; 12th April 1686, page 125; 7th October 1693, page 141; 11th November 1693, page 152.

‖ Ibid. 28th September 1694, page 181.

‡ Ibid. 3d April, 13th Charles II. 1661, page 54.

§ Ibid. 5th October, 28th Charles II. 1677, page 111.

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under the powers which are before mentioned to have been granted to them by charter; and the said Company also made a settlement in the Island of St. Helena, on its being abandoned by the Dutch, about the year 1651.

That the property and sovereignty in and over the port and island of Bombay having been ceded by the King of Portugal to His said Majesty, King Charles the Second, as part of the dowry of the Infanta of Portugal on her marriage with King Charles, His said Majesty, by his royal letters patent, bearing date the 27th day of March 1669 *, granted and conveyed unto the said Governor and Company, their successors and assigns, the property thereof, with all the rights, profits, territories, and appurtenances, and constituted them the true and absolute lords and proprietors of the port and island, in the most unlimited manner; saving to His Majesty, his heirs and successors, his royal sovereignty of and over the inhabitants there: but His Majesty granted the authority of immediate civil and military government of the place to the Company. And St. Helena having been taken from the said Company by the Dutch, in the war of 1674, was retaken by a force belonging to King Charles the Second, who, by his royal letters patent, bearing date the 16th day of December 1674 †, regranted that island, with all the rights, profits, territories, and appurtenances whatsoever, unto the said Governor and Company, their successors and assigns; and His Majesty constituted them the true and absolute lords and proprietors thereof, saving the allegiance due to His Majesty, his heirs and successors: and the said charter contained powers and authorities for the government and defence of the said island.

That, by an act of parliament, passed in the ninth year of the reign of His late Majesty, King William the Third ‡, for raising a sum of two millions, by loan, for the public service, it was enacted, that all the subscribers to the said loan should be entitled to traffic, and use the trade of merchandize, in such places, and by such ways and passages, as were then already frequented, found out, or discovered, or which thereafter should be found out or discovered, and as they severally should esteem to be fittest or best for them, into and from the East Indies, in the countries and parts of Asia and Africa, and into and from the islands, ports, havens, cities, creeks, towns, and places of Asia, Africa, and America

* Printed Charters, page 80. † Ibid. page 96. ‡ 9 and 10 William III. cap. 44. sect. 61.

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rica, or any of them, beyond the Cape of Bona Esperanza to the Streights of Magellan, where any trade or traffic of merchandize was, or might be, used or had, and to and from every of them. And, by the said act*, His Majesty was empowered to incorporate any of the subscribers, who should desire it, to trade with a joint stock: and it was enacted†, that at any time, upon three years' notice, after the 29th day of September 1711, upon repayment by Parliament of the said sum of two millions, or such part thereof as should be advanced, all the corporations to be created in pursuance of that act, and the benefit of trade thereby given, should absolutely cease and determine: and it was enacted,‡ that all such persons as should have a right of trading by virtue of that act, should have the sole and exclusive trade within the limits before mentioned.

That the said sum of two millions was subscribed within the time limited by the said act; and thereupon, by a charter, bearing date the 5th day of September 1698 §, His said Majesty was pleased to incorporate the larger part of the subscribers to the said loan, by the stile of "the English Company trading to "the East-Indies;" and, by the said charter, powers of making settlements, and governing them, and maintaining military forces for their defence, were granted to the English Company, similar to those which are before stated to have been granted to the Old Company, since distinguished by the appellation of the London Company, the sovereign right, power, and dominion over all the settlements to be made, being reserved to His said Majesty.

That the above act of parliament and charter would have operated to have extinguished and determined the corporate capacity and privileges of the London Company, but the act contained a provision, that they should have liberty to trade till the 29th of September 1701: and the London Company having subscribed the sum of £315,000 towards the sum of £2,000,000 to be raised, became intitled to trade in respect of it; and therefore, by an act of parliament passed in the twelfth year of the reign of His said Majesty, King William the Third ‖, their corporate capacity was continued to them, subject nevertheless to be determined upon the redemption of the fund established by the said act of the ninth of His said Majesty's reign.

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* Sect. 62. † Sect. 79. ‡ Sect. 81. § Printed Charters, page 188. ‖ Private Acts, 12 Wm. III. cap. 28.

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That the said English Company acquired and settled several factories in the East-Indies at a very large expence *.

That previous to the erection of the English Company, the London Company had carried on their trade with the East-Indies in competition with the Portuguese and Dutch and French Companies, and also in competition with unlicenced adventurers from Great Britain, who traded there, notwithstanding the exclusive grants which the London Company was in possession of, and which unlicenced adventurers, at times, acquired considerable ascendancy amongst the native powers †; and after the incorporation of the English Company, they became also competitors in the said trade:—And no European nation having then acquired any considerable territorial dominion, the whole of the trade by Europeans was carried on entirely at the despotic will and sufferance of the native princes of the Mogul empire, the government and officers of which almost constantly shewed their favour and protection to such of the competitors from whom they could obtain the largest presents; and, in proportion as they protected one of them, they oppressed the others: as an instance of which your Petitioners shew, that the servants of the English Company in India, by means of corrupt influence with the ministers and servants of the Mogul, procured all the principal officers and members of the presidency of the London Company at Surat, then the chief seat of their trade in India, to be imprisoned for several seasons, and wholly to interrupt their commercial transactions ‡.

That the London Company and the English Company finding that, if their competition had continued, ruin must have ensued to both, agreed, about the year 1702, to unite together. The union was effected by force of two several indentures, dated respectively the 22d day of July 1702; one being an indenture tripartite made between Her late Majesty, Queen Anne, of the first part, and the said London Company of the second part, and the said English Company of the third part §; and the other being an indenture quinquepartite made between the said London Company of the first part, the said English Company of the second part, and certain persons, trustees of property belonging to the London

* Indenture quinquepartite, page 316, they were made over to the United Company for £70,000.

† See Annals of the East-India Company.

‡ Annals, vol. III. pages 319, 543, 563.

§ Printed Charters, page 243.

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Company, of the third, fourth, and fifth parts *; and by force of an act of parliament passed in the sixth year of the reign of Queen Anne †, and of an award of the Earl of Godolphin, the Lord High Treasurer of Great Britain, dated the 29th day of September 1708.

By the terms of the Union, all the property and rights belonging to both Companies, at home and abroad, including the settlements, forts, factories, and territories which they had acquired, as is above stated, were valued, and in consideration of the value of the property of the London Company being paid or allowed in account to them, they, by proper legal instruments, transferred and made over all their property to the English Company: and the English Company were allowed in account the value of their property, and the property and rights of both Companies were thenceforth vested in them, for the benefit of the united concern. And the London Company having completed the transfer of its property, surrendered its corporate capacity; and from thenceforth, the English Company took the stile of "the United Company of Merchants of "England trading to the East-Indies," which is now the stile of your Petitioners.

Your Petitioners crave leave to draw the attention of the House to some part of the subjects, of which the property of your Petitioners consisted at the time of the union of the two Companies in 1702, and which they derived by transfer from them, with the cognizance and sanction of Her Majesty, Queen Anne, and of the Parliament. Amongst other things, your Petitioners were then entitled to, and possessed of, the Islands of Bombay and St. Helena, the sovereignty of which was vested in the Crown of Great Britain: they were entitled to, and possessed of, the factories of Surat, Swally, Broach, Amadavad, Agra, and Lucknow: on the coast of Malabar they were entitled to, and possessed of, the forts of Carwar, Telliecherry, and Angengo, and the factory of Calicut: on the coast of Coromandel they were entitled to, and possessed of, the fort St. George, with the castle, fortifications, and territory thereto belonging, on which a large city, called Madras, was built, the houses of which belonged to, and paid rent to, your Petitioners; Fort St. David, being a strong

 fort

* Printed Charters, page 316.

† 6th Anne, cap. 17.

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fort and factory, and about three miles compass of the circumjacent country, on which several small towns and villages were erected; the factories of Codolore, Porto Novo, Pettipollee, Madapollam, and the fort and factory of Vizagapatam. In Bengal, your Petitioners were entitled to, and possessed of, Fort William, and the town of Calcutta, with a large territory thereto belonging; the factories of Ballasore, Cossimbuzar, Dacca, Hughly, Maulda, Rajamaul, and Patna. All these possessions were subject to the sovereignty of the Great Mogul. On the Island of Sumatra your Petitioners were entitled to, and possessed of, York Fort at Bencoolen, and a factory, with a territory of about five miles thereto belonging, and a factory at Indrapore.

That after the union of the two Companies, your Petitioners conducted themselves so as to conciliate and acquire the confidence of the natives of India, and for a considerable period of time they had no occasion to use the right which they enjoyed, of maintaining a military force, except for purposes little beyond those of police, and as guards of their fortifications against surprise; but, near the middle of the last century, it became necessary for your Petitioners to enlarge their military force, and to exercise the power of war, and of making political engagements with some of the native powers, to support the British interests in India, and in order to counteract the intrigues of the French, who had become auxiliaries to other native powers, with the design of driving your Petitioners out of the East Indies, and of excluding the British nation wholly from Asiatic commerce; but, by means of the forces raised and maintained by your Petitioners, and at their sole expence, your Petitioners completely defeated those objects, so that, at the conclusion of the war, which ended in the year 1763, the French were left without one single settlement, and almost without influence in any part of Asia.

In the year 1757, the Nabob of Bengal permitted your Petitioners to establish a mint at Calcutta*; and, in the same year, the said Nabob made over to your Petitioners the property in certain lands in Bengal, generally called the twenty-four Purgunhas†, and the saltpetre lands of the whole province of Bahar‡: and, in the year 1758, your Petitioners obtained a grant from the said Nabob

* Printed Treaties, page 9. † Ibid, page 10. ‡ Ibid, page 12.

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Nabob for the free tenure of the town of Calcutta, discharged from the rent to which, to that time, it had been subject.* In the year 1759, the Soubah of the Decan made over to your Petitioners the whole of the circar of Masulipatam, with eight districts, as well as the circar of Nizampatam, and the districts of Condavir and Wacalmanner.† In the year 1763, the Nabob of Arcot made over to your Petitioners several districts of land surrounding Madras,‡ which lands have since been called the jaghire of your Petitioners; and such transfer was confirmed, in the year 1765, by the said Nabob, and also by the Great Mogul.§ In the year 1764, the Mogul made over to your Petitioners the country of Gauzepoor and the rest of the Zemindary of Rajah Bulwant Sing ‖. In the year 1765, the Great Mogul granted to your Petitioners the country called the Northern Circars,** and in the following year, such grant was acceded to by the Soubah ††: and, in the year 1765, the Great Mogul appointed your Petitioners, in perpetuity, to the office of Dewan of the provinces of Bengal, Bahar, and Orissa, such appointment being made as a free gift ‡‡; and, by virtue of such grant, your Petitioners, in the execution of the office, acquired the right of collection of all the revenues of the said provinces, for their own use, free from any account thereof to be rendered.

Your Petitioners crave leave to remark, that no part of the property in any of the forts, factories, or territories, which became vested in your Petitioners at the time of the union of the two Companies, nor any of the territories nor rights, lastly hereinbefore mentioned to have been granted to your Petitioners, were acquired by conquest, but by purchase, by means of pecuniary payments, or by services rendered to, or other good considerations moving the grantors.

That, about the year 1767, a claim was made, on the part of the Public, to the beneficial interest in the territorial acquisitions and revenues then lately obtained there; and thereupon agreements have been made, from time to time, that the possession of such acquisitions and revenues should remain with your Petitioners, upon a participation of the profit of the revenue between the Public and your Petitioners, as mentioned in several Acts of Parliament made and passed

* Printed Treaties, page 23. † Ibid, page 347. ‡ Ibid, page 349. § Ibid, page 362.
‖ Ibid, page 37. ** Ibid, page 361. †† Ibid, page 367. ‡‡ Ibid, page 403.

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passed at different times since 1767,* without prejudice to the claims of the Public or of your Petitioners.

That previous to the year 1773, the government of the settlements and acquisitions in India was conducted under the uncontrouled direction of your Petitioners, by virtue of the powers of government which they derived from their charters; but ever since the year 1773, the mode of the immediate government of India has been regulated by Parliament†: and from that time to the year 1784, in pursuance of directions of acts of parliament, the Lords Commissioners of His Majesty's Treasury, and one of His Majesty's principal Secretaries of State, in their several departments, were made acquainted with the correspondence and orders sent to and received from India by your Petitioners, in any way relating to the management of the revenue, or civil or military affairs and government of your Petitioners in that country: and from the year 1784 to the present time, all acts, operations, and concerns, which in any ways have related to, or concerned the civil or military government or revenues of the territories and acquisitions in the East Indies, have been placed under the superintendance and controul of certain Commissioners appointed by His Majesty, in pursuance of acts of parliament passed for that purpose‡; and your Petitioners have been restrained from giving any orders or directions relative thereto, without the concurrence of the said Commissioners: and in cases in which the said Commissioners have been of opinion, that the subject matter of any of their deliberations, concerning the levying war or making peace, or treating or negociating with any of the native princes or states in India, communicated in orders to any of the governments in India, have been of a nature to require secrecy, such orders have been sent through the medium of a Secret Committee of three of the Court of Directors of your Petitioners, according to the provisions in that case made by Parliament, without any privity of your Petitioners or of their Court of Directors, and without any discretionary authority on the part of the Members of such Secret Committee.

That

* 8 Geo. III. cap. 57; 9 Geo. III. cap. 24; 13 Geo. III. cap. 64; 19 Geo. III. cap. 61; 20 Geo. III. cap. 56; 21 Geo. III. cap. 65; 33 Geo. III. cap. 52.

† 13 Geo. III. cap. 63. ‡ 24 Geo. III. cap. 25; 28 Geo. III. cap. 8; 31 Geo. III. cap. 10; 33 Geo. III. cap. 52.

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That between the period when such claim, as herein before mentioned, was first made, on the part of the Public, to the territorial acquisitions in the East-Indies, and the year 1793, a further acquisition of territory was made in India.

That the term, heretofore granted to your Petitioners in the exclusive trade to the East Indies, being about to be redeemed in the year 1794, an act of parliament was made and passed in the thirty-third year of the reign of His present Majesty*, whereby it was enacted, amongst many other things, that† the territorial acquisitions in certain former acts mentioned, together with the territorial acquisitions then lately obtained in the East-Indies, with the revenues thereof respectively, should continue in the possession of your Petitioners, during the further term by that act granted in the said exclusive trade; and that‡ your Petitioners should have the exclusive trade within the limits mentioned in the said act of parliament passed in the ninth year of the reign of King William the Third, subject nevertheless to such right of trading as is thereby given to individuals, to be carried on in the manner therein mentioned, and subject to a proviso to determine such right at any time, upon three years notice to be given by Parliament, after the 1st day of March 1811, upon the expiration of the said three years, and upon payment made to your Petitioners of any sum or sums, which, under the provisions of any act of that session of Parliament, should or might, upon the expiration of the said three years, become payable to your Petitioners by the Public, according to the true intent and meaning of such act: but it was enacted §, that nothing in that proviso, or in any proviso in the said act in the ninth year of the reign of King William the Third, in the said charter of the 5th of September in the tenth year of his reign, or in any other act or charter, should extend to determine the corporation of your Petitioners; and by the said act ‖ certain appropriations were made of all the profits arising from the territorial acquisitions and revenues in India, and also from the sale of goods, and all other profits of your Petitioners in Great Britain, during the time of the exclusive trade thereby granted to your Petitioners.

That the notice required by the last-mentioned act of parliament hath been given by the Speaker of your Honourable House, for determining the exclusive trade of your Petitioners, on the 10th day of April, 1814.

* 33 Geo. III. cap 52. † Sec. 1. ‡ Sec. 71. § Sec. 74. ‖ Sec. 107. to 112.

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That since the passing the said last mentioned Act, a further acquisition of territory and revenue in India has been made, and is now in the possession of your Petitioners. And your Petitioners also shew, that they have taken all the forts and factories which belong to the French, Dutch, and Danes in Hindostan: and your Petitioners are now in possession, as well of the territories mentioned in the said last-mentioned act of parliament, as of those which have been since acquired; and the British dominions in India, without a rival or any enemy, now consist of a very large proportion of the peninsula, besides very extensive provinces in the north of Hindostan, and contain, as it is supposed, above fifty millions of inhabitants, and have been acquired wholly at the expence and risk of your Petitioners, without any charge whatever to the British exchequer: for though land forces belonging to His Majesty have been employed in conjunction with the forces raised by your Petitioners; yet the whole of the expence of such forces of His Majesty, whilst they have been employed in such service, as well as for their passage out and home, and in recruiting, has been defrayed by your Petitioners: besides which, for a considerable length of time, your Petitioners furnished or paid for victualling and stores for the use of His Majesty's ships of war in the East-Indies.

Your Petitioners beg leave humbly to represent, that the welfare and happiness of the inhabitants of the countries which have come under the care of your Petitioners, have been their chief object; and they have reason to hope and believe, that the amelioration of the condition of the people is most eminently conspicuous. When Hindostan was first visited by British traders, and long after the union of the two Companies before-mentioned, when the opposition, not only of British subject against British subject, but of European against European, and the corrupt and impolitic attempts which were constantly made by one party, to raise the despotic powers of the Indian States against other parties, had in some measure ceased, the character of the native governments, as well as of the native individuals, remained unchanged; the ill usage which they had received from individual and associated Europeans, roaming about without responsibility or controul, raised a jealousy and animosity against every stranger without distinction, and the internal state of the country, where justice and injustice were equally articles of traffic to be bought and sold, left the rights of persons and property entirely at hazard.

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Your Petitioners found the country divided into many different states, all feudatory to the Mogul, who was considered the sole proprietor of the whole. These states were again divided amongst Zemindars and chiefs, with other designations, under whom there were sub-infeudations down to the Ryots, who were the actual cultivators of the soil, and no man held any land, and scarcely a crop, but at the will of another of superior power: there were no effectual means of resort for the support of any right or the avenging any wrong, and the will of the strongest was the only practical rule of conduct which was established. Under the management of your Petitioners, the scene has been entirely changed. By fixing certain permanent and invariable rents, a new and valuable property has been, as it were, created to the natives. By the establishment of courts of justice, and the appointment of liberal emoluments to those who devote their lives to the study and administration of laws adapted to the usages, customs, and religions of the inhabitants, they have removed temptations to corruption, and have provided the means for the inhabitants to be insured in the enjoyment of property thus created for them. Courts of criminal judicature have also been universally erected, which have effectually provided for personal liberty and security. By the alterations which have taken place, the practical means of foreign commerce, of traffic from port to port and internally, have been facilitated, very greatly to its increase.

That it may not be supposed that your Petitioners have assumed merits which they are not entitled to, they beg leave to refer to the Fifth Report of the Select Committee of this Honourable House on the Affairs of the East-India Company, which was presented to this Honourable House on the 28th day of July last.

Notwithstanding the ameliorated condition of the natives of India under the government of your Petitioners, to which they have been accustomed, yet the tranquillity of the country is not maintained by a physical force, but chiefly by moral influence, and in a great degree even by prejudice; any change would alarm them; and their submission to British authority would be greatly endangered by an unrestrained resort of Europeans in search of wealth, either by commerce or other means, at distances from the principal seats of government, or in such numbers at those seats, as to be beyond the controul of the governors; and by the resort of persons who may not have such connection with, and interest to uphold, the authority of the ruling power, as will insure the utmost care in their

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their conduct, not only not to irritate, but positively to conciliate the natives with whom they may have dealings.

Your Petitioners beg leave to represent, that their military establishments, artillery, and marine, have been of other most important advantages to this nation, inasmuch as in the several European wars in which this society has been engaged since the peace of Aix-la-Chapelle, the forces of your Petitioners alone, or in conjunction with the forces of His Majesty, at the expence of your Petitioners, have taken all the settlements belonging to the Europeans on the continent of India, with whom this nation has been at war; and such captures have formed part of the price of national peace, without any compensation to your Petitioners: and, upon the suggestion of His Majesty's Ministers, your Petitioners sent a large force from India into Egypt, by the Red Sea, to co-operate with His Majesty's forces against the French, in the year 1801; and, in the present war, by expeditions equipped from India, all the possessions of the French, Dutch, and Danes, in the East, have been conquered: and though, as to such of those expeditions, the accounts of which have been settled, your Petitioners have been allowed considerable sums on the part of the Public, yet such allowances were calculated to reimburse only a part of the vast expenditure actually advanced by your Petitioners for those great national objects.

Your Petitioners humbly hope, they will be found to have been as attentive to, and as successful in the cultivation of the trade with China, as they have been with respect to the concerns in India. The peculiarities of the Chinese, and the delicacy attendant upon any intercourse with them, must be too well known, as matter of history, to every Member of this Honourable House, to require any statement of it in this Petition: it will be sufficient to inform this Honourable House, that it is but a little more than one hundred years since any trade whatever has been carried on between this country and China, and that, at this time, about forty-six thousand tons of shipping are employed by your Petitioners therein, and that your Petitioners entertain in China, for the purposes of that trade, a regular establishment of servants, called supra-cargoes, and others of inferior ranks, whose business it is to keep up a connection with the few merchants, or more properly mercantile officers, of the Chinese government, who are deputed to manage, on the part of the Chinese, all the commercial transactions between Great Britain and China. By this means, the trade has been

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been cherished and preserved through, and notwithstanding, many perils arising from circumstances apparently trivial, and the fatal consequences of which could only have been averted by the most delicate conduct, and by the whole commercial concerns of the British nation being confided to one united authority.

Your Petitioners feel it incumbent upon them to submit to this Honourable House an abstract of their financial operations since the arrangement contained in the above-mentioned act of the thirty-third year of the reign of His present Majesty was made. At that time the capital stock of your Petitioners amounted to the sum of £5,000,000: since that period, in pursuance of an Act of parliament passed for that purpose, the capital stock has been increased by the sum of £1,000,000, contributed by the subscribers at the rate of £200 per cent.

At the time when the act of the thirty-third of His Majesty* was passed, sundry debts, incurred in the defence and protection of the British possessions in India, bearing interest, were then due and owing by your Petitioners, amounting to seven millions of pounds sterling, or thereabouts. Since that period the said debt has been very much increased for the same purpose, and great part of such increased debt was raised upon loans, by the terms of which the creditors were entitled to the option of being paid off in India, or by bills of exchange to be drawn upon London; and upon such obligations becoming due, your Petitioners have been obliged to provide, out of their funds and credit at home, the means of paying bills of exchange drawn upon them since the year 1807, to the amount of £10,902,924 sterling, in discharge of Indian debt: and the debt contracted for political purposes, now remaining due in India, according to the latest advices from thence, amounts to the sum of £26,000,000, or thereabouts over and besides the sum of £3,000,000 Reduced three per cent. Annuities, and the sum of £1,400,000 Consolidated three per cent. Annuities, on which the sum of £2,500,000 sterling was raised, in pursuance of an act passed in the last session of Parliament, to enable your Petitioners to pay bills of exchange which had been drawn upon them from India, in part discharge of the Indian debt, as herein-before mentioned, and also over and besides the sum of £2,202,000, or thereabouts, now owing by your Petitioners upon bills of exchange not yet due,

* 33 Geo. III., cap. 52, sec. 108.

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due, but payable in London, which have been drawn in India, in further part discharge of the said Indian debt.

That the revenues of the territorial acquisitions in India in the possession of your Petitioners in the year 1793, amounted to the annual sum of £8,000,000, or thereabouts; and, by the latest accounts and estimates received from the East-Indies, the revenues of the territorial acquisitions, now in the possession of your Petitioners, amount to the annual sum of £16,000,000, or thereabouts: but the civil and military expences of the government have proportionably increased.

That the profits of the trade carried on by your Petitioners since the year 1793, to the latest period to which the accounts can be correctly estimated, have amounted to the sum of £6,289,405, over and above the commercial charges of your Petitioners, and beyond the payment of interest on their bond debt in England, and besides the dividends from time to time paid on the capital stock of your Petitioners, according to the directions of the said act of parliament passed in the thirty-third year of the reign of His present Majesty.

That in 1793 the bond debt in England of your Petitioners amounted to the sum of £3,200,000, or thereabouts: since which, by an act of parliament passed in the year 1797*, they have been empowered to raise money, by increasing their capital stock by the amount of £2,000,000; but your Petitioners have not availed themselves of that resource, but under the authority of several acts of parliament†, they have raised money upon bond, and their bond debt in England now amounts to the sum of £5,409,325; but your Petitioners are intitled by law to issue bonds, to the amount of £7,000,000 in the whole.

That the annual interest upon the present amount of the Indian debt now amounts to the sum of £1,600,000, or thereabouts: and as, by the terms of the loans on which such money was raised, the creditors are entitled to receive their interest by payment of money in India, or by bills of exchange to be drawn and made payable in London, at rates favourable to the holders, and judging from the amount drawn within the last half year, your Petitioners estimate that the annual sum of £1,500,000, or thereabouts, will be necessary to be

* 37 Geo. III. cap. 31.

† 34 Geo. III. cap. 41; 47 Geo. III. cap. 41, sess. 2; 52 Geo. III., cap. ;

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be provided annually in London, for the payment of such interest: besides which, although the several sums of money payable in respect of the reduced and consolidated annuities (on which the said sum of £2,500,000 was raised by virtue of the said act of the last session of Parliament), for interest and sinking fund attendant thereon, amounting altogether to the annual sum of £242,820, are expressly charged upon the revenues of the territorial acquisitions in the East-Indies, yet your Petitioners are bound by the said act, at all events, to pay such sums of money into the Bank of England, in manner in the said act mentioned; and your Petitioners will also be obliged to provide in London the interest and other charges which may be attendant upon any further loan which may be necessary, in consequence of the said further sum of £2,202,000, part of the Indian debt, for which bills of exchange drawn upon your Petitioners are now outstanding; and it is estimated, that political charges (including payments to be made to the creditors of the late Nabobs of the Carnatic) consequential upon the Indian territory, to the annual amount of £910,000, or thereabouts, will be to be defrayed in England; and as, from the best estimates which can be made, there appears but little reason to expect (without a considerable reduction of the military expences of your Petitioners in India) that there should be any sufficient surplus revenue to be remitted for those purposes, your Petitioners apprehend that the punctual discharge of the pecuniary obligations of your Petitioners, in relation thereto, as well as the payment of the interest upon their bond debt in England, and the dividends on their capital stock, will depend most essentially upon the trade to be carried on by your Petitioners.

That in pursuance of several acts of parliament since 1807*, your Petitioners have increased their bond debt in England, by the sum of £2,409,325; and, in pursuance of an act of parliament passed in the fiftieth year of the reign of His present Majesty, your Petitioners have borrowed exchequer bills of the public to the amount of £1,500,000; and, by virtue of an act passed in the last session of Parliament, as hereinbefore mentioned, your Petitioners raised on loan, by way of reduced and consolidated annuities, the sum of £2,500,000: and all such sums of money, together with the said sum of £6,289,405, which has arisen from

* 47 Geo. III. sess. 2, cap. 41; 51 Geo. III. cap. ; 50 Geo. III. cap. ; 52 Geo. III. cap. 135.

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from the surplus profits of the trade carried on by your Petitioners, as hereinbefore mentioned, have been absorbed, by payment of debts and expences incurred in respect of the territorial acquisitions in India.

That in the expeditions on the part of the British nation against the European enemies of His Majesty, and by advances for His Majesty's navy, and other public services, your Petitioners have incurred very large expences, which, they submit, they are entitled to be reimbursed by the Public: and your Petitioners compute, that after allowing such sum as your Petitioners are indebted to the Public for the loan of exchequer bills, to the amount of £1,500,000, as hereinbefore mentioned, pursuant to an act for that purpose passed in the last session of Parliament,* and after allowing such sums as your Petitioners are indebted to His Majesty for troops in India, and for recruiting, the sum of £2,294,426, at the least, will be found due to your Petitioners.

Your Petitioners have now exhibited, they hope with candour, the real situation of their affairs, and of the British trade and relations with the East-Indies and China. Your Petitioners do not presume to offer an opinion, whether any other arrangements, than those which have taken place, would have led to results equally, or more advantageous, than have arisen to their country: but they apprehend it to be quite undeniable, that the privileges entrusted to your Petitioners have produced a large quantity of positive benefit to the British empire; and they submit, that any material change in the Indian system would be matter of experiment, for which there can be no sufficient data from which its success can be calculated.

Your Petitioners feel it to be their duty to express to this Honourable House their sincere opinion, that the public interest cannot be better consulted, than by continuing your Petitioners as the sole organs and channel, both for the trade with and the government of India, upon the principles established by the act of the thirty-third year of His Majesty's reign, with such variations, as to the financial appropriations, and in some other points of detail, as present circumstances require and experience has pointed out. Your Petitioners ask not for an exclusive trade upon the narrow principles of monopoly, for the mere purpose of commercial gain; they have under their care interests of a much more

* 50 Geo. III. cap. 135; 52 Geo. III. cap.

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more extended and liberal nature, which it is their duty to attend to. Your Petitioners are ready to become parties to any arrangement, which shall be consistent with the rights of your Petitioners and the security of British India, and which will not deprive your Petitioners of the means of fulfilling their pecuniary engagements with the Public and individuals, or the performance of the functions which may be continued or allotted to them. They hope they will not be deemed presumptuous, in humbly submitting their opinion, considered and reconsidered, that the opening the trade with China, in any degree, would endanger its existence altogether; and your Petitioners have, at no time, contemplated any alteration even in the export trade to the East-Indies, without considerable doubt and hesitation: but your Petitioners are firmly of opinion, that the unrestrained liberty of importation from that country, otherwise than through the medium of the establishments of your Petitioners in London, would produce effects, which every well-wisher to his country must deprecate, and which would put to extreme hazard any pledge, on the part of your Petitioners, for the good government of India or the performance of their obligations. Your Petitioners submit, that they would not be justified in becoming parties to any system, which, on consideration, should appear to them likely to prove an illusion.

As your Petitioners do not venture to anticipate what may be the determination of this Honourable House upon the question hereby submitted to its decision, your Petitioners hope, that they will be excused for humbly stating what, in the event of the dissolution of the present system, they conceive would be found to be the rights of your Petitioners, as well as their fair pretensions upon the justice and liberality of Parliament. The absolute right of your Petitioners, for their own use, to a considerable part of the forts, towns, islands, territories, and rights, which they have acquired abroad, never has been questioned, and your Petitioners believe it to be unquestionable; and notwithstanding the claim made for the Public to other parts of the territorial acquisitions and revenues of your Petitioners, they entertain a strong hope, that the property, as well in those parts which were acquired by conquest, under the powers of peace and war lawfully exercised by your Petitioners, as in those parts which were otherwise acquired, would be found to belong to your Petitioners, in the same way as any other property within His Majesty's dominions belongs to the owners thereof, subject to

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the sovereignty and allegiance due to His Majesty: but even supposing it should be determined, contrary to the sense and expectations of your Petitioners touching their rights, that those places were not the property of your Petitioners, your Petitioners submit, that, in that case, if the possession were to be assumed on the part of the Public, your Petitioners would have a just right to reimbursement of the expenses which they have incurred in acquiring and maintaining them, and in making the fortifications, and civil and military buildings and works which your Petitioners have erected and improved upon them, with a compensation for the services and risk of your Petitioners, during the long time which they have had the possession and government of such territories, under the confirmation of Parliament, and all other charges incurred by your Petitioners, relative to such territories. These expenses and charges amount to many millions of money. Your Petitioners also submit, that they have a just claim to be reimbursed all the sums they have paid, in discharge of debts contracted on account of the territories, and to be indemnified against all other debts in respect of them, and which now remain undischarged.

Your Petitioners do not question, as an abstract principle, the right of any of His Majesty's subjects, to trade with any part of His Majesty's dominions; but your Petitioners humbly submit, that it cannot be contended, that any persons can have a right, except with the consent of your Petitioners, to use the settlements, factories, and seats of trade, or to avail themselves of the means and facilities, moral and physical, which your Petitioners, at a great expence and risk, have created or acquired, and now, at great current charge, maintain, for the purposes of commerce and civil intercourse.

Your Petitioners, therefore, most humbly pray, that this Honourable House will take the premises into its consideration, and make such provision as, in its wisdom, it shall see fit, for continuing the government of the territorial acquisitions in the East Indies in your Petitioners, and for settling the trade to the East Indies and China and other places, from the Cape of Good Hope to the Streights of Magellan, according to the present system; or that your Petitioners may have such relief in the premises as their case may require.

And your Petitioners, as in duty bound, will ever pray, &c.

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Petition for payment of Money due by the public.

COPY *of a further* PETITION *from the* EAST INDIA COMPANY *to the Honourable* HOUSE OF COMMONS, *also noticed in the preceding Minutes.*

To the Honourable the Commons of the United Kingdom of Great Britain and Ireland in Parliament assembled,

The humble Petition of the United Company of Merchants of England trading to the East Indies,

SHEWETH,

That loans of very large sums of money have heretofore been raised in India, on the credit of your Petitioners, for the defence and protection of the British possessions there, by the terms of which loans the creditors were entitled to the option of being paid off in India, or by bills of Exchange to be drawn upon London; and upon, and in consequence of such obligations becoming due, bills to the amount of £13,104,924 have been drawn, since the year 1807, upon your Petitioners, payable in London, and the sum of £10,902,924, part of the said sum of £13,104,924, has been discharged by your Petitioners, and £2,202,000, residue thereof, now remains outstanding, and the larger part of the bills drawn for the same will become due previous to the month of March 1814.

That, for the purpose of enabling your Petitioners to pay the said bills of exchange which they have so discharged to the amount of £10,902,924, they borrowed Exchequer Bills of the Public, to the amount of £1,500,000, in pursuance of an act of parliament passed in the fiftieth year of the reign of His Present Majesty, entitled "An Act for granting to His Majesty a Sum of Money "to be raised by Exchequer Bills, and to be advanced and applied, in the Man-"ner and upon the Terms therein mentioned, for the Relief of the United Com-"pany of Merchants of England trading to the East-Indies:" and your Petitioners also raised the sum of £2,500,000 upon reduced three pounds per centum,

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centum annuities and consolidated three pounds per centum annuities, respectively, transferrable at the Bank of England, in pursuance of an act of parliament made and passed in the fifty-second year of His Majesty's reign, entitled "An Act for advancing £2,500,000 to the East-India Company, to enable "them to discharge part of the Indian Debt."

That, by another act of parliament, made and passed in the fifty-second year of the reign of his present Majesty, entitled "An Act to amend an Act of the "fiftieth year of His present Majesty, for granting a Sum of Money to be raised "by Exchequer Bills, to be advanced and applied, in the Manner and upon the "Terms therein mentioned, for the Relief of the United Company of Merchants "of England, trading to the East-Indies," it is enacted, that it shall be lawful for the Commissioners of His Majesty's Treasury, or any three or more of them, to carry to the credit of your Petitioners, in repayment of the sums advanced under the provisions of the said act of parliament of the fiftieth year of the reign of His present Majesty, any sum or sums of money which should have been advanced or disbursed by your Petitioners in the East-Indies for His Majesty's navy or any public services.

That your Petitioners compute that, after allowing in account such sum as your Petitioners are indebted to His Majesty for the loan of the said Exchequer Bills, that the sum of £2,294,426, at the least, is now due to your Petitioners, in respect of Money which has been advanced or disbursed by your Petitioners in the East-Indies for His Majesty's navy and other public services.

That, by virtue of an act of parliament passed in the thirty-seventh year of the reign of His present Majesty, entitled, "An Act to enable the East-India "Company to raise money by further increasing their capital stock, and to extend "the provisions now existing, respecting the present stock of the Company, to "the said increased stock," your Petitioners are now authorised to raise money, by increasing their capital stock by the sum of £2,000,000; but your Petitioners have not raised any money in exercise of the powers contained in the said act.

That your Petitioners are now authorised by law to raise money in England upon bonds, to the amount of seven millions, and your Petitioners have now issued bonds to the amount of £5,409,325, and are at liberty to issue further bonds to

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to the further amount of £1,590,675: and by an act passed in the fifty-first year of the reign of His present Majesty, entitled, "An Act to enable the East-India "Company to raise a further sum of money upon bond, instead of encreasing "their capital stock, and to alter and amend an act passed in the forty-seventh "year of the reign of His present Majesty relative thereto," it is provided, that when your Petitioners shall have raised, under and by virtue of the said act of the thirty-seventh year of the reign of His present Majesty, and of the said act of the forty-seventh year of the reign of His present Majesty and of that act, such sums of money as together should amount to the sum of four millions sterling, from thenceforth it should not be lawful for your Petitioners to raise any further sum of money upon bond; and all money which, from thenceforth, should be raised by increase of capital stock, under and by virtue of the said first-mentioned act, should be applied in discharge of the said bond debt, until the said bond debt, created by virtue of the said act of the forty-seventh year of the reign of His Majesty, or of that act, together with the money to be raised by increase of capital, as aforesaid, should be reduced to the sum of four millions sterling.

That, upon an estimate of the probable receipts and payments of your Petitioners in England, including amongst the receipts the said sum of £2,294,426 so due from the Public to your Petitioners, as herein-before mentioned, it appears that it will be advantageous and necessary to the concerns of your Petitioners, that they should be authorised to raise the sum of £2,500,000 on loan, in a different manner from that in which they may now raise money, for the purpose of enabling them to discharge the said bills of exchange, to the amount of £2,202,000, drawn in liquidation of the Indian debt, to provide for their other current payments, and to enable your Petitioners, as circumstances may render it advisable, to reduce the amount of their bond debt, without increasing their capital stock.

Your Petitioners therefore most humbly pray, that this Honourable House will be pleased to direct the payment of the said sum of £2,294,426, so due by the Public to your Petitioners, as hereinbefore is mentioned, and to grant to your Petitioners such relief in the premises, as to this Honourable House shall seem meet.

And your Petitioners, as in duty bound, will ever pray, &c.