

# EDMUND BURKE

THE WORKS OF THE  
RIGHT HONOURABLE  
EDMUND BURKE, VOL.  
03 (OF 12)

Edmund Burke

**The Works of the Right Honourable  
Edmund Burke, Vol. 03 (of 12)**

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Ἐνταῦθα τί πράττειν ἐχρῆν ἄνδρα τῶν Πλάτωνος καὶ Ἀριστοτέλους ζηλωτὴν δογμάτων; ἄρα περιορᾶν ἀθρώπους ἀθλίους τοῖς κλέπταις ἐκδιδομένους, ἢ κατὰ δύναμιν αὐτοῖς ἀμύνειν, οἷμαι ὡς ἤδη τὸ κύκνειον; ἐξάδουσι διὰ τὸ θεμιστές ἐργαστήριον τῶν τοιούτων; Ἐμοὶ μὲν οὖν αἰσχρὸν εἶναι δοκεῖ τοὺς μὲν χιλιάρχους, ὅταν λείπωσι τὴν τάξιν, καταδικάζειν' ... τὴν δὲ ὑπὲρ ἀθλίων ἀνθρώπων ἀπολείπειν τάξιν, ὅταν δὲ πρὸς κλέπτας ἀγωνίζεσθαι τοιούτους, καὶ ταῦτα τοῦ θεοῦ συμμαχοῦντος ἡμῖν, ὅσπερ οὖν ἔταξεν.

JULIANI Epist. 17.

## ADVERTISEMENT

That the least informed reader of this speech may be enabled to enter fully into the spirit of the transaction on occasion of which it was delivered, it may be proper to acquaint him, that, among the princes dependent on this nation in the southern part of India, the most considerable at present is commonly known by the title of the Nabob of Arcot.

This prince owed the establishment of his government, against the claims of his elder brother, as well as those of other competitors, to the arms and influence of the British East India Company. Being thus established in a considerable part of the dominions he now possesses, he began, about the year 1765, to form, at the instigation (as he asserts) of the servants of the East India Company, a variety of designs for the further extension of his territories. Some years after, he carried his views to certain objects of interior arrangement, of a very pernicious nature. None of these designs could be compassed without the aid of the Company's arms; nor could those arms be employed consistently with an obedience to the Company's orders. He was therefore advised to form a more secret, but an equally powerful, interest among the servants of that Company, and among others both at home and abroad. By engaging them in his interests, the use of the Company's power might be obtained without their ostensible authority; the power might even be employed in defiance of the authority, if the case should require, as in truth it often did require, a proceeding of that degree of boldness.

The Company had put him into possession of several great cities and magnificent castles. The good order of his affairs, his sense of personal dignity, his ideas of Oriental splendor, and the habits of an Asiatic life, (to which, being a native of India, and a Mahometan, he had from his infancy been inured,) would naturally have led him to fix the seat of his government within his own dominions. Instead of this, he totally sequestered himself from his country, and, abandoning all appearance of state, he took up his residence in an ordinary house, which he purchased in the suburbs of the Company's factory at Madras. In that place he has lived, without removing one day from thence, for several years past. He has there continued a constant cabal with the Company's servants, from the highest to the lowest,—creating, out of the ruins of the country, brilliant fortunes for those who will, and entirely destroying those who will not, be subservient to his purposes.

An opinion prevailed, strongly confirmed by several passages in his own letters, as well as by a combination of circumstances forming a body of evidence which cannot be resisted, that very great sums have been by him distributed, through a long course of years, to some of the Company's servants. Besides these presumed payments in ready money, (of which, from the nature of the thing, the direct proof is very difficult,) debts have at several periods been acknowledged to those gentlemen, to an immense amount,—that is, to some millions of sterling money. There is strong reason to suspect that the body of these debts is wholly fictitious, and was never created by money *bonâ fide* lent. But even on a supposition that this vast sum was really advanced, it was impossible that the very reality of such an astonishing transaction should not cause some degree of alarm and incite to some sort of inquiry.

It was not at all seemly, at a moment when the Company itself was so distressed as to require a suspension, by act of Parliament, of the payment of bills drawn on them from India,—and also a direct tax upon every house in England, in order to facilitate the vent of their goods, and to avoid instant insolvency,—at that very moment, that their servants should appear in so flourishing a condition, as, besides ten millions of other demands on their masters, to be entitled to claim a debt of three or four millions more from the territorial revenue of one of their dependent princes.

The ostensible pecuniary transactions of the Nabob of Arcot with very private persons are so enormous, that they evidently set aside every pretence of policy which might induce a prudent government in some instances to wink at ordinary loose practice in ill-managed departments. No caution could be too great in handling this matter, no scrutiny too exact. It was evidently the interest,

and as evidently at least in the power, of the creditors, by admitting secret participation in this dark and undefined concern, to spread corruption to the greatest and the most alarming extent.

These facts relative to the debts were so notorious, the opinion of their being a principal source of the disorders of the British government in India was so undisputed and universal, that there was no party, no description of men in Parliament, who did not think themselves bound, if not in honor and conscience, at least in common decency, to institute a vigorous inquiry into the very bottom of the business, before they admitted any part of that vast and suspicious charge to be laid upon an exhausted country. Every plan concurred in directing such an inquiry, in order that whatever was discovered to be corrupt, fraudulent, or oppressive should lead to a due animadversion on the offenders, and, if anything fair and equitable in its origin should be found, (nobody suspected that much, comparatively speaking, would be so found,) it might be provided for,—in due subordination, however, to the ease of the subject and the service of the state.

These were the alleged grounds for an inquiry, settled in all the bills brought into Parliament relative to India,—and there were, I think, no less than four of them. By the bill commonly called Mr. Pitt's bill, the inquiry was specially, and by express words, committed to the Court of Directors, without any reserve for the interference of any other person or persons whatsoever. It was ordered that *they* should make the inquiry into the origin and justice of these debts, as far as the materials in *their* possession enabled them to proceed; and where *they* found those materials deficient, *they* should order the Presidency of Fort St. George (Madras) to complete the inquiry.

The Court of Directors applied themselves to the execution of the trust reposed in them. They first examined into the amount of the debt, which they computed, at compound interest, to be 2,945,600*l.* sterling. Whether their mode of computation, either of the original sums or the amount on compound interest, was exact, that is, whether they took the interest too high or the several capitals too low, is not material. On whatever principle any of the calculations were made up, none of them found the debt to differ from the recital of the act, which asserted that the sums claimed were "*very large.*" The last head of these debts the Directors compute at 2,465,680*l.* sterling. Of the existence of this debt the Directors heard nothing until 1776, and they say, that, "although they had *repeatedly* written to the Nabob of Arcot, and to their servants, respecting the debt, yet they *had never been able to trace the origin thereof, or to obtain any satisfactory information on the subject.*"

The Court of Directors, after stating the circumstances under which the debts appeared to them to have been contracted, add as follows:—"For these reasons we should have thought it our duty to inquire *very minutely* into those debts, even if the act of Parliament had been silent on the subject, before we concurred in any measure for their payment. But with the positive injunctions of the act before us to examine into their nature and origin, we are indispensably bound to direct such an inquiry to be instituted." They then order the President and Council of Madras to enter into a full examination, &c., &c.

The Directors, having drawn up their order to the Presidency on these principles, communicated the draught of the general letter in which those orders were contained to the board of his Majesty's ministers, and other servants lately constituted by Mr. Pitt's East India Act. These ministers, who had just carried through Parliament the bill ordering a specific inquiry, immediately drew up another letter, on a principle directly opposite to that which was prescribed by the act of Parliament and followed by the Directors. In these second orders, all idea of an inquiry into the justice and origin of the pretended debts, particularly of the last, the greatest, and the most obnoxious to suspicion, is abandoned. They are all admitted and established without any investigation whatsoever, (except some private conference with the agents of the claimants is to pass for an investigation,) and a fund for their discharge is assigned and set apart out of the revenues of the Carnatic. To this arrangement in favor of their servants, servants suspected of corruption and convicted of disobedience, the Directors of the East India Company were ordered to set their hands, asserting it to arise from their own conviction and opinion, in flat contradiction to their recorded sentiments, their strong remonstrance, and their

declared sense of their duty, as well under their general trust and their oath as Directors, as under the express injunctions of an act of Parliament.

The principles upon which this summary proceeding was adopted by the ministerial board are stated by themselves in a number in the appendix to this speech.

By another section of the same act, the same Court of Directors were ordered to take into consideration and to decide on the indeterminate rights of the Rajah of Tanjore and the Nabob of Arcot; and in this, as in the former case, no power of appeal, revision, or alteration was reserved to any other. It was a jurisdiction, in a cause between party and party, given to the Court of Directors specifically. It was known that the territories of the former of these princes had been twice invaded and pillaged, and the prince deposed and imprisoned, by the Company's servants, influenced by the intrigues of the latter, and for the purpose of paying his pretended debts. The Company had, in the year 1775, ordered a restoration of the Rajah to his government, under certain conditions. The Rajah complained, that his territories had not been completely restored to him, and that no part of his goods, money, revenues, or records, unjustly taken and withheld from him, were ever returned. The Nabob, on the other hand, never ceased to claim the country itself, and carried on a continued train of negotiation, that it should again be given up to him, in violation of the Company's public faith.

The Directors, in obedience to this part of the act, ordered an inquiry, and came to a determination to restore certain of his territories to the Rajah. The ministers, proceeding as in the former case, without hearing any party, rescinded the decision of the Directors, refused the restitution of the territory, and, without regard to the condition of the country of Tanjore, which had been within a few years four times plundered, (twice by the Nabob of Arcot, and twice by enemies brought upon it solely by the politics of the same Nabob, the declared enemy of that people,) and without discounting a shilling for their sufferings, they accumulate an arrear of about four hundred thousand pounds of pretended tribute to this enemy; and then they order the Directors to put their hands to a new adjudication, directly contrary to a judgment in a judicial character and trust solemnly given by them and entered on their records.

These proceedings naturally called for some inquiry. On the 28th of February, 1785, Mr. Fox made the following motion in the House of Commons, after moving that the clauses of the act should be read:—"That the proper officer do lay before this House copies or extracts of all letters and orders of the Court of Directors of the United East India Company, in pursuance of the injunctions contained in the 37th and 38th clauses of the said act"; and the question being put, it passed in the negative by a very great majority.

The last speech in the debate was the following; which is given to the public, not as being more worthy of its attention than others, (some of which were of consummate ability,) but as entering more into the detail of the subject.

## SPEECH

The times we live in, Mr. Speaker, have been distinguished by extraordinary events. Habituated, however, as we are, to uncommon combinations of men and of affairs, I believe nobody recollects anything more surprising than the spectacle of this day. The right honorable gentleman<sup>1</sup> whose conduct is now in question formerly stood forth in this House, the prosecutor of the worthy baronet<sup>2</sup> who spoke after him. He charged him with several grievous acts of malversation in office, with abuses of a public trust of a great and heinous nature. In less than two years we see the situation of the parties reversed; and a singular revolution puts the worthy baronet in a fair way of returning the prosecution in a recriminatory bill of pains and penalties, grounded on a breach of public trust relative to the government of the very same part of India. If he should undertake a bill of that kind, he will find no difficulty in conducting it with a degree of skill and vigor fully equal to all that have been exerted against him.

But the change of relation between these two gentlemen is not so striking as the total difference of their deportment under the same unhappy circumstances. Whatever the merits of the worthy baronet's defence might have been, he did not shrink from the charge. He met it with manliness of spirit and decency of behavior. What would have been thought of him, if he had held the present language of his old accuser? When articles were exhibited against him by that right honorable gentleman, he did not think proper to tell the House that we ought to institute no inquiry, to inspect no paper, to examine no witness. He did not tell us (what at that time he might have told us with some show of reason) that our concerns in India were matters of delicacy, that to divulge anything relative to them would be mischievous to the state. He did not tell us that those who would inquire into his proceedings were disposed to dismember the empire. He had not the presumption to say, that, for his part, having obtained, in his Indian presidency, the ultimate object of his ambition, his honor was concerned in executing with integrity the trust which had been legally committed to his charge: that others, not having been so fortunate, could not be so disinterested; and therefore their accusations could spring from no other source than faction, and envy to his fortune.

Had he been frontless enough to hold such vain, vaporing language in the face of a grave, a detailed, a specified matter of accusation, whilst he violently resisted everything which could bring the merits of his cause to the test,—had he been wild enough to anticipate the absurdities of this day,—that is, had he inferred, as his late accuser has thought proper to do, that he could not have been guilty of malversation in office, for this sole and curious reason, that he had been in office,—had he argued the impossibility of his abusing his power on this sole principle, that he had power to abuse,—he would have left but one impression on the mind of every man who heard him, and who believed him in his senses: that in the utmost extent he was guilty of the charge.

But, Sir, leaving these two gentlemen to alternate as criminal and accuser upon what principles they think expedient, it is for us to consider whether the Chancellor of the Exchequer and the Treasurer of the Navy, acting as a Board of Control, are justified by law or policy in suspending the legal arrangements made by the Court of Directors, in order to transfer the public revenues to the private emolument of certain servants of the East India Company, without the inquiry into the origin and justice of their claims prescribed by an act of Parliament.

It is not contended that the act of Parliament did not expressly ordain an inquiry. It is not asserted that this inquiry was not, with equal precision of terms, specially committed, under particular regulations, to the Court of Directors. I conceive, therefore, the Board of Control had no right whatsoever to intermeddle in that business. There is nothing certain in the principles of jurisprudence,

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<sup>1</sup> Right Honorable Henry Dundas.

<sup>2</sup> Sir Thomas Rumbold, late Governor of Madras.

if this be not undeniably true, that when, a special authority is given to any persons by name to do some particular act, that no others, by virtue of general powers, can obtain a legal title to intrude themselves into that trust, and to exercise those special functions in their place. I therefore consider the intermeddling of ministers in this affair as a downright usurpation. But if the strained construction by which they have forced themselves into a suspicious office (which every man delicate with regard to character would rather have sought constructions to avoid) were perfectly sound and perfectly legal, of this I am certain, that they cannot be justified in declining the inquiry which had been prescribed to the Court of Directors. If the Board of Control did lawfully possess the right of executing the special trust given to that court, they must take it as they found it, subject to the very same regulations which bound the Court of Directors. It will be allowed that the Court of Directors had no authority to dispense with either the substance or the mode of inquiry prescribed by the act of Parliament. If they had not, where in the act did the Board of Control acquire that capacity? Indeed, it was impossible they should acquire it. What must we think of the fabric and texture of an act of Parliament which should find it necessary to prescribe a strict inquisition, that should descend into minute regulations for the conduct of that inquisition, that should commit this trust to a particular description of men, and in the very same breath should enable another body, at their own pleasure, to supersede all the provisions the legislature had made, and to defeat the whole purpose, end, and object of the law? This cannot be supposed even of an act of Parliament conceived by the ministers themselves, and brought forth during the delirium of the last session.

My honorable friend has told you in the speech which introduced his motion, that fortunately this question is not a great deal involved in the labyrinths of Indian detail. Certainly not. But if it were, I beg leave to assure you that there is nothing in the Indian detail which is more difficult than in the detail of any other business. I admit, because I have some experience of the fact, that for the interior regulation of India a minute knowledge of India is requisite. But on any specific matter of delinquency in its government you are as capable of judging as if the same thing were done at your door. Fraud, injustice, oppression, speculation, engendered in India, are crimes of the same blood, family, and cast with those that are born and bred in England. To go no farther than the case before us: you are just as competent to judge whether the sum of four millions sterling ought or ought not to be passed from the public treasury into a private pocket without any title except the claim of the parties, when the issue of fact is laid in Madras, as when it is laid in Westminster. Terms of art, indeed, are different in different places; but they are generally understood in none. The technical style of an Indian treasury is not one jot more remote than the jargon of our own Exchequer from the train of our ordinary ideas or the idiom of our common language. The difference, therefore, in the two cases is not in the comparative difficulty or facility of the two subjects, but in our attention to the one and our total neglect of the other. Had this attention and neglect been regulated by the value of the several objects, there would be nothing to complain of. But the reverse of that supposition is true. The scene of the Indian abuse is distant, indeed; but we must not infer that the value of our interest in it is decreased in proportion as it recedes from our view. In our politics, as in our common conduct, we shall be worse than infants, if we do not put our senses under the tuition of our judgment, and effectually cure ourselves of that optical illusion which makes a brier at our nose of greater magnitude than an oak at five hundred yards' distance.

I think I can trace all the calamities of this country to the single source of our not having had steadily before our eyes a general, comprehensive, well-connected, and well-proportioned view of the whole of our dominions, and a just sense of their true bearings and relations. After all its reductions, the British empire is still vast and various. After all the reductions of the House of Commons, (stripped as we are of our brightest ornaments and of our most important privileges,) enough are yet left to furnish us, if we please, with means of showing to the world that we deserve the superintendence of as large an empire as this kingdom ever held, and the continuance of as ample privileges as the House of Commons, in the plenitude of its power, had been habituated to assert.

But if we make ourselves too little for the sphere of our duty, if, on the contrary, we do not stretch and expand our minds to the compass of their object, be well assured that everything about us will dwindle by degrees, until at length our concerns are shrunk to the dimensions of our minds. It is not a predilection to mean, sordid, home-bred cares that will avert the consequences of a false estimation of our interest, or prevent the shameful dilapidation into which a great empire must fall by mean reparations upon mighty ruins.

I confess I feel a degree of disgust, almost leading to despair, at the manner in which we are acting in the great exigencies of our country. There is now a bill in this House appointing a rigid inquisition into the minutest detail of our offices at home. The collection of sixteen millions annually, a collection on which the public greatness, safety, and credit have their reliance, the whole order of criminal jurisprudence, which holds together society itself, have at no time obliged us to call forth such powers,—no, nor anything like them. There is not a principle of the law and Constitution of this country that is not subverted to favor the execution of that project.<sup>3</sup> And for what is all this apparatus of bustle and terror? Is it because anything substantial is expected from it? No. The stir and bustle itself is the end proposed. The eye-servants of a short-sighted master will employ themselves, not on what is most essential to his affairs, but on what is nearest to his ken. Great difficulties have given a just value to economy; and our minister of the day must be an economist, whatever it may cost us. But where is he to exert his talents? At home, to be sure; for where else can he obtain a profitable credit for their exertion? It is nothing to him, whether the object on which he works under our eye be promising or not. If he does not obtain any public benefit, he may make regulations without end. Those are sure to pay in present expectation, whilst the effect is at a distance, and may be the concern of other times and other men. On these principles, he chooses to suppose (for he does not pretend more than to suppose) a naked possibility that he shall draw some resource out of crumbs dropped from the trenchers of penury; that something shall be laid in store from the short allowance of revenue-officers overloaded with duty and famished for want of bread,—by a reduction from officers who are at this very hour ready to batter the Treasury with what breaks through stone walls for an *increase* of their appointments. From the marrowless bones of these skeleton establishments, by the use of every sort of cutting and of every sort of fretting tool, he flatters himself that he may chip and rasp an empirical alimentary powder, to diet into some similitude of health and substance the languishing chimeras of fraudulent reformation.

Whilst he is thus employed according to his policy and to his taste, he has not leisure to inquire into those abuses in India that are drawing off money by millions from the treasures of this country, which are exhausting the vital juices from members of the state, where the public inanition is far more sorely felt than in the local exchequer of England. Not content with winking at these abuses, whilst he attempts to squeeze the laborious, ill-paid drudges of English revenue, he lavishes, in one act of corrupt prodigality, upon those who never served the public in any honest occupation at all, an annual income equal to two thirds of the whole collection of the revenues of this kingdom.

Actuated by the same principle of choice, he has now on the anvil another scheme, full of difficulty and desperate hazard, which totally alters the commercial relation of two kingdoms, and, what end soever it shall have, may bequeath a legacy of heartburning and discontent to one of the countries, perhaps to both, to be perpetuated to the latest posterity. This project is also undertaken on the hope of profit. It is provided, that, out of some (I know not what) remains of the Irish hereditary revenue, a fund, at some time, and of some sort, should be applied to the protection of the Irish trade. Here we are commanded again to task our faith, and to persuade ourselves, that, out of the surplus of deficiency, out of the savings of habitual and systematic prodigality, the minister of wonders will provide support for this nation, sinking under the mountainous load of two hundred and thirty millions of debt. But whilst we look with pain at his desperate and laborious trifling, whilst we are

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<sup>3</sup> Appendix, [No. 1](#).

apprehensive that he will break his back in stooping to pick up chaff and straws, he recovers himself at an elastic bound, and with a broadcast swing of his arm he squanders over his Indian field a sum far greater than the clear produce of the whole hereditary revenue of the kingdom of Ireland.<sup>4</sup>

Strange as this scheme of conduct in ministry is, and inconsistent with all just policy, it is still true to itself, and faithful to its own perverted order. Those who are bountiful to crimes will be rigid to merit and penurious to service. Their penury is even held out as a blind and cover to their prodigality. The economy of injustice is to furnish resources for the fund of corruption. Then they pay off their protection to great crimes and great criminals by being inexorable to the paltry frailties of little men; and these modern flagellants are sure, with a rigid fidelity, to whip their own enormities on the vicarious back of every small offender.

It is to draw your attention to economy of quite another order, it is to animadvert on offences of a far different description, that my honorable friend has brought before you the motion of this day. It is to perpetuate the abuses which are subverting the fabric of your empire, that the motion is opposed. It is, therefore, with reason (and if he has power to carry himself through, I commend his prudence) that the right honorable gentleman makes his stand at the very outset, and boldly refuses all Parliamentary information. Let him admit but one step towards inquiry, and he is undone. You must be ignorant, or he cannot be safe. But before his curtain is let down, and the shades of eternal night shall veil our Eastern dominions from our view, permit me, Sir, to avail myself of the means which were furnished in anxious and inquisitive times to demonstrate out of this single act of the present minister what advantages you are to derive from permitting the greatest concern of this nation to be separated from the cognizance, and exempted even out of the competence, of Parliament. The greatest body of your revenue, your most numerous armies, your most important commerce, the richest sources of your public credit, (contrary to every idea of the known, settled policy of England,) are on the point of being converted into a mystery of state. You are going to have one half of the globe hid even from the common liberal curiosity of an English gentleman. Here a grand revolution commences. Mark the period, and mark the circumstances. In most of the capital changes that are recorded in the principles and system of any government, a public benefit of some kind or other has been pretended. The revolution commenced in something plausible, in something which carried the appearance at least of punishment of delinquency or correction of abuse. But here, in the very moment of the conversion of a department of British government into an Indian mystery, and in the very act in which the change commences, a corrupt private interest is set up in direct opposition to the necessities of the nation. A diversion is made of millions of the public money from the public treasury to a private purse. It is not into secret negotiations for war, peace, or alliance that the House of Commons is forbidden to inquire. It is a matter of account; it is a pecuniary transaction; it is the demand of a suspected steward upon ruined tenants and an embarrassed master that the Commons of Great Britain are commanded not to inspect. The whole tenor of the right honorable gentleman's argument is consonant to the nature of his policy. The system of concealment is fostered by a system of falsehood. False facts, false colors, false names of persons and things, are its whole support.

Sir, I mean to follow the right honorable gentleman over that field of deception, clearing what he has purposely obscured, and fairly stating what it was necessary for him to misrepresent. For this purpose, it is necessary you should know, with some degree of distinctness, a little of the locality, the nature, the circumstances, the magnitude of the pretended debts on which this marvellous donation is founded, as well as of the persons from whom and by whom it is claimed.

Madras, with its dependencies, is the second (but with a long interval, the second) member of the British empire in the East. The trade of that city, and of the adjacent territory, was not very

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<sup>4</sup> The whole of the net Irish hereditary revenue is, on a medium of the last seven years, about 330,000*l.* yearly. The revenues of all denominations fall short more than 150,000*l.* yearly of the charges. On the *present* produce, if Mr. Pitt's scheme was to take place, he might gain from seven to ten thousand pounds a year.

long ago among the most flourishing in Asia. But since the establishment of the British power it has wasted away under an uniform gradual decline, insomuch that in the year 1779 not one merchant of eminence was to be found in the whole country.<sup>5</sup> During this period of decay, about six hundred thousand sterling pounds a year have been drawn off by English gentlemen on their private account, by the way of China alone.<sup>6</sup> If we add four hundred thousand, as probably remitted through other channels, and in other mediums, that is, in jewels, gold, and silver, directly brought to Europe, and in bills upon the British and foreign companies, you will scarcely think the matter overrated. If we fix the commencement of this extraction of money from the Carnatic at a period no earlier than the year 1760, and close it in the year 1780, it probably will not amount to a great deal less than twenty millions of money.

During the deep, silent flow of this steady stream of wealth which set from India into Europe, it generally passed on with no adequate observation; but happening at some periods to meet rifts of rocks that checked its course, it grew more noisy and attracted more notice. The pecuniary discussions caused by an accumulation of part of the fortunes of their servants in a debt from the Nabob of Arcot was the first thing which very particularly called for, and long engaged, the attention of the Court of Directors. This debt amounted to eight hundred and eighty thousand pounds sterling, and was claimed, for the greater part, by English gentlemen residing at Madras. This grand capital, settled at length by order at ten per cent, afforded an annuity of eighty-eight thousand pounds.<sup>7</sup>

Whilst the Directors were digesting their astonishment at this information, a memorial was presented to them from three gentlemen, informing them that their friends had lent, likewise, to merchants of Canton in China, a sum of not more than one million sterling. In this memorial they called upon the Company for their assistance and interposition with the Chinese government for the recovery of the debt. This sum lent to Chinese merchants was at twenty-four per cent, which would yield, if paid, an annuity of two hundred and forty thousand pounds.<sup>8</sup>

Perplexed as the Directors were with these demands, you may conceive, Sir, that they did not find themselves very much disembarrassed by being made acquainted that they must again exert their influence for a new reserve of the happy parsimony of their servants, collected into a second debt from the Nabob of Arcot, amounting to two millions four hundred thousand pounds, settled at an interest of twelve per cent. This is known by the name of the Consolidation of 1777, as the former of the Nabob's debts was by the title of the Consolidation of 1767. To this was added, in a separate parcel, a little reserve, called the Cavalry Debt, of one hundred and sixty thousand pounds, at the same interest. The whole of these four capitals, amounting to four millions four hundred and forty thousand pounds, produced at their several rates, annuities amounting to six hundred and twenty-three thousand pounds a year: a good deal more than one third of the clear land-tax of England, at four shillings in the pound; a good deal more than double the whole annual dividend of the East India Company, the nominal masters to the proprietors in these funds. Of this interest, three hundred and eighty-three thousand two hundred pounds a year stood chargeable on the public revenues of the Carnatic.

Sir, at this moment, it will not be necessary to consider the various operations which the capital and interest of this debt have successively undergone. I shall speak to these operations when I come particularly to answer the right honorable gentleman on each of the heads, as he has thought proper to divide them. But this was the exact view in which these debts first appeared to the Court of Directors, and to the world. It varied afterwards. But it never appeared in any other than a most questionable shape. When this gigantic phantom of debt first appeared before a young minister, it

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<sup>5</sup> Mr. Smith's Examination before the Select Committee. Appendix, [No. 2](#).

<sup>6</sup> Appendix, [No. 2](#).

<sup>7</sup> Fourth Report, Mr. Dundas's Committee, p. 4.

<sup>8</sup> A witness examined before the Committee of Secrecy says that eighteen per cent was the usual interest, but he had heard that more had been given. The above is the account which Mr. B. received.

naturally would have justified some degree of doubt and apprehension. Such a prodigy would have filled any common man with superstitious fears. He would exorcise that shapeless, nameless form, and by everything sacred would have adjured it to tell by what means a small number of slight individuals, of no consequence or situation, possessed of no lucrative offices, without the command of armies or the known administration of revenues, without profession of any kind, without any sort of trade sufficient to employ a peddler, could have, in a few years, (as to some, even in a few months,) amassed treasures equal to the revenues of a respectable kingdom? Was it not enough to put these gentlemen, in the novitiate of their administration, on their guard, and to call upon them for a strict inquiry, (if not to justify them in a reprobation of those demands without any inquiry at all,) that, when all England, Scotland, and Ireland had for years been witness to the immense sums laid out by the servants of the Company in stocks of all denominations, in the purchase of lands, in the buying and building of houses, in the securing quiet seats in Parliament or in the tumultuous riot of contested elections, in wandering throughout the whole range of those variegated modes of inventive prodigality which sometimes have excited our wonder, sometimes roused our indignation, that, after all, India was four millions still in debt to *them*? India in debt to *them*! For what? Every debt, for which an equivalent of some kind or other is not given, is, on the face of it, a fraud. What is the equivalent they have given? What equivalent had they to give? What are the articles of commerce, or the branches of manufacture, which those gentlemen have carried hence to enrich India? What are the sciences they beamed out to enlighten it? What are the arts they introduced to cheer and to adorn it? What are the religious, what the moral institutions they have taught among that people, as a guide to life, or as a consolation when life is to be no more, that there is an eternal debt, a debt "still paying, still to owe," which must be bound on the present generation in India, and entailed on their mortgaged posterity forever? A debt of millions, in favor of a set of men whose names, with few exceptions, are either buried in the obscurity of their origin and talents or dragged into light by the enormity of their crimes!

In my opinion the courage of the minister was the most wonderful part of the transaction, especially as he must have read, or rather the right honorable gentleman says he has read for him, whole volumes upon the subject. The volumes, by the way, are not by one tenth part so numerous as the right honorable gentleman has thought proper to pretend, in order to frighten you from inquiry; but in these volumes, such as they are, the minister must have found a full authority for a suspicion (at the very least) of everything relative to the great fortunes made at Madras. What is that authority? Why, no other than the standing authority for all the claims which the ministry has thought fit to provide for,—the grand debtor,—the Nabob of Arcot himself. Hear that prince, in the letter written to the Court of Directors, at the precise period whilst the main body of these debts were contracting. In his letter he states himself to be, what undoubtedly he is, a most competent witness to this point. After speaking of the war with Hyder Ali in 1768 and 1769, and of other measures which he censures, (whether right or wrong it signifies nothing,) and into which he says he had been led by the Company's servants, he proceeds in this manner:—"If all these things were against the real interests of the Company, they are ten thousand times more against mine, and against the prosperity of my country and the happiness of my people; for your interests and mine are the same. *What were they owing to, then? To the private views of a few individuals, who have enriched themselves at the expense of your influence and of my country: for your servants HAVE NO TRADE IN THIS COUNTRY, neither do you pay them high wages; yet in a few years they return to England with many lacs of pagodas. How can you or I account for such immense fortunes acquired in so short a time, without any visible means of getting them?*"

When he asked this question, which involves its answer, it is extraordinary that curiosity did not prompt the Chancellor of the Exchequer to that inquiry which might come in vain recommended to him by his own act of Parliament. Does not the Nabob of Arcot tell us, in so many words, that there was no fair way of making the enormous sums sent by the Company's servants to England? And do you imagine that there was or could be more honesty and good faith in the demands for what remained behind in India? Of what nature were the transactions with himself? If you follow the train

of his information, you must see, that, if these great sums were at all lent, it was not property, but spoil, that was lent; if not lent, the transaction was not a contract, but a fraud. Either way, if light enough could not be furnished to authorize a full condemnation of these demands, they ought to have been left to the parties, who best knew and understood each other's proceedings. It was not necessary that the authority of government should interpose in favor of claims whose very foundation was a defiance of that authority, and whose object and end was its entire subversion.

It may be said that this letter was written by the Nabob of Arcot in a moody humor, under the influence of some chagrin. Certainly it was; but it is in such humors that truth comes out. And when he tells you, from his own knowledge, what every one must presume, from the extreme probability of the thing, whether he told it or not, one such testimony is worth a thousand that contradict that probability, when the parties have a better understanding with each other, and when they have a point to carry that may unite them in a common deceit.

If this body of private claims of debt, real or devised, were a question, as it is falsely pretended, between the Nabob of Arcot, as debtor, and Paul Benfield and his associates, as creditors, I am sure I should give myself but little trouble about it. If the hoards of oppression were the fund for satisfying the claims of bribery and peculation, who would wish to interfere between such litigants? If the demands were confined to what might be drawn from the treasures which the Company's records uniformly assert that the Nabob is in possession of, or if he had mines of gold or silver or diamonds, (as we know that he has none,) these gentlemen might break open his hoards or dig in his mines without any disturbance from me. But the gentlemen on the other side of the House know as well as I do, and they dare not contradict me, that the Nabob of Arcot and his creditors are not adversaries, but collusive parties, and that the whole transaction is under a false color and false names. The litigation is not, nor ever has been, between their rapacity and his hoarded riches. No: it is between him and them combining and confederating, on one side, and the public revenues, and the miserable inhabitants of a ruined country, on the other. These are the real plaintiffs and the real defendants in the suit. Refusing a shilling from his hoards for the satisfaction of any demand, the Nabob of Arcot is always ready, nay, he earnestly, and with eagerness and passion, contends for delivering up to these pretended creditors his territory and his subjects. It is, therefore, not from treasuries and mines, but from the food of your unpaid armies, from the blood withheld from the veins and whipped out of the backs of the most miserable of men, that we are to pamper extortion, usury, and peculation, under the false names of debtors and creditors of state.

The great patron of these creditors, (to whose honor they ought to erect statues,) the right honorable gentleman,<sup>9</sup> in stating the merits which recommended them to his favor, has ranked them under three grand divisions. The first, the creditors of 1767; then the creditors of the cavalry loan; and lastly, the creditors of the loan in 1777. Let us examine them, one by one, as they pass in review before us.

The first of these loans, that of 1767, he insists, has an indisputable claim upon the public justice. The creditors, he affirms, lent their money publicly; they advanced it with the express knowledge and approbation of the Company; and it was contracted at the moderate interest of ten per cent. In this loan, the demand is, according to him, not only just, but meritorious in a very high degree: and one would be inclined to believe he thought so, because he has put it last in the provision he has made for these claims.

I readily admit this debt to stand the fairest of the whole; for, whatever may be my suspicions concerning a part of it, I can convict it of nothing worse than the most enormous usury. But I can convict, upon the spot, the right honorable gentleman of the most daring misrepresentation in every one fact, without any exception, that he has alleged in defence of this loan, and of his own conduct with regard to it. I will show you that this debt was never contracted with the knowledge of the

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<sup>9</sup> Mr. Dundas.

Company; that it had not their approbation; that they received the first intelligence of it with the utmost possible surprise, indignation, and alarm.

So far from being previously apprised of the transaction from its origin, it was two years before the Court of Directors obtained any official intelligence of it. "The dealings of the servants with the Nabob were concealed from the first, until they were found out" (says Mr. Sayer, the Company's counsel) "by the report of the country." The Presidency, however, at last thought proper to send an official account. On this the Directors tell them, "To your great reproach, it has been *concealed from us*. We cannot but suspect this debt to have had its weight in *your proposed aggrandizement of Mahomed Ali* [the Nabob of Arcot]; but whether it has or has not, certain it is you are guilty of an high breach of duty in *concealing* it from us."

These expressions, concerning the ground of the transaction, its effect, and its clandestine nature, are in the letters bearing date March 17, 1769. After receiving a more full account, on the 23d March, 1770, they state, that "Messrs. John Pybus, John Call, and James Bouchier, as trustees for themselves and others of the Nabob's private creditors, had proved a deed of assignment upon the Nabob and his son of FIFTEEN districts of the Nabob's country, the revenues of which yielded, in time of peace, eight lacs of pagodas [320,000*l.* sterling] annually; and likewise an assignment of the yearly tribute paid the Nabob from the Rajah of Tanjore, amounting to four lacs of rupees [40,000*l.*]" The territorial revenue at that time possessed by these gentlemen, without the knowledge or consent of their masters, amounted to three hundred and sixty thousand pounds sterling annually. They were making rapid strides to the entire possession of the country, when the Directors, whom the right honorable gentleman states as having authorized these proceedings, were kept in such profound ignorance of this royal acquisition of territorial revenue by their servants, that in the same letter they say, "This assignment was obtained by *three of the members of your board* in January, 1767; yet we do not find the *least trace* of it upon your Consultations until August, 1768, nor do any of your letters to us afford any information relative to such transactions till the 1st of November, 1768. By your last letters of the 8th of May, 1769, you bring the whole proceedings to light in one view."

As to the previous knowledge of the Company, and its sanction to the debts, you see that this assertion of that knowledge is utterly unfounded. But did the Directors approve of it, and ratify the transaction, when it was known? The very reverse. On the same 3d of March, the Directors declare, "upon an *impartial examination* of the whole conduct of our late Governor and Council of Fort George [Madras], and on the fullest consideration, that the said Governor and Council have, *in notorious violation of the trust* reposed in them, manifestly *preferred the interest of private individuals to that of the Company*, in permitting the assignment of the revenues of certain valuable districts, to a very large amount, from the Nabob to individuals"; and then, highly aggravating their crimes, they add,—"We order and direct that you do examine, in the most impartial manner, all the above-mentioned transactions, and that you *punish*, by suspension, degradation, dismissal, or otherwise, as to you shall seem meet, all and every such servant or servants of the Company who may by you be found guilty of any of the above offences." "We had" (say the Directors) "the mortification to find that the servants of the Company, who had been *raised, supported, and owed their present opulence to the advantages* gained in such service, have in this instance most *unfaithfully betrayed* their trust, *abandoned* the Company's interest, and *prostituted* its influence to accomplish the *purposes of individuals, whilst the interest of the Company is almost wholly neglected*, and payment to us rendered extremely precarious." Here, then, is the rock of approbation of the Court of Directors, on which the right honorable gentleman says this debt was founded. Any member, Mr. Speaker, who should come into the House, on my reading this sentence of condemnation of the Court of Directors against their unfaithful servants, might well imagine that he had heard an harsh, severe, unqualified invective against the present ministerial Board of Control. So exactly do the proceedings of the patrons of this abuse tally with those of the actors in it, that the expressions used in the condemnation of the one may serve for the reprobation of the other, without the change of a word.

To read you all the expressions of wrath and indignation fulminated in this dispatch against the meritorious creditors of the right honorable gentleman, who according to him have been so fully approved by the Company, would be to read the whole.

The right honorable gentleman, with an address peculiar to himself, every now and then slides in the Presidency of Madras, as synonymous to the Company. That the Presidency did approve the debt is certain. But the right honorable gentleman, as prudent in suppressing as skilful in bringing forward his matter, has not chosen to tell you that the Presidency were the very persons guilty of contracting this loan,—creditors themselves, and agents and trustees for all the other creditors. For this the Court of Directors accuse them of breach of trust; and for this the right honorable gentleman considers them as perfectly good authority for those claims. It is pleasant to hear a gentleman of the law quote the approbation of creditors as an authority for their own debt.

How they came to contract the debt to themselves, how they came to act as agents for those whom they ought to have controlled, is for your inquiry. The policy of this debt was announced to the Court of Directors by the very persons concerned in creating it. "Till very lately," say the Presidency, "the Nabob placed his dependence on the Company. Now he has been taught by ill advisers that an interest out of doors may stand him in good stead. He has been made to believe that *his private creditors have power and interest to overrule the Court of Directors.*"<sup>10</sup> The Nabob was not misinformed. The private creditors instantly qualified a vast number of votes; and having made themselves masters of the Court of Proprietors, as well as extending a powerful cabal in other places as important, they so completely overturned the authority of the Court of Directors at home and abroad, that this poor, baffled government was soon obliged to lower its tone. It was glad to be admitted into partnership with its own servants. The Court of Directors, establishing the debt which they had reprobated as a breach of trust, and which was planned for the subversion of their authority, settled its payments on a par with those of the public; and even so were not able to obtain peace, or even equality in their demands. All the consequences lay in a regular and irresistible train. By employing their influence for the recovery of this debt, their orders, issued in the same breath, against creating new debts, only animated the strong desires of their servants to this prohibited prolific sport, and it soon produced a swarm of sons and daughters, not in the least degenerated from the virtue of their parents.

From that moment the authority of the Court of Directors expired in the Carnatic, and everywhere else. "Every man," says the Presidency, "who opposes the government and its measures, finds an immediate countenance from the Nabob; even our discarded officers, however unworthy, are received into the Nabob's service."<sup>11</sup> It was, indeed, a matter of no wonderful sagacity to determine whether the Court of Directors, with their miserable salaries to their servants, of four or five hundred pounds a year, or the distributor of millions, was most likely to be obeyed. It was an invention beyond the imagination of all the speculatists of our speculating age, to see a government quietly settled in one and the same town, composed of two distinct members: one to pay scantily for obedience, and the other to bribe high for rebellion and revolt.

The next thing which recommends this particular debt to the right honorable gentleman is, it seems, the moderate interest of ten per cent. It would be lost labor to observe on this assertion. The Nabob, in a long apologetic letter<sup>12</sup> for the transaction between him and the body of the creditors,

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<sup>10</sup> For the threats of the creditors, and total subversion of the authority of the Company in favor of the Nabob's power and the increase thereby of his evil dispositions, and the great derangement of all public concerns, see Select Committee Fort St. George's letters, 21st November, 1769, and January 31st, 1770; September 11, 1772; and Governor Bouchier's letters to the Nabob of Arcot, 21st November, 1769, and December 9th, 1769.

<sup>11</sup> "He [the Nabob] is in a great degree the cause of our present inability, by diverting the revenues of the Carnatic through *private channels.*" "Even this peshcush [the Tanjore tribute], circumstanced as he and we are, he has assigned over to others, *who now set themselves in opposition to the Company.*"—Consultations, October 11, 1769, on the 12th communicated to the Nabob.

<sup>12</sup> Nabob's letter to Governor Palk. Papers published by the Directors in 1775; and papers printed by the same authority, 1781.

states the fact as I shall state it to you. In the accumulation of this debt, the first interest paid was from thirty to thirty-six per cent; it was then brought down to twenty-five per cent; at length it was reduced to twenty; and there it found its rest. During the whole process, as often as any of these monstrous interests fell into an arrear, (into which they were continually falling,) the arrear, formed into a new capital,<sup>13</sup> was added to the old, and the same interest of twenty per cent accrued upon both. The Company, having got some scent of the enormous usury which prevailed at Madras, thought it necessary to interfere, and to order all interests to be lowered to ten per cent. This order, which contained no exception, though it by no means pointed particularly to this class of debts, came like a thunderclap on the Nabob. He considered his political credit as ruined; but to find a remedy to this unexpected evil, he again added to the old principal twenty per cent interest accruing for the last year. Thus a new fund was formed; and it was on that accumulation of various principals, and interests heaped upon interests, not on the sum originally lent, as the right honorable gentleman would make you believe, that ten per cent was settled on the whole.

When you consider the enormity of the interest at which these debts were contracted, and the several interests added to the principal, I believe you will not think me so skeptical, if I should doubt whether for this debt of 880,000*l.* the Nabob ever saw 100,000*l.* in real money. The right honorable gentleman suspecting, with all his absolute dominion over fact, that he never will be able to defend even this venerable patriarchal job, though sanctified by its numerous issue, and hoary with prescriptive years, has recourse to recrimination, the last resource of guilt. He says that this loan of 1767 was provided for in Mr. Fox's India bill; and judging of others by his own nature and principles, he more than insinuates that this provision was made, not from any sense of merit in the claim, but from partiality to General Smith, a proprietor, and an agent for that debt. If partiality could have had any weight against justice and policy with the then ministers and their friends, General Smith had titles to it. But the right honorable gentleman knows as well as I do, that General Smith was very far from looking on himself as partially treated in the arrangements of that time; indeed, what man dared to hope for private partiality in that sacred plan for relief to nations?

It is not necessary that the right honorable gentleman should sarcastically call that time to our recollection. Well do I remember every circumstance of that memorable period. God forbid I should forget it! O illustrious disgrace! O victorious defeat! May your memorial be fresh and new to the latest generations! May the day of that generous conflict be stamped in characters never to be cancelled or worn out from the records of time! Let no man hear of us, who shall not hear, that, in a struggle against the intrigues of courts and the perfidious levity of the multitude, we fell in the cause of honor, in the cause of our country, in the cause of human nature itself! But if fortune should be as powerful over fame as she has been prevalent over virtue, at least our conscience is beyond her jurisdiction. My poor share in the support of that great measure no man shall ravish from me. It shall be safely lodged in the sanctuary of my heart,—never, never to be torn from thence, but with those holds that grapple it to life.

I say, I well remember that bill, and every one of its honest and its wise provisions. It is not true that this debt was ever protected or enforced, or any revenue whatsoever set apart for it. It was left in that bill just where it stood: to be paid or not to be paid out of the Nabob's private treasures, according to his own discretion. The Company had actually given it their sanction, though always relying for its validity on the sole security of the faith of him<sup>14</sup> who without their knowledge or consent entered into the original obligation. It had no other sanction; it ought to have had no other. So far was Mr. Fox's bill from providing *funds* for it, as this ministry have wickedly done for this, and for ten times

<sup>13</sup> See papers printed by order of a General Court in 1780, pp. 222 and 224; as also Nabob's letter to Governor Dupré, 19th July, 1771: "I have taken up loans by which I have suffered a loss of *upwards of a crore of pagodas* [four millions sterling] *by interest on an heavy interest.*" Letter 15th January, 1772: "Notwithstanding I have taken much trouble, and have made many payments to my creditors, yet the load of my debt, *which became so great by interest and compound interest*, is not cleared."

<sup>14</sup> The Nabob of Arcot.

worse transactions, out of the public estate, that an express clause immediately preceded, positively forbidding any British subject from receiving assignments upon any part of the territorial revenue, on any pretence whatsoever.<sup>15</sup>

You recollect, Mr. Speaker, that the Chancellor of the Exchequer strongly professed to retain every part of Mr. Fox's bill which was intended to prevent abuse; but in *his* India bill, which (let me do justice) is as able and skilful a performance, for its own purposes, as ever issued from the wit of man, premeditating this iniquity,—

Hoc ipsum ut strueret, Trojamque aperiret Achivis,—

expunged this essential clause, broke down the fence which was raised to cover the public property against the rapacity of his partisans, and thus levelling every obstruction, he made a firm, broad highway for sin and death, for usury and oppression, to renew their ravages throughout the devoted revenues of the Carnatic.

The tenor, the policy, and the consequences of this debt of 1767 are in the eyes of ministry so excellent, that its merits are irresistible; and it takes the lead to give credit and countenance to all the rest. Along with this chosen body of heavy-armed infantry, and to support it in the line, the right honorable gentleman has stationed his corps of black cavalry. If there be any advantage between this debt and that of 1769, according to him the cavalry debt has it. It is not a subject of defence: it is a theme of panegyric. Listen to the right honorable gentleman, and you will find it was contracted to save the country,—to prevent mutiny in armies,—to introduce economy in revenues; and for all these honorable purposes, it originated at the express desire and by the representative authority of the Company itself.

First let me say a word to the authority. This debt was contracted, not by the authority of the Company, not by its representatives, (as the right honorable gentleman has the unparalleled confidence to assert,) but in the ever-memorable period of 1777, by the usurped power of those who rebelliously, in conjunction with the Nabob of Arcot, had overturned the lawful government of Madras. For that rebellion this House unanimously directed a public prosecution. The delinquents, after they had subverted government, in order to make to themselves a party to support them in their power, are universally known to have dealt jobs about to the right and to the left, and to any who were willing to receive them. This usurpation, which the right honorable gentleman well knows was brought about by and for the great mass of these pretended debts, is the authority which is set up by him to represent the Company,—to represent that Company which, from the first moment of their hearing of this corrupt and fraudulent transaction to this hour, have uniformly disowned and disavowed it.

So much for the authority. As to the facts, partly true, and partly colorable, as they stand recorded, they are in substance these. The Nabob of Arcot, as soon as he had thrown off the superiority of this country by means of these creditors, kept up a great army which he never paid. Of course his soldiers were generally in a state of mutiny.<sup>16</sup> The usurping Council say that they labored hard with their master, the Nabob, to persuade him to reduce these mutinous and useless troops. He consented; but, as usual, pleaded inability to pay them their arrears. Here was a difficulty. The Nabob had no money; the Company had no money; every public supply was empty. But there was one resource which no season has ever yet dried up in that climate. The *soucars* were at hand: that is, private English money-jobbers offered their assistance. Messieurs Taylor, Majendie, and Call proposed to advance the small sum of 160,000*l.* to pay off the Nabob's black cavalry, provided the Company's authority was given for their loan. This was the great point of policy always aimed at, and pursued through a hundred devices by the servants at Madras. The Presidency, who themselves had no authority for the functions they presumed to exercise, very readily gave the sanction of the Company to

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<sup>15</sup> Appendix, [No. 3](#).

<sup>16</sup> See Mr. Dundas's 1st, 2d, and 3d Reports.

those servants who knew that the Company, whose sanction was demanded, had positively prohibited all such transactions.

However, so far as the reality of the dealing goes, all is hitherto fair and plausible; and here the right honorable gentleman concludes, with commendable prudence, his account of the business. But here it is I shall beg leave to commence my supplement: for the gentleman's discreet modesty has led him to cut the thread of the story somewhat abruptly. One of the most essential parties is quite forgotten. Why should the episode of the poor Nabob be omitted? When that prince chooses it, nobody can tell his story better. Excuse me, if I apply again to my book, and give it you from the first hand: from the Nabob himself.

"Mr. Stratton became acquainted with this, and got Mr. Taylor and others to lend me four lacs of pagodas towards discharging the arrears of pay of my troops. Upon this, I wrote a letter of thanks to Mr. Stratton; and upon the faith of this money being paid immediately, I ordered many of my troops to be discharged by a certain day, and lessened the number of my servants. Mr. Taylor, &c., some time after acquainted me, that they had no ready money, but they would grant teeps payable in four months. This astonished me; for I did not know what might happen, when the sepoy were dismissed from my service. I begged of Mr. Taylor and the others to pay this sum to the officers of my regiments at the time they mentioned; and desired the officers, at the same time, to pacify and persuade the men belonging to them that their pay would be given to them *at the end of four months*, and that, till those arrears were discharged, their pay should be continued to them. *Two years* are nearly expired since that time, but Mr. Taylor has not yet entirely discharged the arrears of those troops, and I am obliged to continue their pay from that time till this. I hoped to have been able, by this expedient, to have lessened the number of my troops, and discharged the arrears due to them, considering the trifle of interest to Mr. Taylor and the others as no great matter; but instead of this, *I am oppressed with the burden of pay due to those troops, and the interest, which is going on to Mr. Taylor from the day the teeps were granted to him.*" What I have read to you is an extract of a letter from the Nabob of the Carnatic to Governor Rumbold, dated the 22d, and received the 24th of March, 1779.<sup>17</sup>

Suppose his Highness not to be well broken in to things of this kind, it must, indeed, surprise so known and established a bond-vender as the Nabob of Arcot, one who keeps himself the largest bond-warehouse in the world, to find that he was now to receive in kind: not to take money for his obligations, but to give his bond in exchange for the bond of Messieurs Taylor, Majendie, and Call, and to pay, besides, a good, smart interest, legally twelve per cent, (in reality, perhaps, twenty or twenty-four per cent,) for this exchange of paper. But his troops were not to be so paid, or so disbanded. They wanted bread, and could not live by cutting and shuffling of bonds. The Nabob still kept the troops in service, and was obliged to continue, as you have seen, the whole expense to exonerate himself from which he became indebted to the soucars.

Had it stood here, the transaction would have been of the most audacious strain of fraud and usury perhaps ever before discovered, whatever might have been practised and concealed. But the same authority (I mean the Nabob's) brings before you something, if possible, more striking. He states, that, for this their paper, he immediately handed over to these gentlemen something very different from paper,—that is, the receipt of a territorial revenue, of which, it seems, they continued as long in possession as the Nabob himself continued in possession of anything. Their payments, therefore, not being to commence before the end of four months, and not being completed in two years, it must be presumed (unless they prove the contrary) that their payments to the Nabob were made out of the revenues they had received from his assignment. Thus they condescended to accumulate a debt of 160,000*l.* with an interest of twelve per cent, in compensation for a lingering payment to the Nabob of 160,000*l.* of his own money.

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<sup>17</sup> See further Consultations, 3d February, 1778.

Still we have not the whole. About two years after the assignment of those territorial revenues to these gentlemen, the Nabob receives a remonstrance from his chief manager in a principal province, of which this is the tenor. "The *entire* revenue of those districts is by your Highness's order set apart to discharge the tunkaws [assignments] granted to the Europeans. The gomastahs [agents] of Mr. Taylor to Mr. De Fries are there in order to collect those tunkaws; and as they receive *all* the revenue that is collected, your Highness's troops have *seven or eight months' pay due*, which they cannot receive, and are thereby reduced to the greatest *distress*. *In such times* it is highly necessary to provide for the sustenance of the troops, that they may be ready to exert themselves in the service of your Highness."

Here, Sir, you see how these causes and effects act upon one another. One body of troops mutinies for want of pay; a debt is contracted to pay them; and they still remain unpaid. A territory destined to pay other troops is assigned for this debt; and these other troops fall into the same state of indigence and mutiny with the first. Bond is paid by bond; arrear is turned into new arrear; usury engenders new usury; mutiny, suspended in one quarter, starts up in another; until all the revenues and all the establishments are entangled into one inextricable knot of confusion, from which they are only disengaged by being entirely destroyed. In that state of confusion, in a very few months after the date of the memorial I have just read to you, things were found, when the Nabob's troops, famished to feed English soucars, instead of defending the country, joined the invaders, and deserted in entire bodies to Hyder Ali.<sup>18</sup>

The manner in which this transaction was carried on shows that good examples are not easily forgot, especially by those who are bred in a great school. One of those splendid examples give me leave to mention, at a somewhat more early period; because one fraud furnishes light to the discovery of another, and so on, until the whole secret of mysterious iniquity bursts upon you in a blaze of detection. The paper I shall read you is not on record. If you please, you may take it on my word. It is a letter written from one of undoubted information in Madras to Sir John Clavering, describing the practice that prevailed there, whilst the Company's allies were under sale, during the time of Governor Winch's administration.

"One mode," says Clavering's correspondent, "of amassing money at the Nabob's cost is curious. He is generally in arrears to the Company. Here the Governor, being cash-keeper, is generally on good terms with the banker, who manages matters thus. The Governor presses the Nabob for the balance due from him; the Nabob flies to his banker for relief; the banker engages to pay the money, and grants his notes accordingly, which he puts in the cash-book as ready money; the Nabob pays him an interest for it at two and three per cent *per mensem*, till the tunkaws he grants on the particular districts for it are paid. Matters in the mean time are so managed that there is no call for this money for the Company's service till the tunkaws become due. By this means not a cash is advanced by the banker, though he receives a heavy interest from the Nabob, which is divided as lawful spoil."

Here, Mr. Speaker, you have the whole art and mystery, the true free-mason secret, of the profession of *soucaring*; by which a few innocent, inexperienced young Englishmen, such as Mr. Paul Benfield, for instance, without property upon which any one would lend to themselves a single shilling, are enabled at once to take provinces in mortgage, to make princes their debtors, and to become creditors for millions.

But it seems the right honorable gentleman's favorite soucar cavalry have proved the payment before the Mayor's Court at Madras! Have they so? Why, then, defraud our anxiety and their characters of that proof? Is it not enough that the charges which I have laid before you have stood on record against these poor injured gentlemen for eight years? Is it not enough that they are in print by the orders of the East India Company for five years? After these gentlemen have borne all the odium of this publication and all the indignation of the Directors with such unexampled equanimity,

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<sup>18</sup> Mr. Dundas's 1st Report, pp. 26, 29, and Appendix, No. 2, 10, 18, for the mutinous state and desertion of the Nabob's troops for want of pay. See also Report IV. of the same committee.

now that they are at length stimulated into feeling are you to deny them their just relief? But will the right honorable gentleman be pleased to tell us how they came not to give this satisfaction to the Court of Directors, their lawful masters, during all the eight years of this litigated claim? Were they not bound, by every tie that can bind man, to give them this satisfaction? This day, for the first time, we hear of the proofs. But when were these proofs offered? In what cause? Who were the parties? Who inspected, who contested this belated account? Let us see something to oppose to the body of record which appears against them. The Mayor's Court! the Mayor's Court! Pleasant! Does not the honorable gentleman know that the first corps of creditors (the creditors of 1767) stated it as a sort of hardship to them, that they could not have justice at Madras, from the impossibility of their supporting their claims in the Mayor's Court? Why? Because, say they, the members of that court were themselves creditors, and therefore could not sit as judges.<sup>19</sup> Are we ripe to say that no creditor under similar circumstances was member of the court, when the payment which is the ground of this cavalry debt was put in proof?<sup>20</sup> Nay, are we not in a manner compelled to conclude that the court was so constituted, when we know there is scarcely a man in Madras who has not some participation in these transactions? It is a shame to hear such proofs mentioned, instead of the honest, vigorous scrutiny which the circumstances of such an affair so indispensably call for.

But his Majesty's ministers, indulgent enough to other scrutinies, have not been satisfied with authorizing the payment of this demand without such inquiry as the act has prescribed; but they have added the arrear of twelve per cent interest, from the year 1777 to the year 1784, to make a new capital, raising thereby 160 to 294,000*l*. Then they charge a new twelve per cent on the whole from that period, for a transaction in which it will be a miracle if a single penny will be ever found really advanced from the private stock of the pretended creditors.

In this manner, and at such an interest, the ministers have thought proper to dispose of 294,000*l*. of the public revenues, for what is called the Cavalry Loan. After dispatching this, the right honorable gentleman leads to battle his last grand division, the consolidated debt of 1777. But having exhausted all his panegyric on the two first, he has nothing at all to say in favor of the last. On the contrary, he admits that it was contracted in defiance of the Company's orders, without even the pretended sanction of any pretended representatives. Nobody, indeed, has yet been found hardy enough to stand forth avowedly in its defence. But it is little to the credit of the age, that what has not plausibility enough to find an advocate has influence enough to obtain a protector. Could any man expect to find that protector anywhere? But what must every man think, when he finds that protector in the chairman of the Committee of Secrecy<sup>21</sup>, who had published to the House, and to the world, the facts that condemn these debts, the orders that forbid the incurring of them, the dreadful consequences which attended them? Even in his official letter, when he tramples on his Parliamentary report, yet his general language is the same. Read the preface to this part of the ministerial arrangement, and you would imagine that this debt was to be crushed, with all the weight of indignation which could fall from a vigilant guardian of the public treasury upon those who attempted to rob it. What must be felt by every man who has feeling, when, after such a thundering preamble of condemnation, this debt is ordered to be paid without any sort of inquiry into its authenticity,—without a single step taken to settle even the amount of the demand,—without an attempt so much as to ascertain the real persons claiming a sum which rises in the accounts from one million three hundred thousand pound

<sup>19</sup> Memorial from the creditors to the Governor and Council, 22d January, 1770.

<sup>20</sup> In the year 1778, Mr. James Call, one of the proprietors of this specific debt, was actually mayor. (Appendix to 2d Report of Mr. Dundas's committee, No. 65.) The only proof which appeared on the inquiry instituted in the General Court of 1781 was an affidavit of *the lenders themselves*, deposing (what nobody ever denied) that they had *engaged* and *agreed* to pay—not that they *had* paid—the sum of 160,000*l*. This was two years after the transaction; and the affidavit is made before George Proctor, mayor, an attorney for certain of the old creditors.—Proceedings of the President and Council of Fort St. George, 22d February, 1779.

<sup>21</sup> Right Honorable Henry Dundas.

sterling to two million four hundred thousand pound, principal money,<sup>22</sup>—without an attempt made to ascertain the proprietors, of whom no list has ever yet been laid before the Court of Directors,—of proprietors who are known to be in a collusive shuffle, by which they never appear to be the same in any two lists handed about for their own particular purposes?

My honorable friend who made you the motion has sufficiently exposed the nature of this debt. He has stated to you, that *its own agents*, in the year 1781, in the arrangement *they proposed* to make at Calcutta, were satisfied to have twenty-five per cent at once struck off from the capital of a great part of this debt, and prayed to have a provision made for this reduced principal, without any interest at all. This was an arrangement of *their own*, an arrangement made by those who best knew the true constitution of their own debt, who knew how little favor it merited,<sup>23</sup> and how little hopes they had to find any persons in authority abandoned enough to support it as it stood.

But what corrupt men, in the fond imaginations of a sanguine avarice, had not the confidence to propose, they have found a Chancellor of the Exchequer in England hardy enough to undertake for them. He has cheered their drooping spirits. He has thanked the speculators for not despairing of their commonwealth. He has told them they were too modest. He has replaced the twenty-five per cent which, in order to lighten themselves, they had abandoned in their conscious terror. Instead of cutting off the interest, as they had themselves consented to do, with the fourth of the capital, he has added the whole growth of four years' usury of twelve per cent to the first overgrown principal; and has again grafted on this meliorated stock a perpetual annuity of six per cent, to take place from the year 1781. Let no man hereafter talk of the decaying energies of Nature. All the acts and monuments in the records of speculation, the consolidated corruption of ages, the patterns of exemplary plunder in the heroic times of Roman iniquity, never equalled the gigantic corruption of this single act. Never did Nero, in all the insolent prodigality of despotism, deal out to his prætorian guards a donation fit to be named with the largess showered down by the bounty of our Chancellor of the Exchequer on the faithful band of his Indian sepoy.

The right honorable gentleman<sup>24</sup> lets you freely and voluntarily into the whole transaction. So perfectly has his conduct confounded his understanding, that he fairly tells you that through the course of the whole business he has never conferred with any but the agents of the pretended creditors. After this, do you want more to establish a secret understanding with the parties,—to fix, beyond a doubt, their collusion and participation in a common fraud?

If this were not enough, he has furnished you with other presumptions that are not to be shaken. It is one of the known indications of guilt to stagger and prevaricate in a story, and to vary in the motives that are assigned to conduct. Try these ministers by this rule. In their official dispatch, they tell the Presidency of Madras that they have established the debt for two reasons: first, because the Nabob (the party indebted) does not dispute it; secondly, because it is mischievous to keep it longer afloat, and that the payment of the European creditors will promote circulation in the country. These two motives (for the plainest reasons in the world) the right honorable gentleman has this day thought fit totally to abandon. In the first place, he rejects the authority of the Nabob of Arcot. It would, indeed, be pleasant to see him adhere to this exploded testimony. He next, upon grounds equally solid, abandons the benefits of that circulation which was to be produced by drawing out all the juices of the body. Laying aside, or forgetting, these pretences of his dispatch, he has just now assumed a principle

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<sup>22</sup> Appendix to the 4th Report of Mr. Dundas's committee, No 15.

<sup>23</sup> "No sense of the common danger, in case of a war, can prevail on him [the Nabob of Arcot] to furnish the Company with what is absolutely necessary to assemble an army, though it is beyond a doubt that money to a large amount is now hoarded up in his coffers at Chepauk; and tunkaws are granted to *individuals*, upon some of his most *valuable countries*, for payment of part of those debts which he has contracted, and *which certainly will not bear inspection, as neither debtor nor creditors have ever had the confidence to submit the accounts to our examination*, though they expressed a wish to consolidate the debts under the auspices of this government, agreeably to a plan they had formed."—Madras Consultations, 20th July, 1778. Mr. Dundas's Appendix to 2nd Report, 143. See also last Appendix to ditto Report, No. 376, B.

<sup>24</sup> Transcriber's note: Footnote missing in original text.

totally different, but to the full as extraordinary. He proceeds upon a supposition that many of the claims may be fictitious. He then finds, that, in a case where many valid and many fraudulent claims are blended together, the best course for their discrimination is indiscriminately to establish them all. He trusts, (I suppose,) as there may not be a fund sufficient for every description of creditors, that the best warranted claimants will exert themselves in bringing to light those debts which will not bear an inquiry. What he will not do himself he is persuaded will be done by others; and for this purpose he leaves to any person a general power of excepting to the debt. This total change of language and prevarication in principle is enough, if it stood alone, to fix the presumption of unfair dealing. His dispatch assigns motives of policy, concord, trade, and circulation: his speech proclaims discord and litigations, and proposes, as the ultimate end, detection.

But he may shift his reasons, and wind and turn as he will, confusion waits him at all his doubles. Who will undertake this detection? Will the Nabob? But the right honorable gentleman has himself this moment told us that no prince of the country can by any motive be prevailed upon to discover any fraud that is practised upon him by the Company's servants. He says what (with the exception of the complaint against the Cavalry Loan) all the world knows to be true: and without that prince's concurrence, what evidence can be had of the fraud of any the smallest of these demands? The ministers never authorized any person to enter into his exchequer and to search his records. Why, then, this shameful and insulting mockery of a pretended contest? Already contests for a preference have arisen among these rival bond-creditors. Has not the Company itself struggled for a preference for years, without any attempt at detection of the nature of those debts with which they contended? Well is the Nabob of Arcot attended to in the only specific complaint he has ever made. He complained of unfair dealing in the Cavalry Loan. It is fixed upon him with interest on interest; and this loan is excepted from all power of litigation.

This day, and not before, the right honorable gentleman thinks that the general establishment of all claims is the surest way of laying open the fraud of some of them. In India this is a reach of deep policy. But what would be thought of this mode of acting on a demand upon the Treasury in England? Instead of all this cunning, is there not one plain way open,—that is, to put the burden of the proof on those who make the demand? Ought not ministry to have said to the creditors, "The person who admits your debt stands excepted to as evidence; he stands charged as a collusive party, to hand over the public revenues to you for sinister purposes. You say, you have a demand of some millions on the Indian Treasury; prove that you have acted by lawful authority; prove, at least, that your money has been *bonâ fide* advanced; entitle yourself to my protection by the fairness and fulness of the communications you make"? Did an honest creditor ever refuse that reasonable and honest test?

There is little doubt that several individuals have been seduced by the purveyors to the Nabob of Arcot to put their money (perhaps the whole of honest and laborious earnings) into their hands, and that at such high interest as, being condemned at law, leaves them at the mercy of the great managers whom they trusted. These seduced creditors are probably persons of no power or interest either in England or India, and may be just objects of compassion. By taking, in this arrangement, no measures for discrimination and discovery, the fraudulent and the fair are in the first instance confounded in one mass. The subsequent selection and distribution is left to the Nabob. With him the agents and instruments of his corruption, whom he sees to be omnipotent in England, and who may serve him in future, as they have done in times past, will have precedence, if not an exclusive preference. These leading interests domineer, and have always domineered, over the whole. By this arrangement, the persons seduced are made dependent on their seducers; honesty (comparative honesty at least) must become of the party of fraud, and must quit its proper character and its just claims, to entitle itself to the alms of bribery and speculation.

But be these English creditors what they may, the creditors most certainly not fraudulent are the natives, who are numerous and wretched indeed: by exhausting the whole revenues of the Carnatic, nothing is left for them. They lent *bonâ fide*; in all probability they were even forced to lend, or to

give goods and service for the Nabob's obligations. They had no trusts to carry to his market. They had no faith of alliances to sell. They had no nations to betray to robbery and ruin. They had no lawful government seditiously to overturn; nor had they a governor, to whom it is owing that you exist in India, to deliver over to captivity, and to death in a shameful prison.<sup>25</sup>

These were the merits of the principal part of the debt of 1777, and the universally conceived causes of its growth; and thus the unhappy natives are deprived of every hope of payment for their real debts, to make provision for the arrears of unsatisfied bribery and treason. You see in this instance that the presumption of guilt is not only no exception to the demands on the public treasury, but with these ministers it is a necessary condition to their support. But that you may not think this preference solely owing to their known contempt of the natives, who ought with every generous mind to claim their first charities, you will find the same rule religiously observed with Europeans too. Attend, Sir, to this decisive case. Since the beginning of the war, besides arrears of every kind, a bond-debt has been contracted at Madras, uncertain in its amount, but represented from four hundred thousand pound to a million sterling. It stands only at the low interest of eight per cent. Of the legal authority on which this debt was contracted, of its purposes for the very being of the state, of its publicity and fairness, no doubt has been entertained for a moment. For this debt no sort of provision whatever has been made. It is rejected as an outcast, whilst the whole undissipated attention of the minister has been employed for the discharge of claims entitled to his favor by the merits we have seen.

I have endeavored to find out, if possible, the amount of the whole of those demands, in order to see how much, supposing the country in a condition to furnish the fund, may remain to satisfy the public debt and the necessary establishments. But I have been foiled in my attempt.

About one fourth, that is, about 220,000*l.*, of the loan of 1767 remains unpaid. How much interest is in arrear I could never discover: seven or eight years' at least, which would make the whole of that debt about 396,000*l.* This stock, which the ministers in their instructions to the Governor of Madras state as the least exceptionable, they have thought proper to distinguish by a marked severity, leaving it the only one on which the interest is not added to the principal to beget a new interest.

The Cavalry Loan, by the operation of the same authority, is made up to 294,000*l.*; and this 294,000*l.*, made up of principal and interest, is crowned with a new interest of twelve per cent.

What the grand loan, the bribery loan of 1777, may be is amongst the deepest mysteries of state. It is probably the first debt ever assuming the title of Consolidation that did not express what the amount of the sum consolidated was. It is little less than a contradiction in terms. In the debt of the year 1767 the sum was stated in the act of consolidation, and made to amount to 880,000*l.* capital. When this consolidation of 1777 was first announced at the Durbar, it was represented authentically at 2,400,000*l.* In that, or rather in a higher state, Sir Thomas Rumbold found and condemned it.<sup>26</sup> It afterwards fell into such a terror as to sweat away a million of its weight at once; and it sunk to 1,400,000*l.*<sup>27</sup> However, it never was without a resource for recruiting it to its old plumpness. There

<sup>25</sup> Lord Pigot

<sup>26</sup> In Sir Thomas Rumbold's letter to the Court of Directors, March 15th, 1778, he represents it as higher, in the following manner:—"How shall I paint to you my astonishment, on my arrival here, when I was informed, that, independent of this four lacs of pagodas [the Cavalry Loan], independent of the Nabob's debt to his old creditors, and the money due to the Company, he had contracted a debt to the enormous amount of sixty-three lacs of pagodas [2,520,000*l.*]. I mention this circumstance to you *with horror*; for the creditors being in general *servants of the Company* renders my task, on the part of the Company, *difficult and invidious*." "I have freed the sanction of this government from so *corrupt* a transaction. It is in my mind the most venal of all proceedings to give the Company's protection to debts that cannot bear the light; and though it appears exceedingly alarming, that a country on which you are to depend for resources should be so involved as to be nearly three years' revenue in debt,—in a country, too, where one year's revenue can never be called *secure*, by men who know anything of the politics of this part of India." "I think it proper to mention to you, that, although *the Nabob reports his private debt to amount to upwards of sixty lacs*, yet I understand that it is not quite so much." Afterwards Sir Thomas Rumbold recommended this debt to the favorable attention of the Company, but without any sufficient reason for his change of disposition. However, he went no further.

<sup>27</sup> Nabob's proposals, November 25th, 1778; and memorial of the creditors, March 1st, 1779.

was a sort of floating debt of about four or five hundred thousand pounds more ready to be added, as occasion should require.

In short, when you pressed this sensitive-plant, it always contracted its dimensions. When the rude hand of inquiry was withdrawn, it expanded in all the luxuriant vigor of its original vegetation. In the treaty of 1781, the whole of the Nabob's debt to private Europeans is by Mr. Sullivan, agent to the Nabob and his creditors, stated at 2,800,000*l.*, which, if the Cavalry Loan and the remains of the debt of 1767 be subtracted, leaves it nearly at the amount originally declared at the Durbar in 1777: but then there is a private instruction to Mr. Sullivan, which, it seems, will reduce it again to the lower standard of 1,400,000*l.*

Failing in all my attempts, by a direct account, to ascertain the extent of the capital claimed, (where in all probability no capital was ever advanced,) I endeavored, if possible, to discover it by the interest which was to be paid. For that purpose, I looked to the several agreements for assigning the territories of the Carnatic to secure the principal and interest of this debt. In one of them,<sup>28</sup> I found, in a sort of postscript, by way of an additional remark, (not in the body of the obligation,) the debt represented at 1,400,000*l.*: but when I computed the sums to be paid for interest by instalments in another paper, I found they produced an interest of two millions, at twelve per cent; and the assignment supposed, that, if these instalments might exceed, they might also fall short of, the real provision for that interest.<sup>29</sup> Another instalment-bond was afterwards granted: in that bond the interest exactly tallies with a capital of 1,400,000*l.*:<sup>30</sup> but pursuing this capital through the correspondence, I lost sight of it again, and it was asserted that this instalment-bond was considerably short of the interest that ought to be computed to the time mentioned.<sup>31</sup>

Here are, therefore, two statements of equal authority, differing at least a million from each other; and as neither persons claiming, nor any special sum as belonging to each particular claimant, is ascertained in the instruments of consolidation, or in the installment-bonds, a large scope was left to throw in any sums for any persons, as their merits in advancing the interest of that loan might require; a power was also left for reduction, in case a harder hand, or more scanty funds, might be found to require it. Stronger grounds for a presumption of fraud never appeared in any transaction. But the ministers, faithful to the plan of the interested persons, whom alone they thought fit to confer with on this occasion, have ordered the payment of the whole mass of these unknown, unliquidated sums, without an attempt to ascertain them. On this conduct, Sir, I leave you to make your own reflections.

It is impossible (at least I have found it impossible) to fix on the real amount of the pretended debts with which your ministers have thought proper to load the Carnatic. They are obscure; they shun inquiry; they are enormous. That is all you know of them.

That you may judge what chance any honorable and useful end of government has for a provision that comes in for the leavings of these gluttonous demands, I must take it on myself to bring before you the real condition of that abused, insulted, racked, and ruined country; though in truth my mind revolts from it, though you will hear it with horror, and I confess I tremble when I think on these awful and confounding dispensations of Providence. I shall first trouble you with a few words as to the cause.

The great fortunes made in India, in the beginnings of conquest, naturally excited an emulation in all the parts and through the whole succession of the Company's service. But in the Company it gave rise to other sentiments. They did not find the new channels of acquisition flow with equal riches to them. On the contrary, the high flood-tide of private emolument was generally in the lowest ebb of their affairs. They began also to fear that the fortune of war might take away what the fortune of

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<sup>28</sup> Nabob's proposals to his new consolidated creditors, November 25th, 1778.

<sup>29</sup> Paper signed by the Nabob, 6th January, 1780.

<sup>30</sup> Kistbundi to July 31, 1780.

<sup>31</sup> Governor's letter to the Nabob, 25th July, 1779.

war had given. Wars were accordingly discouraged by repeated injunctions and menaces: and that the servants might not be bribed into them by the native princes, they were strictly forbidden to take any money whatsoever from their hands. But vehement passion is ingenious in resources. The Company's servants were not only stimulated, but better instructed by the prohibition. They soon fell upon a contrivance which answered their purposes far better than the methods which were forbidden: though in this also they violated an ancient, but they thought, an abrogated order. They reversed their proceedings. Instead of receiving presents, they made loans. Instead of carrying on wars in their own name, they contrived an authority, at once irresistible and irresponsible, in whose name they might ravage at pleasure; and being thus freed from all restraint, they indulged themselves in the most extravagant speculations of plunder. The cabal of creditors who have been the object of the late bountiful grant from his Majesty's ministers, in order to possess themselves, under the name of creditors and assignees, of every country in India, as fast as it should be conquered, inspired into the mind of the Nabob of Arcot (then a dependant on the Company of the humblest order) a scheme of the most wild and desperate ambition that I believe ever was admitted into the thoughts of a man so situated.<sup>32</sup> First, they persuaded him to consider himself as a principal member in the political system of Europe. In the next place, they held out to him, and he readily imbibed, the idea of the general empire of Hindostan. As a preliminary to this undertaking, they prevailed on him to propose a tripartite division of that vast country: one part to the Company; another to the Mahrattas; and the third to himself. To himself he reserved all the southern part of the great peninsula, comprehended under the general name of the Deccan.

On this scheme of their servants, the Company was to appear in the Carnatic in no other light than as a contractor for the provision of armies, and the hire of mercenaries for his use and under his direction. This disposition was to be secured by the Nabob's putting himself under the guaranty of France, and, by the means of that rival nation, preventing the English forever from assuming an equality, much less a superiority, in the Carnatic. In pursuance of this treasonable project, (treasonable on the part of the English,) they extinguished the Company as a sovereign power in that part of India; they withdrew the Company's garrisons out of all the forts and strongholds of the Carnatic; they declined to receive the ambassadors from foreign courts, and remitted them to the Nabob of Arcot; they fell upon, and totally destroyed, the oldest ally of the Company, the king of Tanjore, and plundered the country to the amount of near five millions sterling; one after another, in the Nabob's name, but with English force, they brought into a miserable servitude all the princes and great independent nobility of a vast country.<sup>33</sup> In proportion to these treasons and violences, which ruined the people, the fund of the Nabob's debt grew and flourished.

Among the victims to this magnificent plan of universal plunder, worthy of the heroic avarice of the projectors, you have all heard (and he has made himself to be well remembered) of an Indian chief called Hyder Ali Khan. This man possessed the western, as the Company, under the name of the Nabob of Arcot, does the eastern division of the Carnatic. It was among the leading measures in the design of this cabal (according to their own emphatic language) to *extirpate* this Hyder Ali.<sup>34</sup> They declared the Nabob of Arcot to be his sovereign, and himself to be a rebel, and publicly invested their instrument with the sovereignty of the kingdom of Mysore. But their victim was not of the passive kind. They were soon obliged to conclude a treaty of peace and close alliance with this rebel, at the

<sup>32</sup> Report of the Select Committee, Madras Consultations, January 7, 1771. See also papers published by the order of the Court of Directors in 1776; and Lord Macartney's correspondence with Mr. Hastings and the Nabob of Arcot. See also Mr. Dundas's Appendix, No 376, B. Nabob's propositions through Mr. Sullivan and Assam Khân, Art. 6, and indeed the whole.

<sup>33</sup> "The principal object of the expedition is, to get money from Tanjore to pay the Nabob's debt: if a surplus, to be applied in discharge of the Nabob's debts to his private creditors." (Consultations, March 20, 1771; and for further lights, Consultations, 12th June, 1771.) "We are alarmed lest this debt to *individuals* should have been the *real* motive for the aggrandizement of Mahomed Ali [the Nabob of Arcot], and that *we are plunged into a war* to put him in possession of the Mysore revenues *for the discharge of the debt.*"—Letter from the Directors, March 17, 1769.

<sup>34</sup> Letter from the Nabob, May 1st, 1768; and ditto, 24th April, 1770, 1st October; ditto, 16th September, 1772, 16th March, 1773.

gates of Madras. Both before and since that treaty, every principle of policy pointed out this power as a natural alliance; and on his part it was courted by every sort of amicable office. But the cabinet council of English creditors would not suffer their Nabob of Arcot to sign the treaty, nor even to give to a prince at least his equal the ordinary titles of respect and courtesy.<sup>35</sup> From that time forward, a continued plot was carried on within the divan, black and white, of the Nabob of Arcot, for the destruction of Hyder Ali. As to the outward members of the double, or rather treble government of Madras, which had signed the treaty, they were always prevented by some overruling influence (which they do not describe, but which cannot be misunderstood) from performing what justice and interest combined so evidently to enforce.<sup>36</sup>

When at length Hyder Ali found that he had to do with men who either would sign no convention, or whom no treaty and no signature could bind, and who were the determined enemies of human intercourse itself, he decreed to make the country possessed by these incorrigible and predestinated criminals a memorable example to mankind. He resolved, in the gloomy recesses of a mind capacious of such things, to leave the whole Carnatic an everlasting monument of vengeance, and to put perpetual desolation as a barrier between him and those against whom the faith which holds the moral elements of the world together was no protection. He became at length so confident of his force, so collected in his might, that he made no secret whatsoever of his dreadful resolution. Having terminated his disputes with every enemy and every rival, who buried their mutual animosities in their common detestation against the creditors of the Nabob of Arcot, he drew from every quarter whatever a savage ferocity could add to his new rudiments in the arts of destruction; and compounding all the materials of fury, havoc, and desolation into one black cloud, he hung for a while on the declivities of the mountains. Whilst the authors of all these evils were idly and stupidly gazing on this menacing meteor, which blackened all their horizon, it suddenly burst, and poured down the whole of its contents upon the plains of the Carnatic. Then ensued a scene of woe, the like of which no eye had seen, no heart conceived, and which no tongue can adequately tell. All the horrors of war before known or heard of were mercy to that new havoc. A storm of universal fire blasted every field, consumed every house, destroyed every temple. The miserable inhabitants, flying from their flaming villages, in part were slaughtered; others, without regard to sex, to age, to the respect of rank or sacredness of function, fathers torn from children, husbands from wives, enveloped in a whirlwind of cavalry, and amidst the goading spears of drivers, and the trampling of pursuing horses, were swept into captivity in an unknown and hostile land. Those who were able to evade this tempest fled to the walled cities; but escaping from fire, sword, and exile, they fell into the jaws of famine.

The alms of the settlement, in this dreadful exigency, were certainly liberal; and all was done by charity that private charity could do: but it was a people in beggary; it was a nation which stretched out its hands for food. For months together, these creatures of sufferance, whose very excess and luxury in their most plenteous days had fallen short of the allowance of our austerest fasts, silent, patient, resigned, without sedition or disturbance, almost without complaint, perished by an hundred a day in the streets of Madras; every day seventy at least laid their bodies in the streets or on the glacis of Tanjore, and expired of famine in the granary of India. I was going to awake your justice towards this unhappy part of our fellow-citizens, by bringing before you some of the circumstances of this plague of hunger: of all the calamities which beset and waylay the life of man, this comes the nearest to our heart, and is that wherein the proudest of us all feels himself to be nothing more than he is: but I find myself unable to manage it with decorum; these details are of a species of horror so nauseous and disgusting, they are so degrading to the sufferers and to the hearers, they are so humiliating to human nature itself, that, on better thoughts, I find it more advisable to throw a pall over this hideous object, and to leave it to your general conceptions.

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<sup>35</sup> Letter from the Presidency at Madras to the Court of Directors, 27th June, 1769.

<sup>36</sup> Mr. Dundas's committee. Report L, Appendix, No. 29.

For eighteen months,<sup>37</sup> without intermission, this destruction raged from the gates of Madras to the gates of Tanjore; and so completely did these masters in their art, Hyder Ali and his more ferocious son, absolve themselves of their impious vow, that, when the British armies traversed, as they did, the Carnatic for hundreds of miles in all directions, through the whole line of their march they did not see one man, not one woman, not one child, not one four-footed beast of any description whatever. One dead, uniform silence reigned over the whole region. With the inconsiderable exceptions of the narrow vicinage of some few forts, I wish to be understood as speaking literally. I mean to produce to you more than three witnesses, above all exception, who will support this assertion in its full extent. That hurricane of war passed through every part of the central provinces of the Carnatic. Six or seven districts to the north and to the south (and these not wholly untouched) escaped the general ravage.

The Carnatic is a country not much inferior in extent to England. Figure to yourself, Mr. Speaker, the land in whose representative chair you sit; figure to yourself the form and fashion of your sweet and cheerful country from Thames to Trent, north and south, and from the Irish to the German Sea, east and west, emptied and embowelled (may God avert the omen of our crimes!) by so accomplished a desolation. Extend your imagination a little further, and then suppose your ministers taking a survey of this scene of waste and desolation. What would be your thoughts, if you should be informed that they were computing how much had been the amount of the excises, how much the customs, how much the land and malt tax, in order that they should charge (take it in the most favorable light) for public service, upon the relics of the satiated vengeance of relentless enemies, the whole of what England had yielded in the most exuberant seasons of peace and abundance? What would you call it? To call it tyranny sublimed into madness would be too faint an image; yet this very madness is the principle upon which the ministers at your right hand have proceeded in their estimate of the revenues of the Carnatic, when they were providing, not supply for the establishments of its protection, but rewards for the authors of its ruin.

Every day you are fatigued and disgusted with this cant, "The Carnatic is a country that will soon recover, and become instantly as prosperous as ever." They think they are talking to innocents, who will believe, that, by sowing of dragons' teeth, men may come up ready grown and ready armed. They who will give themselves the trouble of considering (for it requires no great reach of thought, no very profound knowledge) the manner in which mankind are increased, and countries cultivated, will regard all this raving as it ought to be regarded. In order that the people, after a long period of vexation and plunder, may be in a condition to maintain government, government must begin by maintaining them. Here the road to economy lies not through receipt, but through expense; and in that country Nature has given no short cut to your object. Men must propagate, like other animals, by the mouth. Never did oppression light the nuptial torch; never did extortion and usury spread out the genial bed. Does any of you think that England, so wasted, would, under such a nursing attendance, so rapidly and cheaply recover? But he is meanly acquainted with either England or India who does not know that England would a thousand times sooner resume population, fertility, and what ought to be the ultimate secretion from both, revenue, than such a country as the Carnatic.

The Carnatic is not by the bounty of Nature a fertile soil. The general size of its cattle is proof enough that it is much otherwise. It is some days since I moved that a curious and interesting map, kept in the India House, should be laid before you.<sup>38</sup> The India House is not yet in readiness to send it; I have therefore brought down my own copy, and there it lies for the use of any gentleman who may think such a matter worthy of his attention. It is, indeed, a noble map, and of noble things; but it is decisive against the golden dreams and sanguine speculations of avarice run mad. In addition to what you know must be the case in every part of the world, (the necessity of a previous provision of habitation, seed, stock, capital,) that map will show you that the uses of the influences of Heaven itself are in

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<sup>37</sup> Appendix, [No. 4](#). Report of the Committee of Assigned Revenue.

<sup>38</sup> Mr. Barnard's map of the Jaghire

that country a work of art. The Carnatic is refreshed by few or no living brooks or running streams, and it has rain only at a season; but its product of rice exacts the use of water subject to perpetual command. This is the national bank of the Carnatic, on which it must have a perpetual credit, or it perishes irretrievably. For that reason, in the happier times of India, a number, almost incredible, of reservoirs have been made in chosen places throughout the whole country: they are formed, for the greater part, of mounds of earth and stones, with sluices of solid masonry; the whole constructed with admirable skill and labor, and maintained at a mighty charge. In the territory contained in that map alone, I have been at the trouble of reckoning the reservoirs, and they amount to upwards of eleven hundred, from the extent of two or three acres to five miles in circuit. From these reservoirs currents are occasionally drawn over the fields, and these watercourses again call for a considerable expense to keep them properly scoured and duly levelled. Taking the district in that map as a measure, there cannot be in the Carnatic and Tanjore fewer than ten thousand of these reservoirs of the larger and middling dimensions, to say nothing of those for domestic services, and the use of religious purification. These are not the enterprises of your power, nor in a style of magnificence suited to the taste of your minister. These are the monuments of real kings, who were the fathers of their people,—testators to a posterity which they embraced as their own. These are the grand sepulchres built by ambition,—but by the ambition of an insatiable benevolence, which, not contented with reigning in the dispensation of happiness during the contracted term of human life, had strained, with all the reachings and graspings of a vivacious mind, to extend the dominion of their bounty beyond the limits of Nature, and to perpetuate themselves through generations of generations, the guardians, the protectors, the nourishers of mankind.

Long before the late invasion, the persons who are objects of the grant of public money now before you had so diverted the supply of the pious funds of culture and population, that everywhere the reservoirs were fallen into a miserable decay.<sup>39</sup> But after those domestic enemies had provoked the entry of a cruel foreign foe into the country, he did not leave it, until his revenge had completed the destruction begun by their avarice. Few, very few indeed, of these magazines of water that are not either totally destroyed, or cut through with such gaps as to require a serious attention and much cost to reestablish them, as the means of present subsistence to the people and of future revenue to the state.

What, Sir, would a virtuous and enlightened ministry do, on the view of the ruins of such works before them?—on the view of such a chasm of desolation as that which yawned in the midst of those countries, to the north and south, which still bore some vestiges of cultivation? They would have reduced all their most necessary establishments; they would have suspended the justest payments; they would have employed every shilling derived from the producing to reanimate the powers of the unproductive parts. While they were performing this fundamental duty, whilst they were celebrating these mysteries of justice and humanity, they would have told the corps of fictitious creditors, whose crimes were their claims, that they must keep an awful distance,—that they must silence their inauspicious tongues,—that they must hold off their profane, unhallowed paws from this holy work; they would have proclaimed, with a voice that should make itself heard, that on every country the first creditor is the plough,—that this original, indefeasible claim supersedes every other demand.

This is what a wise and virtuous ministry would have done and said. This, therefore, is what our minister could never think of saying or doing. A ministry of another kind would have first improved the country, and have thus laid a solid foundation for future opulence and future force. But on this grand point of the restoration of the country there is not one syllable to be found in the correspondence of our ministers, from the first to the last; they felt nothing for a land desolated by fire, sword, and famine: their sympathies took another direction; they were touched with pity for bribery, so long tormented with a fruitless itching of its palms; their bowels yearned for usury, that had long missed

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<sup>39</sup> See Report IV., Mr. Dundas's committee, p. 46.

the harvest of its returning months;<sup>40</sup> they felt for peculation, which had been for so many years raking in the dust of an empty treasury; they were melted into compassion for rapine and oppression, licking their dry, parched, unbloody jaws. These were the objects of their solicitude. These were the necessities for which they were studious to provide.

To state the country and its revenues in their real condition, and to provide for those fictitious claims, consistently with the support of an army and a civil establishment, would have been impossible; therefore the ministers are silent on that head, and rest themselves on the authority of Lord Macartney, who, in a letter to the Court of Directors, written in the year 1781, speculating on what might be the result of a wise management of the countries assigned by the Nabob of Arcot, rates the revenue, as in time of peace, at twelve hundred thousand pounds a year, as he does those of the king of Tanjore (which had not been assigned) at four hundred and fifty. On this Lord Macartney grounds his calculations, and on this they choose to ground theirs. It was on this calculation that the ministry, in direct opposition to the remonstrances of the Court of Directors, have compelled that miserable enslaved body to put their hands to an order for appropriating the enormous sum of 480,000*l.* annually, as a fund for paying to their rebellious servants a debt contracted in defiance of their clearest and most positive injunctions.

The authority and information of Lord Macartney is held high on this occasion, though it is totally rejected in every other particular of this business. I believe I have the honor of being almost as old an acquaintance as any Lord Macartney has. A constant and unbroken friendship has subsisted between us from a very early period; and I trust he thinks, that, as I respect his character, and in general admire his conduct, I am one of those who feel no common interest in his reputation. Yet I do not hesitate wholly to disallow the calculation of 1781, without any apprehension that I shall appear to distrust his veracity or his judgment. This peace estimate of revenue was not grounded on the state of the Carnatic, as it then, or as it had recently, stood. It was a statement of former and better times. There is no doubt that a period did exist, when the large portion of the Carnatic held by the Nabob of Arcot might be fairly reputed to produce a revenue to that, or to a greater amount. But the whole had so melted away by the slow and silent hostility of oppression and mismanagement, that the revenues, sinking with the prosperity of the country, had fallen to about 800,000*l.* a year, even before an enemy's horse had imprinted his hoof on the soil of the Carnatic. From that view, and independently of the decisive effects of the war which ensued, Sir Eyre Coote conceived that years must pass before the country could be restored to its former prosperity, and production. It was that state of revenue (namely, the actual state before the war) which the Directors have opposed to Lord Macartney's speculation. They refused to take the revenues for more than 800,000*l.* In this they are justified by Lord Macartney himself, who, in a subsequent letter, informs the court that his sketch is a matter of speculation; it supposes the country restored to its ancient prosperity, and the revenue to be in a course of effective and honest collection. If, therefore, the ministers have gone wrong, they were not deceived by Lord Macartney: they were deceived by no man. The estimate of the Directors is nearly the very estimate furnished by the right honorable gentleman himself, and published to the world in one of the printed reports of his own committee;<sup>41</sup> but as soon as he obtained his power, he chose to abandon his account. No part of his official conduct can be defended on the ground of his Parliamentary information.

In this clashing of accounts and estimates, ought not the ministry, if they wished to preserve even appearances, to have waited for information of the actual result of these speculations, before they laid a charge, and such a charge, not conditionally and eventually, but positively and authoritatively, upon a country which they all knew, and which one of them had registered on the records of this

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<sup>40</sup> Interest is rated in India by the month.

<sup>41</sup> Mr. Dundas's committee. Rep. I. p. 9, and ditto, Rep. IV. 69, where the revenue of 1777 stated only at 22 lacs,—30 lacs stated as the revenue, "*supposing* the Carnatic to be *properly* managed."

House, to be wasted, beyond all example, by every oppression of an abusive government, and every ravage of a desolating war? But that you may discern in what manner they use the correspondence of office, and that thereby you may enter into the true spirit of the ministerial Board of Control, I desire you, Mr. Speaker, to remark, that, through their whole controversy with the Court of Directors, they do not so much as hint at their ever having seen any other paper from Lord Macartney, or any other estimate of revenue than this of 1781. To this they hold. Here they take post; here they intrench themselves.

When I first read this curious controversy between the ministerial board and the Court of Directors, common candor obliged me to attribute their tenacious adherence to the estimate of 1781 to a total ignorance of what had appeared upon the records. But the right honorable gentleman has chosen to come forward with an uncalled-for declaration; he boastingly tells you, that he has seen, read, digested, compared everything,—and that, if he has sinned, he has sinned with his eyes broad open. Since, then, the ministers will obstinately shut the gates of mercy on themselves, let them add to their crimes what aggravations they please. They have, then, (since it must be so,) wilfully and corruptly suppressed the information which they ought to have produced, and, for the support of speculation, have made themselves guilty of spoliation and suppression of evidence.<sup>42</sup> The paper I hold in my hand, which totally overturns (for the present, at least) the estimate of 1781, they have no more taken notice of, in their controversy with the Court of Directors, than if it had no existence. It is the report made by a committee appointed at Madras to manage the whole of the six countries assigned to the Company by the Nabob of Arcot. This committee was wisely instituted by Lord Macartney, to remove from himself the suspicion of all improper management in so invidious a trust; and it seems to have been well chosen. This committee has made a comparative estimate of the only six districts which were in a condition to be let to farm. In one set of columns they state the gross and net produce of the districts as let by the Nabob. To that statement they oppose the terms on which the same districts were rented for five years under their authority. Under the Nabob, the gross farm was so high as 570,000*l.* sterling. What was the clear produce? Why, no more than about 250,000*l.*; and this was the whole profit of the Nabob's treasury, under his own management of all the districts which were in a condition to be let to farm on the 27th of May, 1782. Lord Macartney's leases stipulated a gross produce of no more than about 530,000*l.*; but then the estimated net amount was nearly double the Nabob's. It, however, did not then exceed 480,000*l.*; and Lord Macartney's commissioners take credit for an annual revenue amounting to this clear sum. Here is no speculation; here is no inaccurate account clandestinely obtained from those who might wish, and were enabled, to deceive. It is the authorized, recorded state of a real, recent transaction. Here is not twelve hundred thousand pound,—not eight hundred. The whole revenue of the Carnatic yielded no more, in May, 1782, than four hundred and eighty thousand pounds: nearly the very precise sum which your minister, who is so careful of the public security, has carried from all descriptions of establishment to form a fund for the private emolument of his creatures.

In this estimate, we see, as I have just observed, the Nabob's farms rated so high as 570,000*l.* Hitherto all is well: but follow on to the effective net revenue; there the illusion vanishes; and you will not find nearly so much as half the produce. It is with reason, therefore, Lord Macartney invariably, throughout the whole correspondence, qualifies all his views and expectations of revenue, and all his plans for its application, with this indispensable condition, that the management is not in the hands of the Nabob of Arcot. Should that fatal measure take place, he has over and over again told you that he has no prospect of realizing anything whatsoever for any public purpose. With these weighty declarations, confirmed by such a state of indisputable fact before them, what has been done by the Chancellor of the Exchequer and his accomplices? Shall I be believed? They have delivered over those very territories, on the keeping of which in the hands of the committee the defence of

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<sup>42</sup> See Appendix, [No. 4](#). statement in the Report of the Committee of Assigned Revenue.

our dominions, and, what was more dear to them, possibly, their own job, depended,—they have delivered back again, without condition, without arrangement, without stipulation of any sort for the natives of any rank, the whole of those vast countries, to many of which he had no just claim, into the ruinous mismanagement of the Nabob of Arcot. To crown all, according to their miserable practice, whenever they do anything transcendently absurd, they preface this their abdication of their trust by a solemn declaration that they were not obliged to it by any principle of policy or any demand of justice whatsoever.

I have stated to you the estimated produce of the territories of the Carnatic in a condition to be farmed in 1782, according to the different managements into which they might fall; and this estimate the ministers have thought proper to suppress. Since that, two other accounts have been received. The first informs us, that there has been a recovery of what is called arrear, as well as of an improvement of the revenue of one of the six provinces which were let in 1782.<sup>43</sup> It was brought about by making a new war. After some sharp actions, by the resolution and skill of Colonel Fullarton several of the petty princes of the most southerly of the unwasted provinces were compelled to pay very heavy rents and tributes, who for a long time before had not paid any acknowledgment. After this reduction, by the care of Mr. Irwin, one of the committee, that province was divided into twelve farms. This operation raised the income of that particular province; the others remain as they were first farmed. So that, instead of producing only their original rent of 480,000*l.*, they netted, in about two years and a quarter, 1,320,000*l.* sterling, which would be about 660,000*l.* a year, if the recovered arrear was not included. What deduction is to be made on account of that arrear I cannot determine, but certainly what would reduce the annual income considerably below the rate I have allowed.

The second account received is the letting of the wasted provinces of the Carnatic. This I understand is at a growing rent, which may or may not realize what it promises; but if it should answer, it will raise the whole, at some future time, to 1,200,000*l.*

You must here remark, Mr. Speaker, that this revenue is the produce of *all* the Nabob's dominions. During the assignment, the Nabob paid nothing, because the Company had all. Supposing the whole of the lately assigned territory to yield up to the most sanguine expectations of the right honorable gentleman, and suppose 1,200,000*l.* to be annually realized, (of which we actually know of no more than the realizing of six hundred thousand,) out of this you must deduct the subsidy and rent which the Nabob paid before the assignment,—namely, 340,000*l.* a year. This reduces back the revenue applicable to the new distribution made by his Majesty's ministers to about 800,000*l.* Of that sum five eighths are by them surrendered to the debts. The remaining three are the only fund left for all the purposes so magnificently displayed in the letter of the Board of Control: that is, for a new-cast peace establishment, a now fund for ordnance and fortifications, and a large allowance for what they call "the splendor of the Durbar."

You have heard the account of these territories as they stood in 1782. You have seen the *actual* receipt since the assignment in 1781, of which I reckon about two years and a quarter productive. I have stated to you the expectation from the wasted part. For realizing all this you may value yourselves on the vigor and diligence of a governor and committee that have done so much. If these hopes from the committee are rational, remember that the committee is no more. Your ministers, who have formed their fund for these debts on the presumed effect of the committee's management, have put a complete end to that committee. Their acts are rescinded; their leases are broken; their renters are dispersed. Your ministers knew, when they signed the death-warrant of the Carnatic, that the Nabob would not only turn all these unfortunate farmers of revenue out of employment, but that he has denounced his severest vengeance against them, for acting under British authority. With a knowledge of this disposition, a British Chancellor of the Exchequer and Treasurer of the Navy, incited by no public advantage, impelled by no public necessity, in a strain of the most wanton perfidy which has

<sup>43</sup> The province of Tinnevelly.

ever stained the annals of mankind, have delivered over to plunder, imprisonment, exile, and death itself, according to the mercy of such execrable tyrants as Amir-ul-Omrah and Paul Benfield, the unhappy and deluded souls who, untaught by uniform example, were still weak enough to put their trust in English faith.<sup>44</sup> They have gone farther: they have thought proper to mock and outrage their misery by ordering them protection and compensation. From what power is this protection to be derived, and from what fund is this compensation to arise? The revenues are delivered over to their oppressor; the territorial jurisdiction, from whence that revenue is to arise, and under which they live, is surrendered to the same iron hands: and that they shall be deprived of all refuge and all hope, the minister has made a solemn, voluntary declaration that he never will interfere with the Nabob's internal government.<sup>45</sup>

The last thing considered by the Board of Control among the debts of the Carnatic was that arising to the East India Company, which, after the provision for the cavalry, and the consolidation of 1777, was to divide the residue of the fund of 480,000*l.* a year with the lenders of 1767. This debt the worthy chairman, who sits opposite to me, contends to be three millions sterling. Lord Macartney's account of 1781 states it to be at that period 1,200,000*l.* The first account of the Court of Directors makes it 900,000*l.* This, like the private debt, being without any solid existence, is incapable of any distinct limits. Whatever its amount or its validity may be, one thing is clear: it is of the nature and quality of a public debt. In that light nothing is provided for it, but an eventual surplus to be divided with one class of the private demands, after satisfying the two first classes. Never was a more shameful postponing a public demand, which, by the reason of the thing, and the uniform practice of all nations, supersedes every private claim.

Those who gave this preference to private claims consider the Company's as a lawful demand; else why did they pretend to provide for it? On their own principles they are condemned.

But I, Sir, who profess to speak to your understanding and to your conscience, and to brush away from this business all false colors, all false appellations, as well as false facts, do positively deny that the Carnatic owes a shilling to the Company,—whatever the Company may be indebted to that undone country. It owes nothing to the Company, for this plain and simple reason: the territory charged with the debt is their own. To say that their revenues fall short, and owe them money, is to say they are in debt to themselves, which is only talking nonsense. The fact is, that, by the invasion of an enemy, and the ruin of the country, the Company, either in its own name, or in the names of the Nabob of Arcot and Rajah of Tanjore, has lost for several years what it might have looked to receive from its own estate. If men were allowed to credit themselves upon such principles, any one might soon grow rich by this mode of accounting. A flood comes down upon a man's estate in the Bedford Level of a thousand pounds a year, and drowns his rents for ten years. The Chancellor would put that man into the hands of a trustee, who would gravely make up his books, and for this loss credit himself in his account for a debt due to him of 10,000*l.* It is, however, on this principle the Company makes up its demands on the Carnatic. In peace they go the full length, and indeed more than the full length, of what the people can bear for current establishments; then they are absurd enough to consolidate all the calamities of war into debts,—to metamorphose the devastations of the country into demands upon its future production. What is this but to avow a resolution utterly to destroy their own country, and to force the people to pay for their sufferings to a government which has proved unable to protect either the share of the husbandman or their own? In every lease of a farm, the invasion of an enemy, instead of forming a demand for arrear, is a release of rent: nor for that release is it at all necessary to show that the invasion has left nothing to the occupier of the soil; though in the present case it would be too easy to prove that melancholy fact.<sup>46</sup> I therefore applauded my right

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<sup>44</sup> Appendix, [No. 5](#).

<sup>45</sup> See extract of their letter in the Appendix, [No. 9](#).

<sup>46</sup> "It is certain that the incursion of a *few* of Hyder's horse into the Jaghire, in 1767, cost the Company upwards of pagodas 27,000,

honorable friend, who, when he canvassed the Company's accounts, as a preliminary to a bill that ought not to stand on falsehood of any kind, fixed his discerning eye and his deciding hand on these debts of the Company from the Nabob of Arcot and Rajah of Tanjore, and at one stroke expunged them all, as utterly irrecoverable: he might have added, as utterly unfounded.

On these grounds I do not blame the arrangement this day in question, as a preference given to the debt of individuals over the Company's debt. In my eye it is no more than the preference of a fiction over a chimera; but I blame the preference given to those fictitious private debts over the standing defence and the standing government. It is there the public is robbed. It is robbed in its army; it is robbed in its civil administration; it is robbed in its credit; it is robbed in its investment, which forms the commercial connection between that country and Europe. There is the robbery.

But my principal objection lies a good deal deeper. That debt to the Company is the pretext under which all the other debts lurk and cover themselves. That debt forms the foul, putrid mucus in which are engendered the whole brood of creeping ascarides, all the endless involutions, the eternal knot, added to a knot of those inexpugnable tape-worms which devour the nutriment and eat up the bowels of India.<sup>47</sup> It is necessary, Sir, you should recollect two things. First, that the Nabob's debt to the Company carries no interest. In the next place, you will observe, that, whenever the Company has occasion to borrow, she has always commanded whatever she thought fit at eight per cent. Carrying in your mind these two facts, attend to the process with regard to the public and private debt, and with what little appearance of decency they play into each other's hands a game of utter perdition to the unhappy natives of India. The Nabob falls into an arrear to the Company. The Presidency presses for payment. The Nabob's answer is, "I have no money." Good! But there are soucars who will supply you on the mortgage of your territories. Then steps forward some Paul Benfield, and, from his grateful compassion to the Nabob, and his filial regard to the Company, he unlocks the treasures of his virtuous industry, and, for a consideration of twenty-four or thirty-six per cent on a mortgage of the territorial revenue, becomes security to the Company for the Nabob's arrear.

All this intermediate usury thus becomes sanctified by the ultimate view to the Company's payment. In this case, would not a plain man ask this plain question of the Company: If you know that the Nabob must annually mortgage his territories to your servants to pay his annual arrear to you, why is not the assignment or mortgage made directly to the Company itself? By this simple, obvious operation, the Company would be relieved and the debt paid, without the charge of a shilling interest to that prince. But if that course should be thought too indulgent, why do they not take that assignment with such interest to themselves as they pay to others, that is, eight per cent? Or if it were thought more advisable (why it should I know not) that he must borrow, why do not the Company lend their own credit to the Nabob for their own payment? That credit would not be weakened by the collateral security of his territorial mortgage. The money might still be had at eight per cent. Instead of any of these honest and obvious methods, the Company has for years kept up a show of disinterestedness and moderation, by suffering a debt to accumulate to them from the country powers without any interest at all; and at the same time have seen before their eyes, on a pretext of borrowing to pay that debt, the revenues of the country charged with an usury of twenty, twenty-four, thirty-six, and even eight-and-forty per cent, with compound interest,<sup>48</sup> for the benefit of their servants. All this time they know that by having a debt subsisting without any interest, which is to be paid by contracting a debt on the highest interest, they manifestly render it necessary to the Nabob of Arcot to give the private demand a preference to the public; and, by binding him and their servants together in a common cause, they enable him to form a party to the utter ruin of their own authority and their own affairs. Thus their false moderation, and their affected purity, by the natural operation of

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*in allowances for damages.*"—Consultations, February 11th, 1771.

<sup>47</sup> Proceeding at Madras, 11th February, 1769, and throughout the correspondence on this subject; particularly Consultations, October 4th, 1769, and the creditors' memorial, 20th January, 1770.

<sup>48</sup> Appendix, [No. 7](#).

everything false and everything affected, becomes pander and bawd to the unbridled debauchery and licentious lewdness of usury and extortion.

In consequence of this double game, all the territorial revenues have at one time or other been covered by those locusts, the English soucars. Not one single foot of the Carnatic has escaped them: a territory as large as England. During these operations what a scene has that country presented!<sup>49</sup> The usurious European assignee supersedes the Nabob's native farmer of the revenue; the farmer flies to the Nabob's presence to claim his bargain; whilst his servants murmur for wages, and his soldiers mutiny for pay. The mortgage to the European assignee is then resumed, and the native farmer replaced,—replaced, again to be removed on the new clamor of the European assignee.<sup>50</sup> Every man of rank and landed fortune being long since extinguished, the remaining miserable last cultivator, who grows to the soil, after having his back scored by the farmer, has it again flayed by the whip of the assignee, and is thus, by a ravenous, because a short-lived succession of claimants, lashed from oppressor to oppressor, whilst a single drop of blood is left as the means of extorting a single grain of corn. Do not think I paint. Far, very far, from it: I do not reach the fact, nor approach to it. Men of respectable condition, men equal to your substantial English yeomen, are daily tied up and scourged to answer the multiplied demands of various contending and contradictory titles, all issuing from one and the same source. Tyrannous exaction brings on servile concealment; and that again calls forth tyrannous coercion. They move in a circle, mutually producing and produced; till at length nothing of humanity is left in the government, no trace of integrity, spirit, or manliness in the people, who drag out a precarious and degraded existence under this system of outrage upon human nature. Such is the effect of the establishment of a debt to the Company, as it has hitherto been managed, and as it ever will remain, until ideas are adopted totally different from those which prevail at this time.

Your worthy ministers, supporting what they are obliged to condemn, have thought fit to renew the Company's old order against contracting private debts in future. They begin by rewarding the violation of the ancient law; and then they gravely reenact provisions, of which they have given bounties for the breach. This inconsistency has been well exposed.<sup>51</sup> But what will you say to their having gone the length of giving positive directions for contracting the debt which they positively forbid?

I will explain myself. They order the Nabob, out of the revenues of the Carnatic, to allot four hundred and eighty thousand pounds a year, as a fund for the debts before us. For the punctual payment of this annuity, they order him to give soucar security.<sup>52</sup> When a soucar, that is, a money-dealer, becomes security for any native prince, the course is for the native prince to counter-secure the money-dealer, by making over to him in mortgage a portion of his territory equal to the sum annually to be paid, with an interest of at least twenty-four per cent. The point fit for the House to know is, who are these soucars to whom this security on the revenues in favor of the Nabob's creditors is to be given? The majority of the House, unaccustomed to these transactions, will hear with astonishment that these soucars are no other than the creditors themselves. The minister, not content with authorizing these transactions in a manner and to an extent unhoped for by the rapacious expectations of usury itself, loads the broken back of the Indian revenues, in favor of his worthy friends, the soucars, with an additional twenty-four per cent for being security to themselves for their

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<sup>49</sup> For some part of these usurious transactions, see Consultation, 28th January, 1781; and for the Nabob's excusing his oppressions on account of these debts, Consultation, 26th November, 1770. "Still I undertook, first, the payment of the money belonging to the Company, who are my kind friends, and by borrowing, and *mortgaging my jewels, &c.*, by *taking from every one of my servants*, in proportion to their circumstances, by *fresh severities* also on my country, *notwithstanding its distressed state*, as you know."—The Board's remark is as follows: after controverting some of the facts, they say, "That his countries are oppressed is most certain, but not from real necessity; *his debts, indeed, have afforded him a constant pretence* for using severities and cruel oppressions."

<sup>50</sup> See Consultation, 28th January, 1781, where it is asserted, and not denied, that the Nabob's farmers of revenue seldom continue for three months together. From this the state of the country may be easily judged of.

<sup>51</sup> In Mr. Fox's speech.

<sup>52</sup> The amended letter, Appendix, [No. 9](#).

own claims, for condescending to take the country in mortgage to pay to themselves the fruits of their own extortions.

The interest to be paid for this security, according to the most moderate strain of soucar demand, comes to 118,000*l.* a year, which, added to the 480,000*l.* on which it is to accrue, will make the whole charge amount to 598,000*l.* a year,—as much as even a long peace will enable those revenues to produce. Can any one reflect for a moment on all those claims of debt, which the minister exhausts himself in contrivances to augment with new usuries, without lifting up his hands and eyes in astonishment at the impudence both of the claim and of the adjudication? Services of some kind or other these servants of the Company must have done, so great and eminent that the Chancellor of the Exchequer cannot think that all they have brought home is half enough. He hallooes after them, "Gentlemen, you have forgot a large packet behind you, in your hurry; you have not sufficiently recovered yourselves; you ought to have, and you shall have, interest upon interest upon a prohibited debt that is made up of interest upon interest. Even this is too little. I have thought of another character for you, by which you may add something to your gains: you shall be security to yourselves; and hence will arise a new usury, which shall efface the memory of all the usuries suggested to you by your own dull inventions."

I have done with the arrangement relative to the Carnatic. After this it is to little purpose to observe on what the ministers have done to Tanjore. Your ministers have not observed even form and ceremony in their outrageous and insulting robbery of that country, whose only crime has been its early and constant adherence to the power of this, and the suffering of an uniform pillage in consequence of it. The debt of the Company from the Rajah of Tanjore is just of the same stuff with that of the Nabob of Arcot.

The subsidy from Tanjore, on the arrear of which this pretended debt (if any there be) has accrued to the Company, is not, like that paid by the Nabob of Arcot, a compensation for vast countries obtained, augmented, and preserved for him; not the price of pillaged treasuries, ransacked houses, and plundered territories: it is a large grant, from a small kingdom not obtained by our arms; robbed, not protected, by our power; a grant for which no equivalent was ever given, or pretended to be given. The right honorable gentleman, however, bears witness in his reports to the punctuality of the payments of this grant of bounty, or, if you please, of fear. It amounts to one hundred and sixty thousand pounds sterling net annual subsidy. He bears witness to a further grant of a town and port, with an annexed district of thirty thousand pound a year, surrendered to the Company since the first donation. He has not borne witness, but the fact is, (he will not deny it,) that in the midst of war, and during the ruin and desolation of a considerable part of his territories, this prince made many very large payments. Notwithstanding these merits and services, the first regulation of ministry is to force from him a territory of an extent which they have not yet thought proper to ascertain,<sup>53</sup> for a military peace establishment the particulars of which they have not yet been pleased to settle.

The next part of their arrangement is with regard to war. As confessedly this prince had no share in stirring up any of the former wars, so all future wars are completely out of his power; for he has no troops whatever, and is under a stipulation not so much as to correspond with any foreign state, except through the Company. Yet, in case the Company's servants should be again involved in war, or should think proper again to provoke any enemy, as in times past they have wantonly provoked all India, he is to be subjected to a new penalty. To what penalty? Why, to no less than the confiscation of all his revenues. But this is to end with the war, and they are to be faithfully returned? Oh, no! nothing like it. The country is to remain under confiscation until all the debt which the Company shall think fit to incur in such war shall be discharged: that is to say, forever. His sole comfort is, to find his old enemy, the Nabob of Arcot, placed in the very same condition.

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<sup>53</sup> Appendix, [No. 8.](#)

The revenues of that miserable country were, before the invasion of Hyder, reduced to a *gross* annual receipt of three hundred and sixty thousand pound.<sup>54</sup> From this receipt the subsidy I have just stated is taken. This again, by payments in advance, by extorting deposits of additional sums to a vast amount for the benefit of their soucars, and by an endless variety of other extortions, public and private, is loaded with a debt, the amount of which I never could ascertain, but which is large undoubtedly, generating an usury the most completely ruinous that probably was ever heard of: *that is, forty-eight per cent, payable monthly, with compound interest.*<sup>55</sup>

Such is the state to which the Company's servants have reduced that country. Now come the reformers, restorers, and comforters of India. What have they done? In addition to all these tyrannous exactions, with all these ruinous debts in their train, looking to one side of an agreement whilst they wilfully shut their eyes to the other, they withdraw from Tanjore all the benefits of the treaty of 1762, and they subject that nation to a perpetual tribute of forty thousand a year to the Nabob of Arcot: a tribute never due, or pretended to be due, to *him*, even when he appeared to be something; a tribute, as things now stand, not to a real potentate, but to a shadow, a dream, an incubus of oppression. After the Company has accepted in subsidy, in grant of territory, in remission of rent, as a compensation for their own protection, at least two hundred thousand pound a year, without discounting a shilling for that receipt, the ministers condemn this harassed nation to be tributary to a person who is himself, by their own arrangement, deprived of the right of war or peace, deprived of the power of the sword, forbid to keep up a single regiment of soldiers, and is therefore wholly disabled from all protection of the country which is the object of the pretended tribute. Tribute hangs on the sword. It is an incident inseparable from real, sovereign power. In the present case, to suppose its existence is as absurd as it is cruel and oppressive. And here, Mr. Speaker, you have a clear exemplification of the use of those false names and false colors which the gentlemen who have lately taken possession of India choose to lay on for the purpose of disguising their plan of oppression. The Nabob of Arcot and Rajah of Tanjore have, in truth and substance, no more than a merely civil authority, held in the most entire dependence on the Company. The Nabob, without military, without federal capacity, is extinguished as a potentate; but then he is carefully kept alive as an independent and sovereign power, for the purpose of rapine and extortion,—for the purpose of perpetuating the old intrigues, animosities, usuries, and corruptions.

It was not enough that this mockery of tribute was to be continued without the correspondent protection, or any of the stipulated equivalents, but ten years of arrear, to the amount of 400,000*l.* sterling, is added to all the debts to the Company and to individuals, in order to create a new debt, to be paid (if at all possible to be paid in whole or in part) only by new usuries,—and all this for the Nabob of Arcot, or rather for Mr. Benfield and the corps of the Nabob's creditors and their soucars. Thus these miserable Indian princes are continued in their seats for no other purpose than to render them, in the first instance, objects of every species of extortion, and, in the second, to force them to become, for the sake of a momentary shadow of reduced authority, a sort of subordinate tyrants, the ruin and calamity, not the fathers and cherishers, of their people.

But take this tribute only as a mere charge (without title, cause, or equivalent) on this people; what one step has been taken to furnish grounds for a just calculation and estimate of the proportion of the burden and the ability? None,—not an attempt at it. They do not adapt the burden to the strength, but they estimate the strength of the bearers by the burden they impose. Then what care is taken to leave a fund sufficient to the future reproduction of the revenues that are to bear all these loads? Every one, but tolerably conversant in Indian affairs, must know that the existence of this little kingdom depends on its control over the river Cavery. The benefits of Heaven to any community ought never to be connected with political arrangements, or made to depend on the personal conduct

<sup>54</sup> Mr. Petrie's evidence before the Select Committee, Appendix, [No. 7](#).

<sup>55</sup> Appendix, [No. 7](#).

of princes, in which the mistake, or error, or neglect, or distress, or passion of a moment, on either side, may bring famine on millions, and ruin an innocent nation perhaps for ages. The means of the subsistence of mankind should be as immutable as the laws of Nature, let power and dominion take what course they may.—Observe what has been done with regard to this important concern. The use of this river is, indeed, at length given to the Rajah, and a power provided for its enjoyment *at his own charge*; but the means of furnishing that charge (and a mighty one it is) are wholly out off. This use of the water, which ought to have no more connection than clouds and rains and sunshine with the politics of the Rajah, the Nabob, or the Company, is expressly contrived as a means of enforcing demands and arrears of tribute. This horrid and unnatural instrument of extortion had been a distinguishing feature in the enormities of the Carnatic politics, that loudly called for reformation. But the food of a whole people is by the reformers of India conditioned on payments from its prince, at a moment that he is overpowered with a swarm of their demands, without regard to the ability of either prince or people. In fine, by opening an avenue to the irruption of the Nabob of Arcot's creditors and soucars, whom every man, who did not fall in love with oppression and corruption on an experience of the calamities they produced, would have raised wall before wall and mound before mound to keep from a possibility of entrance, a more destructive enemy than Hyder Ali is introduced into that kingdom. By this part of their arrangement, in which they establish a debt to the Nabob of Arcot, in effect and substance, they deliver over Tanjore, bound hand and foot, to Paul Benfield, the old betrayer, insulter, oppressor, and scourge of a country which has for years been an object of an unremitted, but, unhappily, an unequal struggle, between the bounties of Providence to renovate and the wickedness of mankind to destroy.

The right honorable gentleman<sup>56</sup> talks of his fairness in determining the territorial dispute between the Nabob of Arcot and the prince of that country, when he superseded the determination of the Directors, in whom the law had vested the decision of that controversy. He is in this just as feeble as he is in every other part. But it is not necessary to say a word in refutation of any part of his argument. The mode of the proceeding sufficiently speaks the spirit of it. It is enough to fix his character as a judge, that he *never heard the Directors in defence of their adjudication, nor either of the parties in support of their respective claims*. It is sufficient for me that he takes from the Rajah of Tanjore by this pretended adjudication, or rather from his unhappy subjects, 40,000*l.* a year of his and their revenue, and leaves upon his and their shoulders all the charges that can be made on the part of the Nabob, on the part of his creditors, and on the part of the Company, without so much as hearing him as to right or to ability. But what principally induces me to leave the affair of the territorial dispute between the Nabob and the Rajah to another day is this,—that, both the parties being stripped of their all, it little signifies under which of their names the unhappy, undone people are delivered over to the merciless soucars, the allies of that right honorable gentleman and the Chancellor of the Exchequer. In them ends the account of this long dispute of the Nabob of Arcot and the Rajah of Tanjore.

The right honorable gentleman is of opinion that his judgment in this case can be censured by none but those who seem to act as if they were paid agents to one of the parties. What does he think of his Court of Directors? If they are paid by either of the parties, by which of them does he think they are paid? He knows that their decision has been directly contrary to his. Shall I believe that it does not enter into his heart to conceive that any person can steadily and actively interest himself in the protection of the injured and oppressed without being well paid for his service? I have taken notice of this sort of discourse some days ago, so far as it may be supposed to relate to me. I then contented myself, as I shall now do, with giving it a cold, though a very direct contradiction. Thus much I do from respect to truth. If I did more, it might be supposed, by my anxiety to clear myself, that I had imbibed the ideas which, for obvious reasons, the right honorable gentleman wishes to have received concerning all attempts to plead the cause of the natives of India, as if it were a disreputable

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<sup>56</sup> Mr. Dundas.

employment. If he had not forgot, in his present occupation, every principle which ought to have guided him, and I hope did guide him, in his late profession, he would have known that he who takes a fee for pleading the cause of distress against power, and manfully performs the duty he has assumed, receives an honorable recompense for a virtuous service. But if the right honorable gentleman will have no regard to fact in his insinuations or to reason in his opinions, I wish him at least to consider, that, if taking an earnest part with regard to the oppressions exercised in India, and with regard to this most oppressive case of Tanjore in particular, can ground a presumption of interested motives, he is himself the most mercenary man I know. His conduct, indeed, is such that he is on all occasions the standing testimony against himself. He it was that first called to that case the attention of the House; the reports of his own committee are ample and affecting upon that subject;<sup>57</sup> and as many of us as have escaped his massacre must remember the very pathetic picture he made of the sufferings of the Tanjore country, on the day when he moved the unwieldy code of his Indian resolutions. Has he not stated over and over again, in his reports, the ill treatment of the Rajah of Tanjore (a branch of the royal house of the Mahrattas, every injury to whom the Mahrattas felt as offered to themselves) as a main cause of the alienation of that people from the British power? And does he now think that to betray his principles, to contradict his declarations, and to become himself an active instrument in those oppressions which he had so tragically lamented, is the way to clear himself of having been actuated by a pecuniary interest at the time when he chose to appear full of tenderness to that ruined nation?

The right honorable gentleman is fond of parading on the motives of others, and on his own. As to himself, he despises the imputations of those who suppose that anything corrupt could influence him in this his unexampled liberality of the public treasure. I do not know that I am obliged to speak to the motives of ministry, in the arrangements they have made of the pretended debts of Arcot and Tanjore. If I prove fraud and collusion with regard to public money on those right honorable gentlemen, I am not obliged to assign their motives; because no good motives can be pleaded in favor of their conduct. Upon that case I stand; we are at issue; and I desire to go to trial. This, I am sure, is not loose railing, or mean insinuation, according to their low and degenerate fashion, when they make attacks on the measures of their adversaries. It is a regular and juridical course; and unless I choose it, nothing can compel me to go further.

But since these unhappy gentlemen have dared to hold a lofty tone about their motives, and affect to despise suspicion, instead of being careful not to give cause for it, I shall beg leave to lay before you some general observations on what I conceive was their duty in so delicate a business.

If I were worthy to suggest any line of prudence to that right honorable gentleman, I would tell him that the way to avoid suspicion in the settlement of pecuniary transactions, in which great frauds have been very strongly presumed, is, to attend to these few plain principles:—First, to hear all parties equally, and not the managers for the suspected claimants only; not to proceed in the dark, but to act with as much publicity as possible; not to precipitate decision; to be religious in following the rules prescribed in the commission under which we act; and, lastly, and above all, not to be fond of straining constructions, to force a jurisdiction, and to draw to ourselves the management of a trust in its nature invidious and obnoxious to suspicion, where the plainest letter of the law does not compel it. If these few plain rules are observed, no corruption ought to be suspected; if any of them are violated, suspicion will attach in proportion; if all of them are violated, a corrupt motive of some kind or other will not only be suspected, but must be violently presumed.

The persons in whose favor all these rules have been violated, and the conduct of ministers towards them, will naturally call for your consideration, and will serve to lead you through a series and combination of facts and characters, if I do not mistake, into the very inmost recesses of this mysterious business. You will then be in possession of all the materials on which the principles of

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<sup>57</sup> See Report IV., Committee of Secrecy, pp. 73 and 74; and Appendix, in sundry places.

sound jurisprudence will found, or will reject, the presumption of corrupt motives, or, if such motives are indicated, will point out to you of what particular nature the corruption is.

Our wonderful minister, as you all know, formed a new plan, a plan *insigne, recens, indictum ore alio*, a plan for supporting the freedom of our Constitution by court intrigues, and for removing its corruptions by Indian delinquency. To carry that bold, paradoxical design into execution, sufficient funds and apt instruments became necessary. You are perfectly sensible that a Parliamentary reform occupies his thoughts day and night, as an essential member in this extraordinary project. In his anxious researches upon this subject, natural instinct, as well as sound policy, would direct his eyes and settle his choice on Paul Benfield. Paul Benfield is the grand Parliamentary reformer, the reformer to whom the whole choir of reformers bow, and to whom even the right honorable gentleman himself must yield the palm: for what region in the empire, what city, what borough, what county, what tribunal in this kingdom is not full of his labors? Others have been only speculators; he is the grand practical reformer; and whilst the Chancellor of the Exchequer pledges in vain the man and the minister, to increase the provincial members, Mr. Benfield has auspiciously and practically begun it. Leaving far behind him even Lord Camelford's generous design of bestowing Old Sarum on the Bank of England, Mr. Benfield has thrown in the borough of Cricklade to reinforce the county representation. Not content with this, in order to station a steady phalanx for all future reforms, this public-spirited usurer, amidst his charitable toils for the relief of India, did not forget the poor, rotten Constitution of his native country. For her, he did not disdain to stoop to the trade of a wholesale upholsterer for this House,—to furnish it, not with the faded tapestry figures of antiquated merit, such as decorate, and may reproach, some other houses, but with real, solid, living patterns of true modern virtue. Paul Benfield made (reckoning himself) no fewer than eight members in the last Parliament. What copious streams of pure blood must he not have transfused into the veins of the present!

But what is even more striking than the real services of this new-imported patriot is his modesty. As soon as he had conferred this benefit on the Constitution, he withdrew himself from our applause. He conceived that the duties of a member of Parliament (which with the elect faithful, the true believers, the *Islam* of Parliamentary reform, are of little or no merit, perhaps not much better than specious sins) might he as well attended to in India as in England, and the means of reformation to Parliament itself be far better provided. Mr. Benfield was therefore no sooner elected than he set off for Madras, and defrauded the longing eyes of Parliament. We have never enjoyed in this House the luxury of beholding that minion of the human race, and contemplating that visage which has so long reflected the happiness of nations.

It was therefore not possible for the minister to consult personally with this great man. What, then, was he to do? Through a sagacity that never failed him in these pursuits, he found out, in Mr. Benfield's representative, his exact resemblance. A specific attraction, by which he gravitates towards all such characters, soon brought our minister into a close connection with Mr. Benfield's agent and attorney, that is, with the grand contractor, (whom I name to honor,) Mr. Richard Atkinson,—a name that will be well remembered as long as the records of this House, as long as the records of the British Treasury, as long as the monumental debt of England, shall endure.

This gentleman, Sir, acts as attorney for Mr. Paul Benfield. Every one who hears me is well acquainted with the sacred friendship and the steady mutual attachment that subsists between him and the present minister. As many members as chose to attend in the first session of this Parliament can best tell their own feelings at the scenes which were then acted. How much that honorable gentleman was consulted in the original frame and fabric of the bill, commonly called Mr. Pitt's India Bill, is matter only of conjecture, though by no means difficult to divine. But the public was an indignant witness of the ostentation with which the measure was made his own, and the authority with which he brought up clause after clause, to stuff and fatten the rankness of that corrupt act. As fast as the clauses were brought up to the table, they were accepted. No hesitation, no discussion. They were received by the new minister, not with approbation, but with implicit submission. The reformation

may be estimated by seeing who was the reformer. Paul Benfield's associate and agent was held up to the world as legislator of Hindostan. But it was necessary to authenticate the coalition between the men of intrigue in India and the minister of intrigue in England by a studied display of the power of this their connecting link. Every trust, every honor, every distinction, was to be heaped upon him. He was at once made a Director of the India Company, made an alderman of London, and to be made, if ministry could prevail, (and I am sorry to say how near, how very near, they were prevailing,) representative of the capital of this kingdom. But to secure his services against all risk, he was brought in for a ministerial borough. On his part, he was not wanting in zeal for the common cause. His advertisements show his motives, and the merits upon which he stood. For your minister, this worn-out veteran submitted to enter into the dusty field of the London contest; and you all remember that in the same virtuous cause he submitted to keep a sort of public office or counting-house, where the whole business of the last general election was managed. It was openly managed by the direct agent and attorney of Benfield. It was managed upon Indian principles and for an Indian interest. This was the golden cup of abominations,—this the chalice of the fornications of rapine, usury, and oppression, which was held out by the gorgeous Eastern harlot,—which so many of the people, so many of the nobles of this land had drained to the very dregs. Do you think that no reckoning was to follow this lewd debauch? that no payment was to be demanded for this riot of public drunkenness and national prostitution? Here, you have it here before you! The principal of the grand election-manager must be indemnified; accordingly, the claims of Benfield and his crew must be put above all inquiry.

For several years Benfield appeared as the chief proprietor, as well as the chief agent, director, and controller of this system of debt. The worthy chairman of the Company has stated the claims of this single gentleman on the Nabob of Arcot as amounting to five hundred thousand pound.<sup>58</sup> Possibly at the time of the chairman's state they might have been as high. Eight hundred thousand pound had been mentioned some time before;<sup>59</sup> and, according to the practice of shifting the names of creditors in these transactions, and reducing or raising the debt itself at pleasure, I think it not impossible that at one period the name of Benfield might have stood before those frightful figures. But my best information goes to fix his share no higher than four hundred thousand pounds. By the scheme of the present ministry for adding to the principal twelve per cent from the year 1777 to the year 1781, four hundred thousand pounds, that smallest of the sums ever mentioned for Mr. Benfield, will form a capital of 592,000*l.* at six per cent. Thus, besides the arrears of three years, amounting to 106,500*l.*, (which, as fast as received, may be legally lent out at twelve per cent,) Benfield has received, by the ministerial grant before you, an annuity of 35,520*l.* a year, charged on the public revenues.

Our mirror of ministers of finance did not think this enough for the services of such a friend as Benfield. He found that Lord Macartney, in order to frighten the Court of Directors from the project of obliging the Nabob to give soucar security for his debt, assured them, that, if they should take that step, Benfield<sup>60</sup> would infallibly be the soucar, and would thereby become the entire master of the Carnatic. What Lord Macartney thought sufficient to deter the very agents and partakers with Benfield in his iniquities was the inducement to the two right honorable gentlemen to order this very soucar security to be given, and to recall Benfield to the city of Madras from the sort of decent exile into which he had been relegated by Lord Macartney. You must therefore consider Benfield as soucar security for 480,000*l.* a year, which, at twenty-four per cent, (supposing him contented with that profit,) will, with the interest of his old debt, produce an annual income of 149,520*l.* a year.

Here is a specimen of the new and pure aristocracy created by the right honorable gentleman,<sup>61</sup> as the support of the crown and Constitution against the old, corrupt, refractory, natural interests of

<sup>58</sup> Mr. Smith's protest.

<sup>59</sup> Madras correspondence on this subject.

<sup>60</sup> Appendix, No 6.

<sup>61</sup> Right Honorable William Pitt.

this kingdom; and this is the grand counterpoise against all odious coalitions of these interests. A single Benfield outweighs them all: a criminal, who long since ought to have fattened the region kites with his offal, is by his Majesty's ministers enthroned in the government of a great kingdom, and enfeoffed with an estate which in the comparison effaces the splendor of all the nobility of Europe. To bring a little more distinctly into view the true secret of this dark transaction, I beg you particularly to advert to the circumstances which I am going to place before you.

The general corps of creditors, as well as Mr. Benfield himself, not looking well into futurity, nor presaging the minister of this day, thought it not expedient for their common interest that such a name as his should stand at the head of their list. It was therefore agreed amongst them that Mr. Benfield should disappear, by making over his debt to Messrs. Taylor, Majendie, and Call, and should in return be secured by their bond.

The debt thus exonerated of so great a weight of its odium, and otherwise reduced from its alarming bulk, the agents thought they might venture to print a list of the creditors. This was done for the first time in the year 1783, during the Duke of Portland's administration. In this list the name of Benfield was not to be seen. To this strong negative testimony was added the further testimony of the Nabob of Arcot. That prince<sup>62</sup> (or rather Mr. Benfield for him) writes to the Court of Directors a letter<sup>63</sup> full of complaints and accusations against Lord Macartney, conveyed in such terms as were natural for one of Mr. Benfield's habits and education to employ. Amongst the rest he is made to complain of his Lordship's endeavoring to prevent an intercourse of politeness and sentiment between him and Mr. Benfield; and to aggravate the affront, he expressly declares Mr. Benfield's visits to be only on account of respect and of gratitude, as no pecuniary transaction subsisted between them.

Such, for a considerable space of time, was the outward form of the loan of 1777, in which Mr. Benfield had no sort of concern. At length intelligence arrived at Madras, that this debt, which had always been renounced by the Court of Directors, was rather like to become the subject of something more like a criminal inquiry than of any patronage or sanction from Parliament. Every ship brought accounts, one stronger than the other, of the prevalence of the determined enemies of the Indian system. The public revenues became an object desperate to the hopes of Mr. Benfield; he therefore resolved to fall upon his associates, and, in violation of that faith which subsists among those who have abandoned all other, commences a suit in the Mayor's Court against Taylor, Majendie, and Call, for the bond given to him, when he agreed to disappear for his own benefit as well as that of the common concern. The assignees of his debt, who little expected the springing of this mine, even from such an engineer as Mr. Benfield, after recovering their first alarm, thought it best to take ground on the real state of the transaction. They divulged the whole mystery, and were prepared to plead that they had never received from Mr. Benfield any other consideration for the bond than a transfer, in trust for himself, of his demand on the Nabob of Arcot. An universal indignation arose against the perfidy of Mr. Benfield's proceeding; the event of the suit was looked upon as so certain, that Benfield was compelled to retreat as precipitately as he had advanced boldly; he gave up his bond, and was reinstated in his original demand, to wait the fortune of other claimants. At that time, and at Madras, this hope was dull indeed; but at home another scene was preparing.

It was long before any public account of this discovery at Madras had arrived in England, that the present minister and his Board of Control thought fit to determine on the debt of 1777. The recorded proceedings at this time knew nothing of any debt to Benfield. There was his own testimony, there was the testimony of the list, there was the testimony of the Nabob of Arcot, against it. Yet such was the ministers' feeling of the true secret of this transaction, that they thought proper, in the teeth of all these testimonies, to give him license to return to Madras. Here the ministers were under some

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<sup>62</sup> Appendix, [No. 10](#).

<sup>63</sup> Dated 13th October. For further illustration of the style in which these letters were written, and the principles on which they proceed, see letters from the Nabob to the Court of Directors, dated August 16th and September 7th, 1783, delivered by Mr. James Macpherson, minister to the Nabob, January 14, 1784. Appendix, [No. 10](#).

embarrassment. Confounded between their resolution of rewarding the good services of Benfield's friends and associates in England, and the shame of sending that notorious incendiary to the court of the Nabob of Arcot, to renew his intrigues against the British government, at the time they authorize his return, they forbid him, under the severest penalties, from any conversation with the Nabob or his ministers: that is, they forbid his communication with the very person on account of his dealings with whom they permit his return to that city. To overtop this contradiction, there is not a word restraining him from the freest intercourse with the Nabob's second son, the real author of all that is done in the Nabob's name; who, in conjunction with this very Benfield, has acquired an absolute dominion over that unhappy man, is able to persuade him to put his signature to whatever paper they please, and often without any communication of the contents. This management was detailed to them at full length by Lord Macartney, and they cannot pretend ignorance of it.<sup>64</sup>

I believe, after this exposure of facts, no man can entertain a doubt of the collusion of ministers with the corrupt interest of the delinquents in India. Whenever those in authority provide for the interest of any person, on the real, but concealed state of his affairs, without regard to his avowed, public, and ostensible pretences, it must be presumed that they are in confederacy with him, because they act for him on the same fraudulent principles on which he acts for himself. It is plain that the ministers were fully apprised of Benfield's real situation, which he had used means to conceal, whilst concealment answered his purposes. They were, or the person on whom they relied was, of the cabinet council of Benfield, in the very depth of all his mysteries. An honest magistrate compels men to abide by one story. An equitable judge would not hear of the claim of a man who had himself thought proper to renounce it. With such a judge his shuffling and prevarication would have damned his claims; such a judge never would have known, but in order to animadvert upon, proceedings of that character.

I have thus laid before you, Mr. Speaker, I think with sufficient clearness, the connection of the ministers with Mr. Atkinson at the general election; I have laid open to you the connection of Atkinson with Benfield; I have shown Benfield's employment of his wealth in creating a Parliamentary interest to procure a ministerial protection; I have set before your eyes his large concern in the debt, his practices to hide that concern from the public eye, and the liberal protection which he has received from the minister. If this chain of circumstances does not lead you necessarily to conclude that the minister has paid to the avarice of Benfield the services done by Benfield's connections to his ambition, I do not know anything short of the confession of the party that can persuade you of his guilt. Clandestine and collusive practice can only be traced by combination and comparison of circumstances. To reject such combination and comparison is to reject the only means of detecting fraud; it is, indeed, to give it a patent and free license to cheat with impunity.

I confine myself to the connection of ministers, mediately or immediately, with only two persons concerned in this debt. How many others, who support their power and greatness within and without doors, are concerned originally, or by transfers of these debts, must be left to general opinion. I refer to the reports of the Select Committee for the proceedings of some of the agents in these affairs, and their attempts, at least, to furnish ministers with the means of buying General Courts, and even whole Parliaments, in the gross.<sup>65</sup>

I know that the ministers will think it little less than acquittal, that they are not charged with having taken to themselves some part of the money of which they have made so liberal a donation to their partisans, though the charge may be indisputably fixed upon the corruption of their politics. For my part, I follow their crimes to that point to which legal presumptions and natural indications lead me, without considering what species of evil motive tends most to aggravate or to extenuate the guilt of their conduct. But if I am to speak my private sentiments, I think that in a thousand cases for one it would be far less mischievous to the public, and full as little dishonorable to themselves,

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<sup>64</sup> Appendix, [No. 6](#).

<sup>65</sup> Second Report of Select (General Smith's) Committee.

to be polluted with direct bribery, than thus to become a standing auxiliary to the oppression, usury, and peculation of multitudes, in order to obtain a corrupt support to their power. It is by bribing, not so often by being bribed, that wicked politicians bring ruin on mankind. Avarice is a rival to the pursuits of many. It finds a multitude of checks, and many opposers, in every walk of life. But the objects of ambition are for the few; and every person who aims at indirect profit, and therefore wants other protection than innocence and law, instead of its rival, becomes its instrument. There is a natural allegiance and fealty due to this domineering, paramount evil, from all the vassal vices, which acknowledge its superiority, and readily militate under its banners; and it is under that discipline alone that avarice is able to spread to any considerable extent, or to render itself a general, public mischief. It is therefore no apology for ministers, that they have not been bought by the East India delinquents, but that they have only formed an alliance with them for screening each other from justice, according to the exigence of their several necessities. That they have done so is evident; and the junction of the power of office in England with the abuse of authority in the East has not only prevented even the appearance of redress to the grievances of India, but I wish it may not be found to have dulled, if not extinguished, the honor, the candor, the generosity, the good-nature, which used formerly to characterize the people of England. I confess, I wish that some more feeling than I have yet observed for the sufferings of our fellow-creatures and fellow-subjects in that oppressed part of the world had manifested itself in any one quarter of the kingdom, or in any one large description of men.

That these oppressions exist is a fact no more denied than it is resented as it ought to be. Much evil has been done in India under the British authority. What has been done to redress it? We are no longer surprised at anything. We are above the unlearned and vulgar passion of admiration. But it will astonish posterity, when they read our opinions in our actions, that, after years of inquiry, we have found out that the sole grievance of India consisted in this, that the servants of the Company there had not profited enough of their opportunities, nor drained it sufficiently of its treasures,—when they shall hear that the very first and only important act of a commission specially named by act of Parliament is, to charge upon an undone country, in favor of a handful of men in the humblest ranks of the public service, the enormous sum of perhaps four millions of sterling money.

It is difficult for the most wise and upright government to correct the abuses of remote, delegated power, productive of unmeasured wealth, and protected by the boldness and strength of the same ill-got riches. These abuses, full of their own wild native vigor, will grow and flourish under mere neglect. But where the supreme authority, not content with winking at the rapacity of its inferior instruments, is so shameless and corrupt as openly to give bounties and premiums for disobedience to its laws,—when it will not trust to the activity of avarice in the pursuit of its own gains,—when it secures public robbery by all the careful jealousy and attention with which it ought to protect property from such violence,—the commonwealth then is become totally perverted from its purposes; neither God nor man will long endure it; nor will it long endure itself. In that case, there is an unnatural infection, a pestilential taint, fermenting in the constitution of society, which fever and convulsions of some kind or other must throw off, or in which the vital powers, worsted in an unequal struggle, are pushed back upon themselves, and, by a reversal of their whole functions, fester to gangrene, to death,—and instead of what was but just now the delight and boast of the creation, there will be cast out in the face of the sun a bloated, putrid, noisome carcass, full of stench and poison, an offence, a horror, a lesson to the world.

In my opinion, we ought not to wait for the fruitless instruction of calamity to inquire into the abuses which bring upon us ruin in the worst of its forms, in the loss of our fame and virtue. But the right honorable gentleman<sup>66</sup> says, in answer to all the powerful arguments of my honorable friend, "that this inquiry is of a delicate nature, and that the state will suffer detriment by the exposure of this transaction." But it is exposed; it is perfectly known in every member, in every particle, and in

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<sup>66</sup> Mr. Dundas.

every way, except that which may lead to a remedy. He knows that the papers of correspondence are printed, and that they are in every hand.

He and delicacy are a rare and a singular coalition. He thinks that to divulge our Indian politics may be highly dangerous. He! the mover, the chairman, the reporter of the Committee of Secrecy! he, that brought forth in the utmost detail, in several vast, printed folios, the most recondite parts of the politics, the military, the revenues of the British empire in India! With six great chopping bastards,<sup>67</sup> each as lusty as an infant Hercules, this delicate creature blushes at the sight of his new bridegroom, assumes a virgin delicacy; or, to use a more fit, as well as a more poetic comparison, the person so squeamish, so timid, so trembling lest the winds of heaven should visit too roughly, is expanded to broad sunshine, exposed like the sow of imperial augury, lying in the mud with all the prodigies of her fertility about her, as evidence of her delicate amours,—

Triginta capitum foetus enixa jacebat,  
Alba, solo recubans, albi circum ubera nati.

Whilst discovery of the misgovernment of others led to his own power, it was wise to inquire, it was safe to publish: there was then no delicacy; there was then no danger. But when his object is obtained, and in his imitation he has outdone the crimes that he had reprobated in volumes of reports and in sheets of bills of pains and penalties, then concealment becomes prudence, and it concerns the safety of the state that we should not know, in a mode of Parliamentary cognizance, what all the world knows but too well, that is, in what manner he chooses to dispose of the public revenues to the creatures of his politics.

The debate has been long, and as much so on my part, at least, as on the part of those who have spoken before me. But long as it is, the more material half of the subject has hardly been touched on: that is, the corrupt and destructive system to which this debt has been rendered subservient, and which seems to be pursued with at least as much vigor and regularity as ever. If I considered your ease or my own, rather than the weight and importance of this question, I ought to make some apology to you, perhaps some apology to myself, for having detained your attention so long. I know on what ground I tread. This subject, at one time taken up with so much fervor and zeal, is no longer a favorite in this House. The House itself has undergone a great and signal revolution. To some the subject is strange and uncouth; to several, harsh and distasteful; to the relics of the last Parliament it is a matter of fear and apprehension. It is natural for those who have seen their friends sink in the tornado which raged during the late shift of the monsoon, and have hardly escaped on the planks of the general wreck, it is but too natural for them, as soon as they make the rocks and quicksands of their former disasters, to put about their new-built barks, and, as much as possible, to keep aloof from this perilous lee shore.

But let us do what we please to put India from our thoughts, we can do nothing to separate it from our public interest and our national reputation. Our attempts to banish this importunate duty will only make it return upon us again and again, and every time in a shape more unpleasant than the former. A government has been fabricated for that great province; the right honorable gentleman says that therefore you ought not to examine into its conduct. Heavens! what an argument is this! We are not to examine into the conduct of the Direction, because it is an old government; we are not to examine into this Board of Control, because it is a new one. Then we are only to examine into the conduct of those who have no conduct to account for. Unfortunately, the basis of this new government has been laid on old, condemned delinquents, and its superstructure is raised out of prosecutors turned into protectors. The event has been such as might be expected. But if it had been otherwise constituted, had it been constituted even as I wished, and as the mover of this question had planned, the better part of the proposed establishment was in the publicity of its proceedings,

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<sup>67</sup> Six Reports of the Committee of Secrecy.

in its perpetual responsibility to Parliament. Without this check, what is our government at home, even awed, as every European government is, by an audience formed of the other states of Europe, by the applause or condemnation of the discerning and critical company before which it acts? But if the scene on the other side of the globe, which tempts, invites, almost compels, to tyranny and rapine, be not inspected with the eye of a severe and unremitting vigilance, shame and destruction must ensue. For one, the worst event of this day, though it may deject, shall not break or subdue me. The call upon us is authoritative. Let who will shrink back, I shall be found at my post. Baffled, discountenanced, subdued, discredited, as the cause of justice and humanity is, it will be only the dearer to me. Whoever, therefore, shall at any time bring before you anything towards the relief of our distressed fellow-citizens in India, and towards a subversion of the present most corrupt and oppressive system for its government, in me shall find a weak, I am afraid, but a steady, earnest, and faithful assistant.

## APPENDIX

### No. 1.

#### CLAUSES OF MR PITT'S BILL.

##### Referred to from p. [17](#).

*Appointing Commissioners to inquire into the Fees, Gratuities, Perquisites, Emoluments, which are, or have been lately, received in the several Public Offices therein mentioned; to examine into any Abuses which may exist in the same, &c.*

And be it further enacted, that it shall and may be lawful to and for the said commissioners, or any two of them, and they are hereby empowered, authorized, and required, *to examine upon oath* (which oath they, or any two of them, are hereby authorized to administer) the several persons, of *all* descriptions, belonging to any of the offices or departments before mentioned, and *all other persons* whom the said commissioners, or any two of them, shall think fit to examine, touching *the business* of each office or department, and *the fees, gratuities, perquisites, and emoluments taken therein*, and touching all other matters and things necessary for the execution of the powers vested in the said commissioners by this act; *all which persons* are hereby required and directed punctually to attend the said commissioners, *at such time and place as they, or any two of them, shall appoint, and also to observe and execute such orders and directions* as the said commissioners, or any two of them, shall make or give for the purposes before mentioned.

And be it enacted by the authority aforesaid, that the said commissioners, or any two of them, shall be and are hereby empowered to examine into any corrupt and fraudulent practices, or other misconduct, committed by any person or persons concerned in the management of any of the offices or departments hereinbefore mentioned; and for the better execution of this present act, the said commissioners, or *any two of them, are hereby authorized to meet and sit, from time to time, in such place or places as they shall find most convenient, with, or without adjournment, and to send their precept or precepts, under their hands and seals, for any person or persons whatsoever, and for such books, papers, writings, or records, as they shall judge necessary for their information, relating to any of the offices or departments hereinbefore mentioned; and all bailiffs, constables, sheriffs, and other his Majesty's officers, are hereby required to obey and execute such orders and precepts aforesaid as shall be sent to them, or any of them, by the said commissioners, or any two of them, touching the premises.*

### No. 2.

##### Referred to from p. [22](#).

#### NABOB OF ARCOT'S DEBTS.

Mr. George Smith being asked, Whether the debts of the Nabob of Arcot have increased since he knew Madras? he said, Yes, they have. He distinguishes his debts into two sorts: those contracted before the year 1766, and those contracted from that year to the year in which he left Madras.—Being asked, What he thinks is the original amount of the old debts? he said, Between twenty-three and twenty-four lacs of pagodas, as well as he can recollect.—Being asked, What was the amount of that debt when he left Madras? he said, Between four and five lacs of pagodas, as he understood.—Being asked, What was the amount of the new debt when he left Madras? he said, In November, 1777, that debt amounted, according to the Nabob's own account, and published at Chepauk, his place of residence, to sixty lacs of pagodas, independent of the old debt, on which debt of sixty lacs of pagodas the Nabob did agree to pay an interest of twelve per cent per annum.—Being asked, Whether this debt was approved of by the Court of Directors? he said, He does not know it was.—Being asked, Whether the old debt was recognized by the Court of Directors? he said, Yes, it has been; and the Court of Directors have sent out repeated orders to the President and Council of Madras to enforce its recovery and payment.—Being asked, If the interest upon the new debt is punctually paid? he said, It was not during his residence at Madras, from 1777 to 1779, in which period he thinks no more

than five per cent interest was paid, in different dividends of two and one per cent.—Being asked, What is the usual course taken by the Nabob concerning the arrears of interest? he said, Not having ever lent him moneys himself, he cannot fully answer as to the mode of settling the interest with him.

Being asked, Whether he has reason to believe the sixty lacs of pagodas was all principal money really and truly advanced to the Nabob of Arcot, or a fictitious capital, made up of obligations given by him, where no money or goods were received, or which was increased by the uniting into it a greater interest than the twelve per cent expressed to be due on the capital? he said, He has no reason to believe that the sum of sixty lacs of pagodas was lent in money or goods to the Nabob, because that sum he thinks is of more value than all the money, goods, and chattels in the settlement; but he does not know in what mode or manner this debt of the Nabob's was incurred or accumulated.—Being asked, Whether it was not a general and well-grounded opinion at Madras, that a great part of this sum was accumulated by obligations, and was for services performed or to be performed for the Nabob? he said, He has heard that a part of this debt was given for the purposes mentioned in the above question, but he does not know that it was so.—Being asked, Whether it was the general opinion of the settlement? he said, He cannot say that it was the general opinion, but it was the opinion of a considerable part of the settlement.—Being asked, Whether it was the declared opinion of those that were concerned in the debt, or those that were not? he said, It was the opinion of both parties, at least such of them as he conversed with.—Being asked, Whether he has reason to believe that the interest really paid by the Nabob, upon obligations given, or money lent, did not frequently exceed twelve per cent? he said, Prior to the 1st of August, 1774, he had had reason to believe that a higher interest than twelve per cent was paid by the Nabob on moneys lent to him; but from and after that period, when the last act of Parliament took place in India, he does not know that more than twelve per cent had been paid by the Nabob, or received from him.—Being asked, Whether it is not his opinion that the Nabob has paid more than twelve per cent for money due since the 1st of August, 1774? he said, He has heard that he has, but he does not know it.—Being asked, Whether he has been told so by any considerable and weighty authority, that was like to know? he said, He has been so informed by persons who he believes had a very good opportunity of knowing it.—Being asked, Whether he was ever told so by the Nabob of Arcot himself? he said, He does not recollect that the Nabob of Arcot directly told him so, but from what he said he did infer that he paid a higher interest than twelve per cent.

Mr. Smith being asked, Whether, in the course of trade, he ever sold anything to the Nabob of Arcot? he said, In the year 1775 he did sell to the Nabob of Arcot pearls to the amount of 32,500 pagodas, for which the Nabob gave him an order or tankah on the country of Tanjore, payable in six months, without interest.—Being asked, Whether, at the time he asked the Nabob his price for the pearls, the Nabob beat down that price, as dealers commonly do? he said, No; so far from it, he offered him more than he asked by 1000 pagodas, and which he rejected.—Being asked, Whether, in settling a transaction of discount with the Nabob's agent, he was not offered a greater discount than 12*l.* per cent? he said, In discounting a soucar's bill for 180,000 pagodas, the Nabob's agent did offer him a discount of twenty-four per cent per annum, saving that it was the usual rate of discount paid by the Nabob; but which he would not accept of, thinking himself confined by the act of Parliament limiting the interest of moneys to twelve per cent, and accordingly he discounted the bill at twelve per cent per annum only.—Being asked, Whether he does not think those offers were made him because the Nabob thought he was a person of some consequence in the settlement? he said, Being only a private merchant, he apprehends that the offer was made to him more from its being a general practice than from any opinion of his importance.

**No. 3.**

**Referred to from p. [38](#).**

***A Bill for the Better Government of the Territorial Possessions and Dependencies in India.***

**[ONE OF MR FOX'S INDIA BILLS.]**

And be it further enacted by the authority aforesaid, that the Nabob of Arcot, the Rajah of Tanjore, or any other native protected prince in India, shall not assign, mortgage, or pledge any territory or land whatsoever, or the produce or revenue thereof, to any British subject whatsoever; neither shall it be lawful to and for any British subject whatsoever to take or receive any such assignment, mortgage, or pledge; and the same are hereby declared to be null and void; and all payments or deliveries of produce or revenue, under any such assignment, shall and may be recovered back, by such native prince paying or delivering the same, from the person or persons receiving the same, or his or their representatives.

**No. 4.**

**Referred to from pp. [64](#) and [73](#).**

**(COPY.)**

27th May, 1782.

*Letter from the Committee of Assigned Revenue, to the President and Select Committee, dated 27th May, 1782; with Comparative Statement, and Minute thereon.*

To the Right Honorable LORD MACARTNEY, K.B., President, and Governor, &c., Select Committee of Fort St. George.

MY LORD, AND GENTLEMEN,—

Although we have, in obedience to your commands of the 5th January, regularly laid before you our proceedings at large, and have occasionally addressed you upon such points as required your resolutions or orders for our guidance, we still think it necessary to collect and digest in a summary report those transactions in the management of the assigned revenue which have principally engaged our attention, and which, upon the proceeding, are too much intermixed with ordinary occurrences to be readily traced and understood.

Such a report may be formed with the greater propriety at this time, when your Lordship, &c., have been pleased to conclude your arrangements for the rent of several of the Nabob's districts. Our aim in it is briefly to explain the state of the Carnatic at the period of the Nabob's assignment,—the particular causes which existed to the prejudice of that assignment, after it was made,—and the measures which your Lordship, &c., have, upon our recommendation, adopted for removing those causes, and introducing a more regular and beneficial system of management in the country.

Hyder Ali having entered the Carnatic with his whole force, about the middle of July, 1780, and employed fire and sword in its destruction for near eighteen months before the Nabob's assignment took place, it will not be difficult to conceive the state of the country at that period. In those provinces which were fully exposed to the ravages of horse, scarce a vestige remained either of population or agriculture: such of the miserable inhabitants as escaped the fury of the sword were either carried into the Mysore country or left to struggle under the horrors of famine. The Arcot and Trichinopoly districts began early to feel the effects of this desolating war. Tinnevelly, Madura, and Ramnadaporum, though little infested with Hyder's troops, became a prey to the incursions of the Polygars, who stripped them of the greatest part of the revenues. Ongole, Nellore, and Palnaud, the only remaining districts, had suffered, but in a small degree.

The misfortunes of war, however, were not the only evils which the Carnatic experienced. The Nabob's aumildars, and other servants, appear to have taken advantage of the general confusion to enrich themselves. A very small part of the revenue was accounted for; and so high were the ordinary expenses of every district, that double the apparent produce of the whole country would not have satisfied them.

In this state, which we believe is no way exaggerated, the Company took charge of the assigned countries. Their prospect of relief from the heavy burdens of the war was, indeed, but little advanced by the Nabob's concession; and the revenues of the Carnatic seemed in danger of being irrecoverably lost, unless a speedy and entire change of system could be adopted.

On our minutes of the 21st January we treated the subject of the assignment at some length, and pointed out the mischiefs which, in addition to the effects of the war, had arisen from what we conceived to be wrong and oppressive management. We used the freedom to suggest an entire alteration in the mode of realizing the revenues. We proposed a considerable and immediate reduction of expenses, and a total change of the principal aumildars who had been employed under the Nabob.

Our ideas had the good fortune to receive your approbation; but the removal of the Nabob's servants being thought improper at that particular period of the collections, we employed our attention chiefly in preserving what revenue was left the country, and acquiring such materials as might lead to a more perfect knowledge of its former and present state.

These pursuits, as we apprehended, met with great obstructions from the conduct of the Nabob's servants. The orders they received were evaded under various pretexts; no attention was paid to the strong and repeated applications made to them for the accounts of their management; and their attachment to the Company's interest appeared, in every instance, so feeble, that we saw no prospect whatever of success, but in the appointment of renters under the Company's sole authority.

Upon this principle, we judged it expedient to recommend that such of the Nabob's districts as were in a state to be farmed out might be immediately let by a public advertisement, issued in the Company's name, and circulated through every province of the Carnatic; and, with the view of encouraging bidders, we proposed that the countries might be advertised for the whole period of the Nabob's assignment, and the security of the Company's protection promised in the fullest manner to such persons as might become renters.

This plan had the desired effect; and the attempts which were secretly made to counteract it afforded an unequivocal proof of its necessity: but the advantages resulting from it were more pleasingly evinced by the number of proposals that were delivered, and by the terms which were in general offered for the districts intended to be farmed out.

Having so far attained the purposes of the assignment, our attention was next turned to the heavy expenses entailed upon the different provinces; and here, we confess, our astonishment was raised to the highest pitch. In the Trichinopoly country the standing disbursements appeared, by the Nabob's own accounts, to be one lac of rupees more than the receipts. In other districts the charges were not in so high a proportion, but still rated on a most extravagant scale; and we saw, by every account that was brought before us, the absolute necessity of retrenching considerably in all the articles of expense.

Our own reason, aided by such inquiries as we were able to make, suggested the alterations we have recommended to your Lordship, &c., under this head. You will observe that we have not acted sparingly, but we chose rather, in cases of doubt, to incur the hazard of retrenching too much than too little; because it would be easier, after any stated allowance for expenses, to add what might be necessary than to diminish. We hope, however, there will be no material increase in the articles, as they now stand.

One considerable charge upon the Nabob's country was for extraordinary sabbendies, sepoy, and horsemen, who appeared to us to be a very unnecessary incumbrance on the revenue. Your Lordship, &c., have determined to receive such of these people as will enlist into the Company's service, and discharge the rest. This measure will not only relieve the country of a heavy burden, but tend greatly to fix in the Company that kind of authority which is requisite for the due collection of the revenues.

In consequence of your determination respecting the Nabob's sepoy, &c., every charge under that head has been struck out of our account of expenses. If the whole number of these people be enlisted by the Company, there will probably be no more than sufficient to complete their ordinary military establishment. But should the present reduction of the Nabob's artillery render it expedient, after the war, to make any addition to the Company's establishment for the purposes of the assigned countries, the expense of such addition, whatever it be, must be deducted from the present account of savings.

In considering the charges of the several districts, in order to establish better regulations, we were careful to discriminate those incurred for troops, kept or supposed to be kept up for the defence of the country, from those of the sibbendy, servants, &c., for the cultivation of the lands and the collection of the revenues, as well as to pay attention, to such of the established customs of the country, ancient privileges of the inhabitants, and public charities, as were necessarily allowed, and appeared proper to be continued, but which, under the Nabob's government, were not only rated much higher, but had been blended under one confused and almost unintelligible title of expenses of the districts: so joined, perhaps, to afford pleas and means of secreting and appropriating great part of the revenues to other purposes than fairly appeared; and certainly betraying the utmost neglect and mismanagement, as giving latitude for every species of fraud and oppression. Such a system has, in the few latter years of the Nabob's necessities, brought all his countries into that situation from which nothing but the most rigid economy, strict observance of the conduct of managers, and the most conciliating attention to the rights of the inhabitants can possibly recover them.

It now only remains for us to lay before your Lordship, &c., the inclosed statement of the sums at which the districts lately advertised have been let, compared with the accounts of their produce delivered by the Nabob, and entered on our proceedings of the 21st January,—likewise a comparative view of the former and present expenses.

The Nabob's accounts of the produce of these districts state, as we have some reason to think, the sums which former renters engaged to pay to him, (and which were seldom, if ever, made good,) and not the sums actually produced by the districts; yet we have the satisfaction to observe that the present aggregate rents, upon an average, are equal to those accounts. Your Lordship, &c., cannot, indeed, expect, that, in the midst of the danger, invasion, and distress which assail the Carnatic on every side, the renters now appointed will be able at present to fulfil the terms of their leases; but we trust, from the measures we have taken, that very little, if any, of the actual collections will be lost, even during the war,—and that, on the return of peace and tranquillity, the renters will have it in their power fully to perform their respective agreements.

We much regret that the situation of the Arcot province will not admit of the same settlement which has been made for the other districts; but the enemy being in possession of the capital, together with several other strongholds, and having entirely desolated the country, there is little room to hope for more from it than a bare subsistence to the few garrisons we have left there.

We shall not fail to give our attention towards obtaining every information respecting this province that the present times will permit, and to take the first opportunity to propose such arrangements for the management as we may think eligible.

We have the honor to be  
Your most obedient humble servants,  
CHARLES OAKLEY,  
EYLES IRWIN,  
HALL PLUMER,  
DAVID HALIBURTON,  
GEORGE MOUBRAY.  
FORT ST. GEORGE, 27th May, 1782.

A true copy.  
J. HUDLESTON, Sec.

COMPARATIVE STATEMENT *of the Revenues and Expenses of the Nellore, Ongole, Palnaud, Trichinopoly, Madura, and Tinnevely Countries, while in the Hands of the Nabob, with those of the same Countries on the Terms of the Leases lately granted for Four Years, to commence with the Beginning of the Phazeley, 1192, or the 12th July, 1782. Abstracted from the Accounts received from the Nabob, and from the Rents stipulated for and Expenses allowed by the present Leases.*

	GROSS REVENUE.		EXPENSES.				NET REVENUE.			
	Annual Gross Rent by the Nabob's Account Average of the Four Years immediately preceding the present War.	Annual Rent by the present Lessees, at an Average of Four Years.	Annual Expenses by the Nabob's Accounts.	Annual Expenses allowed by the present Lessees at an Estimate.	Reduction in the Annual Expenses.	Net Revenue by the Nabob's Accounts.	Net Revenue by the present Lessees.	Excess of Net Revenue.		
	Star Pagodas.	Star Pagodas.	Star Pagodas.	Star Pagodas.	Star Pagodas.	Star Pagodas.	Star Pagodas.	Star Pagodas.		
Nellore and Saareghy	3,22,830	3,61,800	1,98,794	33,000	1,65,794	1,24,036	3,28,900	2,04,864		
Chingle	1,10,987(00)	95,000	88,254		88,254	22,713	55,000	32,287		
Palnad	51,356	51,500	25,721		25,021	25,614	47,882	22,368		
Trichinopoly	2,89,993(00)	2,73,214	2,82,148	13,143	2,69,005	7,845	2,54,071	2,46,228		
Madras	1,02,756	60,290	63,710	12,037	51,673	39,046	48,251	9,207		
Tinnevely	5,65,537	5,79,713	1,64,098	76,368	95,730	4,01,439	5,09,445	1,07,906		
Total	14,43,438	13,83,617	8,22,725	1,49,246	6,82,479	6,20,713	12,43,371	6,22,658		

<sup>68</sup> In this statement, the Ongole country, though it is included under the head of gross revenue, has been let for a certain sum, exclusive of charges. If the expenses specified in the Nabob's vassool accounts for this district are added, the present gross revenue even would appear to exceed the Nabob's; and as the country is only let for one year, there may hereafter be an increase of its revenue.

<sup>69</sup> The Trichinopoly countries let for the above sum, exclusive of the expenses of sibbendy and saderward, amounting, by the Nabob's accounts, to rupees 1,30,00 per annum, which are to be defrayed by the renter. And the jaghires of Amir-ul-Omrah and the Begum are not included in the present lease.

N.B. In this statement, Madras Pagodas are calculated at 10 per cent Batta; Chuckrums at two thirds of a Porto Novo Pagoda, which are reckoned at 115 per 100 Star Pagodas; and Rupees at 350 per 100 Star Pagodas. To avoid fractions, the nearest integral numbers have been taken.

Signed,  
CHARLES OAKLEY,  
EYLES IRWIN,  
HALL PLUMER,  
DAVID HALIBURTON,  
GEORGE MOUBRAY.  
FORT ST. GEORGE, 27th May, 1782.

No. 5.

Referred to from p. 73.

*Case of certain Persons renting the Assigned Lands wider the Authority of the East India Company.*

**Extract of a Letter from the President and Council of Fort St. George, 25th May, 1783.**

One of them [the renters], Ram Chunder Raus, was, indeed, one of those unfortunate rajahs whose country, *by being near to the territories of the Nabob*, forfeited its title to independence, and became the prey of ambition and cupidity. This man, though not able to resist the Company's arms, *employed in such a deed at the Nabob's instigation*, had industry and ability. He acquired, *by a series of services*, even the confidence of the Nabob, who suffered him to *rent apart of the country of which he had deprived him of the property*. This man had afforded no motive for his rejection by the Nabob, but that of being ready to engage with the Company: a motive most powerful, indeed, but not to be avowed.

[This is the person whom the English instruments of the Nabob of Arcot have had the audacity to charge with a corrupt transaction with Lord Macartney, and, in support of that charge, to produce a forged letter from his Lordship's steward. The charge and letter the reader may see in this Appendix, under the proper head. It is asserted by the unfortunate prince above mentioned, that the Company first settled on the coast of Coromandel under the protection of one of his ancestors. If this be true, (and it is far from unlikely,) the world must judge of the return the descendant has met with. The case of another of the victims given up by the ministry, though not altogether so striking as the former, is worthy of attention. It is that of the renter of the Province of Nellore.]

It is, with a wantonness of falsehood, and indifference to detection, asserted to you, in proof of the validity of the Nabob's objections, that this man's failures had already forced us to remove him: though in fact he has continued invariably in office; though our *greatest supplies have been received from him*; and that, in the disappointment of your remittances [the remittances from Bengal] and

of other resources, the specie sent us *from Nellore alone* has sometimes enabled us to carry on the public business; and that the *present expedition against the French* must, without *this* assistance from the assignment, have been laid aside, or delayed until it might have become too late.

[This man is by the ministry given over to the mercy of persons capable of making charges on him "*with a wantonness of falsehood, and indifference to detection.*" What is likely to happen to him and the rest of the victims may appear by the following.]

***Letter to the Governor-General and Council, March 13th, 1782.***

The speedy termination, to which the people were taught to look, of the Company's interference in the revenues, and the vengeance denounced against those who, contrary to the mandate of the Durbar, should be connected with them, as reported by Mr. Sullivan, may, as much as the former exactions and oppressions of the Nabob in the revenue, as reported by the commander-in-chief, have deterred some of the fittest men from offering to be concerned in it.

The timid disposition of the Hindoo natives of this country was not likely to be insensible to the specimen of that vengeance given by his Excellency the Amir, who, upon the mere rumor, that a Bramin, of the name of Appagee Row, had given proposals to the Company for the rentership of Vellore, had the temerity to send for him, and to put him in confinement.

A man thus seized by the Nabob's sepoy's within the walls of Madras gave a general alarm, and government found it necessary to promise the protection of the Company, in order to calm the apprehensions of the people.

**No. 6.**

**Referred to from pp. [101](#) and [105](#).**

***Extract of a Letter from the Council and Select Committee at Fort St. George, to the Governor-General and Council, dated 25th May, 1783.***

In the prosecution of our duty, we beseech you to consider, as an act of strict and necessary justice, previous to reiteration of your orders for the surrender of the assignment, how far it would be likely to affect third persons who do not appear to have committed any breach of their engagements. You command us to compel our aumils to deliver over their respective charges as shall be appointed by the Nabob, or to retain their trust under his sole authority, if he shall choose to confirm them. These aumils are really renters; they were appointed in the room of the Nabob's aumils, and contrary to his wishes; they have already been rejected by him, and are therefore not likely to be confirmed by him. They applied to this government, in consequence of public advertisements in our name, as possessing in this instance the joint authority of the Nabob and the Company, and have entered into mutual and strict covenants with us, and we with them, relative to the certain districts not actually in the possession of the enemy; by which covenants, as they are bound to the punctual payment of their rents and due management of the country, so we, and our constituents, and the public faith, are in like manner bound to maintain them in the enjoyment of their leases, during the continuance of the term. That term was for five years, agreeably to the words of the assignment, which declare that the time of renting shall be for three or five years, as the Governor shall settle with the renters.—Their leases cannot be legally torn from them. Nothing but their previous breach of a part could justify our breach of the whole. Such a stretch and abuse of power would, indeed, not only savor of the assumption of sovereignty, but of arbitrary and oppressive despotism. In the present contest, whether the Nabob be guilty, or we be guilty, the renters are not guilty. Whichever of the contending parties has broken the condition of the assignment, the renters have not broken the condition of their leases. These men, in conducting the business of the assignment, have acted in opposition to the designs of the Nabob, in despite of the menaces denounced against all who should dare to oppose the mandates of the Durbar justice. Gratitude and humanity require that provision should be made by you, before you set the Nabob's ministers loose on the country, for the protection of the victims devoted to their vengeance.

Mr. Benfield, to secure the permanency of his power, and the perfection of his schemes, thought it necessary to render the Nabob an absolute stranger to the state of his affairs. He assured his

Highness that full justice was not done to the strength of his sentiments and the keenness of his attacks, in the translations that were made by the Company's servants from the original Persian of his letters. He therefore proposed to him that they should for the future be transmitted in English.—Of the English language or writing his Highness or the Amir cannot read one word, though the latter can converse in it with sufficient fluency. The Persian language, as the language of the Mahomedan conquerors, and of the court of Delhi, as an appendage or signal of authority, was at all times particularly affected by the Nabob. It is the language of all acts of state, and all public transactions, among the Mussulman chiefs of Hindostan. The Nabob thought to have gained no inconsiderable point, in procuring the correspondence from our predecessors to the Rajah of Tanjore to be changed from the Mahratta language, which that Hindoo prince understands, to the Persian, which he disclaims understanding. To force the Rajah to the Nabob's language was gratifying the latter with a new species of subserviency. He had formerly contended with considerable anxiety, and, it was thought, no inconsiderable cost, for particular forms of address to be used towards him in that language. But all of a sudden, in favor of Mr. Benfield, he quits his former affections, his habits, his knowledge, his curiosity, the increasing mistrust of age, to throw himself upon the generous candor, the faithful interpretation, the grateful return, and eloquent organ of Mr. Benfield!—*Mr. Benfield relates and reads what he pleases to his Excellency the Amir-ul-Omrah; his Excellency communicates with the Nabob, his father, in the language the latter understands. Through two channels so pure, the truth must arrive at the Nabob in perfect refinement; through this double trust, his Highness receives whatever impression it may be convenient to make on him: he abandons his signature to whatever paper they tell him contains, in the English language, the sentiments with which they had inspired him. He thus is surrounded on every side. He is totally at their mercy, to believe what is not true, and to subscribe to what he does not mean. There is no system so new, so foreign to his intentions, that they may not pursue in his name, without possibility of detection: for they are cautious of who approach him, and have thought prudent to decline, for him, the visits of the Governor, even upon the usual solemn and acceptable occasion of delivering to his Highness the Company's letters. Such is the complete ascendancy gained by Mr. Benfield. It may be partly explained by the facts observed already, some years ago, by Mr. Benfield himself, in regard to the Nabob, of the infirmities natural to his advanced age, joined to the decays of his constitution. To this ascendancy, in proportion as it grew, must chiefly be ascribed, if not the origin, at least the continuance and increase, of the Nabob's disunion with this Presidency: a disunion which creates the importance and subserves the resentments of Mr. Benfield; and an ascendancy which, if you effect the surrender of the assignment, will entirely leave the exercise of power and accumulation of fortune at his boundless discretion: to him, and to the Amir-ul-Omrah, and to Seyd Assam Cawn, the assignment would in fact be surrendered. HE WILL (IF ANY) BE THE SOUCAR SECURITY; and security in this country is counter-secured by possession. You would not choose to take the assignment from the Company, to give it to individuals. Of the impropriety of its returning to the Nabob, Mr. Benfield would now again argue from his former observations, that, under his Highness's management, his country declined, his people emigrated, his revenues decreased, and his country was rapidly approaching to a state of political insolvency. Of Seyd Assam Cawn we judge only from the observations this letter already contains. But of the other two persons [Amir-ul-Omrah and Mr. Benfield] we undertake to declare, not as parties in a cause, or even as voluntary witnesses, but as executive officers, reporting to you, in the discharge of our duty, and under the impression of the sacred obligation which binds us to truth, as well as to justice, that, from every observation of their principles and dispositions, and every information of their character and conduct, they have prosecuted projects to the injury and danger of the Company and individuals; that it would be improper to trust, and dangerous to employ them, in any public or important situation; that the tranquillity of the Carnatic requires a restraint to the power of the Amir; and that the Company, whose service and protection Mr. Benfield has repeatedly and recently forfeited, would be more secure against danger and confusion, if he were removed from their several Presidencies.*

[After the above solemn declaration from so weighty an authority, the principal object of that awful and deliberate warning, instead of being "removed from the several Presidencies," is licensed to return to one of the principal of those Presidencies, and the grand theatre of the operations on account of which the Presidency recommends his total removal. The reason given is, for the accommodation of that very debt which has been the chief instrument of his dangerous practices, and the main cause of all the confusions in the Company's government.]

**No. 7.**

**Referred to from pp. [82](#), [88](#), and [89](#).**

*Extracts from the Evidence of Mr. Petrie, late Resident for the Company at Tanjore, given to the Select Committee, relative to the Revenues and State of the Country, &c., &c.*

9th May, 1782.

William Petrie, Esq., attending according to order, was asked, In what station he was in the Company's service? he said, He went to India in the year 1765, a writer upon the Madras establishment: he was employed, during the former war with Hyder Ali, in the capacity of paymaster and commissary to part of the army, and was afterwards paymaster and commissary to the army in the first siege of Tanjore, and the subsequent campaigns; then secretary to the Secret Department from 1772 to 1775; he came to England in 1775, and returned again to Madras the beginning of 1778; he was resident at the durbar of the Rajah of Tanjore from that time to the month of May; and from that time to January, 1780, was chief of Nagore and Carrical, the first of which was received from the Rajah of Tanjore, and the second was taken from the French.—Being asked, Who sent him to Tanjore? he said, Sir Thomas Rumbold, and the Secret Committee.—Being then asked, Upon what errand? he said, He went first up with a letter from the Company to the Rajah of Tanjore: he was directed to give the Rajah the strongest assurances that he should be kept in possession of his country, and every privilege to which he had been restored; he was likewise directed to negotiate with the Rajah of Tanjore for the cession of the seaport and district of Nagore in lieu of the town and district of Devicotta, which he had promised to Lord Pigot: these were the principal, and, to the best of his recollection at present, the only objects in view, when he was first sent up to Tanjore. In the course of his stay at Tanjore, other matters of business occurred between the Company and the Rajah, which came under his management as resident at that durbar.—Being asked, Whether the Rajah did deliver up to him the town and the annexed districts of Nagore voluntarily, or whether he was forced to it? he said, When he made the first proposition to the Rajah, agreeable to the directions he had received from the Secret Committee at Madras, in the most free, open, and liberal manner, the Rajah told him the seaport of Nagore was entirely at the service of his benefactors, the Company, and that he was happy in having that opportunity of testifying his gratitude to them. These may be supposed to be words of course; but, from every experience which he had of the Rajah's mind and conduct, whilst he was at Tanjore, he has reason to believe that his declarations of gratitude to the Company were perfectly sincere. He speaks to the town of Nagore at present, and a certain district,—not of the districts to the amount of which they afterwards received. The Rajah asked him, To what amount he expected a jaghire to the Company? And the witness further said, That he acknowledged to the committee that he was not instructed upon that head; that he wrote for orders to Madras, and was directed to ask the Rajah for a jaghire to a certain amount; that this gave rise to a long negotiation, the Rajah representing to him his inability to make such a gift to the Company as the Secret Committee at Madras seemed to expect; while he (the witness) on the other hand, was directed to make as good a bargain as he could for the Company. From the view that he then took of the Rajah's finances, from the situation of his country, and from the load of debt which pressed hard upon him, he believes he at different times, in his correspondence with the government, represented the necessity of their being moderate in their demands, and it was at last agreed to accept of the town of Nagore, valued at a certain annual revenue, and a jaghire annexed to the town, the whole amounting to 250,000 rupees.—Being asked, Whether it did turn out so valuable? he said, He had not a doubt but it would turn

out more, as it was let for more than that to farmers at Madras, if they had managed the districts properly; *but they were strangers to the manners and customs of the people; when they came down, they oppressed the inhabitants, and threw the whole district into confusion; the inhabitants, many of them, left the country, and deserted the cultivation of their lands; of course the farmers were disappointed of their collections, and they have since failed, and the Company have lost a considerable part of what the farmers were to pay for the jaghire.*—Being asked, Who these farmers were? he said, One of them was the renter of the St. Thomé district, near Madras, and the other, and the most responsible, was a Madras dubash.—Being asked, Whom he was dubash to? he said, To Mr. Cass-major.

Being asked, Whether the lease was made upon higher terms than the district was rated to him by the Rajah? he said, It was.—Being then asked, What reason was assigned why the district was not kept under the former management by aumildars, or let to persons in the Tanjore country acquainted with the district? he said, No reasons were assigned: he was directed from Madras to advertise them to be let to persons of the country; but before he received any proposal, he received accounts that they were let at Madras, in consequence of public advertisements which had been made there: he believes, indeed, there were very few men in those districts responsible enough to have been intrusted with the management of those lands.—Being asked, Whether, at the time he was authorized to negotiate for Nagore in the place of Devicotta, Devicotta was given up to the Rajah? he said, No.—Being asked, Whether the Rajah of Tanjore did not frequently desire that the districts of Arnee and Hanamantagoody should be restored to him, agreeable to treaty, and the Company's orders to Lord Pigot? he said, Many a time; and he transmitted his representations regularly to Madras.—Being then asked, Whether those places were restored to him? he said, Not while he was in India.

Being asked, Whether he was not authorized and required by the Presidency at Madras to demand a large sum of money over and above the four lacs of pagodas that were to be annually paid by a grant of the Rajah, made in the time of Lord Pigot? he said, He was: to the amount, he believes, of four lacs of pagodas, commonly known by the name of deposit-money.—Being asked, Whether the Rajah did not frequently plead his inability to pay that money? he said, He did every time he mentioned it, and complained loudly of the demand.—Being asked, Whether he thinks those complaints were well founded? he says, He thinks the Rajah of Tanjore was not only not in a state of ability to pay the deposit-money, but that the annual payment of four lacs of pagodas was more than his revenues could afford.—Being asked, Whether he was not frequently obliged to borrow money, in order to pay the instalments of the annual payments, and such parts as he paid of the deposit? he said, Yes, he was.—Being asked, Where he borrowed the money? he said, He believes principally from soucars or native bankers, and some at Madras, as he told him.—Being asked, Whether he told him that his credit was very good, and that he borrowed upon moderate interest? he said, That he told him he found great difficulties in raising money, and was obliged to borrow at a most exorbitant interest, even some of it at forty-eight per cent, and he believes not a great deal under it. *He desired him (the witness) to speak to one of the soucars or bankers at Tanjore to accommodate him with a loan of money: that man showed him an account between him and the Rajah, from which it appeared that he charged forty-eight per cent, besides compound interest.*—Being asked, Whether the sums duo were large? he said, Yes, they were considerable; though he does not recollect the amount.—Being asked, Whether the banker lent the money? he said, He would not, unless the witness could procure him payment of his old arrears.

Being asked, What notice did the government of Madras take of the king of Tanjore's representations of the state of his affairs, and his inability to pay? he said, He does not recollect, that, in their correspondence with him, there was any reasoning upon the subject; and in his correspondence with Sir Thomas Rumbold, upon the amount of the jaghire, he seemed very desirous of adapting the demand of government to the Rajah's circumstances; but, whilst he stayed at Tanjore, the Rajah was not exonerated from any part of his burdens.—Being asked, Whether they ever desired the Rajah to make up a statement of his accounts, disbursements, debts, and payments to the Company, in order

to ascertain whether the country was able to pay the increasing demands upon it? he said, Through him he is certain they never did.—Being then asked, If he ever heard whether they did through any one else? he said, He never did.

Being asked, Whether the Rajah is not bound to furnish the cultivators of land with seed for their crops, according to the custom of the country? he said, *The king of Tanjore, as proprietor of the land, always makes advances of money for seed for the cultivation of the land.*—Being then asked, If money beyond his power of furnishing should be extorted from him, might it not prevent, in the first instance, the means of cultivating the country? he said, It certainly does; *he knows it for a fact; and he knows, that, when he left the country, there were several districts which were uncultivated from that cause.*—Being asked, Whether it is not necessary to be at a considerable expense in order to keep up the mounds and watercourses? he said, *A very considerable one annually.*—Being asked, What would be the consequence, if money should fail for that? he said, *In the first instance, the country would be partially supplied with water, some districts would be overflowed, and others would be parched.*—Being asked, Whether there is not a considerable dam called the Anicut, on the keeping up of which the prosperity of the country greatly depends, and which requires a great expense? he said, Yes, there is: the whole of the Tanjore country is admirably well supplied with water, nor can he conceive any method could be fallen upon more happily adapted to the cultivation and prosperity of the country; but, as the Anicut is the source of that prosperity, any injury done to that must essentially affect all the other works in the country: it is a most stupendous piece of masonry, but, from the very great floods, frequently requiring repairs, which if neglected, not only the expense of repairing must be greatly increased, but a general injury done to the whole country.—Being asked, Whether that dam has been kept in as good preservation since the prevalence of the English government as before? he said, From his own knowledge he cannot tell, but from everything he has read or heard of the former prosperity and opulence of the kings of Tanjore, he should suppose not.—Being asked, Whether he does not know of several attempts that have been made to prevent the repair, and even to damage the work? he said, The Rajah himself frequently complained of that to him, and he has likewise heard it from others at Tanjore.—Being asked, Who it was that attempted those acts of violence? he said, He was told it was the inhabitants of the Nabob's country adjoining to the Anicut.—Being asked, Whether they were not set on or instigated by the Nabob? he answered, The Rajah said so.—And being asked, What steps the President and Council took to punish the authors and prevent those violences? he said, To the best of his recollection, the Governor told him he would make inquiries into it, but he does not know that any inquiries were made; that Sir Thomas Rumbold, the Governor, informed him that he had laid his representations with respect to the Anicut before the Nabob, who denied that his people had given any interruption to the repairs of that work.

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Being asked, What he thinks the real clear receipt of the revenues of Tanjore were worth when he left it? he said, He cannot say what was the net amount, as he does not know the expense of the Rajah's collection; but while he was at Tanjore, he understood from the Rajah himself, and from his ministers, that the gross collection did not exceed nine lacs of pagodas (360,000*l.*).—Being asked, Whether he thinks the country could pay the eight lacs of pagodas which had been demanded to be paid in the course of one year? he said, Clearly not.—Being asked, Whether there was not an attempt made to remove the Rajah's minister, upon some delay in payment of the deposit? he said, The Governor of Madras wrote to that effect, which he represented to the Rajah.—Being asked, Who was mentioned to succeed to the minister that then was, in case he should be removed? he said, When Sir Hector Munro came afterwards to Tanjore, the old daubiere was mentioned, and recommended to the Rajah as successor to his then dewan.—Being asked, Of what age was the daubiere at that time? he said, Of a very great age: upwards of fourscore.—Being asked, Whether a person called Kanonga Saba Pilla was not likewise named? he said, Yes, he was: he was recommended by Sir Thomas Rumbold; and one recommendation, as well as I can recollect, went through me.—Being

asked, What was the reason of his being recommended? he said, He undertook to pay off the Rajah's debts, and to give security for the regular payment of the Rajah's instalments to the Company.—Being asked, Whether he offered to give any security for preserving the country from oppression, and for supporting the dignity of the Rajah and his people? he said, He does not know that he did, or that it was asked of him.—Being asked, Whether he was a person agreeable to the Rajah? he said, He was not.—Being asked, Whether he was not a person who had fled out of the country to avoid the resentment of the Rajah? he said, He was.—Being asked, Whether he was not charged by the Rajah with malpractices, and breach of trust relative to his effects? he said, He was; but he told the Governor that he would account for his conduct, and explain everything to the satisfaction of the Rajah.—Being asked, Whether the Rajah did not consider this man as in the interest of his enemies, and particularly of the Nabob of Arcot and Mr. Benfield? he said, He does not recollect that he did mention that to him: he remembers to have heard him complain of a transaction between Kanonga Saba Pilla and Mr. Benfield; but he told him he had been guilty of a variety of malpractices in his administration, that he had oppressed the people, and defrauded him.—Being asked, In what branch of business the Rajah had formerly employed him? he said, He was at one time, he believes, renter of the whole country, was supposed to have great influence with the Rajah, and was in fact dewan some time.—Being asked, Whether the nomination of that man was not particularly odious to the Rajah? he said, He found the Rajah's mind so exceedingly averse to that man, that he believes he would almost as soon have submitted to his being deposed as to submit to the nomination of that man to be his prime-minister.

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