In December last I had occasion, in the course of my Presidential Speech at the Lucknow Congress, to draw attention to the fact of the over-assessment of agricultural holdings in some provinces of India, and the consequent impoverishment of cultivators and agricultural labourers, who form four-fifths of the population of India. I pointed out that while in Bengal and Northern India, where cultivators paid rents to private landlords, the rents were comparatively moderate, in Madras, Bombay and the Central Provinces, where the Government assessed the soil, the assessments were excessive and the people were poorer and more resourceless. And I also stated that in the famines of 1877, 1897 and 1899, the parts of India which were over-assessed had suffered most severely.

The question has naturally received a great deal of attention both in England and in India within the last six months. In England an important debate took place in the House of Commons in April last, and Mr Samuel Smith, M.P., in referring to my statements, spoke the simple truth when he said that the best remedies for famines in India were the moderating of rents and the extension of irrigation works. And Lord George Hamilton, Secretary of State for India, while doubting the accuracy of my statement about moderate rents in
Bengal, admitted that in the Central Provinces the assessment might have been too severe.\textsuperscript{1} In India, also, during the discussion of the annual Budget in the Viceroy's Council, all the Indian members of the Council pleaded in favour of moderate assessments, long leases, and irrigation works,\textsuperscript{2} and Lord Curzon promised to bestow his careful consideration to the subject. And during the discussion of the Provincial Budget of the North-West Provinces and Oudh, Sir Antony Macdonnell, the Lieutenant-Governor of those Provinces, was good enough to refer to my statements, and pointed out that in Northern India the policy of the Government during the present century has been to gradually moderate the land revenue demand.

The attention bestowed on the question by these high and responsible officials promises the most beneficent results, and the terrible and wide-spread famine of the present year raises the question of land assessments in India above the sphere of party controversies and invests it with a grave and national importance.

If lands have been over-assessed in some provinces of India, if the revenue demand has been raised too suddenly and too high, if the population of the country has thereby been rendered resourceless and incapable of helping themselves to any extent in years of drought,\textsuperscript{1} 

\textsuperscript{1} "Mr Dutt seemed to think that in the Central Provinces the Government of India were exacting an exorbitantly high land revenue. He was very reluctant to dogmatise as to what was and what was not a reasonable land revenue, and he should be very sorry to say that in the past they might not here and there have placed the land assessment too high."—Report of Lord George Hamilton's speech in the Times of the 4th April 1900.

\textsuperscript{2} See Appendices D to H.

—no class of men will be more anxious to remedy the evils than British administrators who have devoted themselves to the great task of improving the material condition of the people of India. It is in the hope of rendering some help in the great work which they have undertaken, and of removing some of the deep-seated causes of poverty and indebtedness among the cultivators of India, that the present work is published.

The land question in India is generally considered an intricate subject by public men in England, and is therefore avoided. But the main features of the Indian systems are so simple that they are easily explained and are as easily grasped. It is only necessary to remember that the land systems are different in the different provinces of India, and if we examine the system in each province separately, the main facts will appear exceedingly simple, and we shall obtain a clear and comprehensive idea of the conditions of the agricultural life of an agricultural nation.

In Bengal the cultivators of the soil pay rents to private landlords, and the revenue payable by landlords to the Government has, in most parts of the province, been fixed for ever by the Permanent Settlement of 1793. The rents paid by cultivators to landlords generally do not exceed one-fifth or one-sixth the gross produce, and the revenue obtained by the Government represents five to six per cent. of the gross produce.\textsuperscript{1}

In Northern India also the cultivators of the soil pay rents to private landlords. But the revenue paid by landlords to the Government has not been per-

\textsuperscript{1} See Appendix A.
manently fixed (except in some districts), and is resettled at each recurring settlement. Generally speaking, settlements are made once in thirty years, and about one-half of the rental of landlords is claimed by the Government as revenue. The rents paid by cultivators to landlords represent, on an average, about one-fifth the gross produce, and the revenue collected by the Government represents eight to ten per cent. of the gross produce.¹

In BOMBAY the cultivators, generally speaking, pay the revenue direct to the Government, there being no intervening landlords, and the revenue is resettled usually once in thirty years. Lands are assessed according to their situation and productive powers, and also with an eye to their fiscal history, and no endeavours are made to take a fixed and definite proportion of the produce as revenue. It was once believed that the land revenue represented about one-eighth the gross produce, but at the present time it is generally between twenty and thirty-three per cent. of the gross produce.²

In MADRAS also the cultivators pay the revenue direct to the Government, except in some tracts where the revenue is paid by landlords and is permanently fixed. The revenue obtained from cultivators direct is fixed at each recurring settlement, and settlements are often made for shorter periods than thirty years. One-half of the nett produce of the soil, i.e. of the value of the produce after deducting the cost of cultivation, is claimed by the State as revenue; and there is a rule in force that this demand shall not in any case exceed one-third or two-fifths of the gross produce. On an average, the State demand represents twelve to twenty per cent. of the gross produce for dry lands, and sixteen to thirty-one per cent. of the gross produce on wet lands.¹

Lastly, in the CENTRAL PROVINCES, the cultivators pay rents to private landlords, and landlords pay the revenue to the Government. But unlike Northern India, rents in the Central Provinces are not settled by the landlords and cultivators among themselves, but are fixed by Government officers at each recurring settlement; and the revenue demand is not one-half the rental but sometimes goes up to sixty per cent. of the rental. At the last settlement, effected after 1890, the revenue was very largely enhanced, approximating to, and even exceeding, a hundred per cent.² in some districts. Complaints made at the time were disregarded, but the famines of 1897 and 1900 disclose the wretched condition to which the cultivators have been reduced. And from the statement made by the Secretary of State for India, quoted before, there are reasons to hope that the assessment will be revised, and the mistake committed will be rectified, as soon as the present famine is over.

Such, briefly, are the different land systems in the different provinces of India.³ It will be found that the incidence of the land revenue varies considerably in the different provinces. And it is significant that the provinces which have suffered most severely from

¹ See Appendix A. ² See Appendix C. ³ I have treated Northern India as one province though it really comprises two provinces under two separate Administrations, one for N.W. Province and Oudh, and the other for the Punjab.
famines within the last twenty-five years, i.e., in 1877, 1897 and 1900, are the provinces where the demand payable by cultivators is fixed by the Government, and the land revenue is unduly high.

Nearly forty years ago, after the severe famine of 1860, Lord Canning, then Viceroy and Governor-General of India, recommended the extension of the Permanent Settlement to all parts of India; Sir John (afterwards Lord) Lawrence supported the recommendation, and two Secretaries of State for India, Sir Charles Wood and Sir Strafford Northcote, approved of the proposal. It was known then that the proposal involved some sacrifice of the prospective rise in the land revenue of India, but Sir Strafford Northcote was prepared to make the sacrifice with the object of improving the material condition of the people, and of confirming the loyalty of the landed classes in India to the British Rule. Two years of uninterrupted peace within the natural frontiers of India, and of devoted loyalty on the part of the people, weakened instead of strengthening this very laudable desire on the part of their rulers, and the proposal of a Permanent Settlement was finally rejected in 1883. I have always considered this an unfortunate decision for the people of India. The extension of the Permanent Settlement would have led to some accumulation of capital which is now the crying need of India; it would have improved the condition of landlords and cultivators alike; and it would have made them more resourceful, and more able to help themselves in years of drought and failure of harvest. I had occasion to express this opinion during the famine of 1897 and I still hold the same opinion.

In the present work, however, I have not thought that it will serve any useful purpose to repeat the same recommendation. I have not, in these pages, recommended the extension of the Permanent Settlement to all the provinces of India. On the contrary, I have considered it more useful to suggest such protective measures as are consistent with the different systems prevailing in the different provinces. I have suggested no changes in the prevailing systems, but I have urged that, under each provincial system, some protection against undue and uncertain enhancements should be given to the cultivators of each province. And above all I have urged the acceptance of that proposal which was made by Lord Ripon, when the scheme of a Permanent Settlement was abandoned, that in districts which have been surveyed and settled the Government demand from the cultivators should not be enhanced except on the equitable ground of a rise in prices. This will afford some security to cultivators, while it will leave a door open for the future increase of the land revenue.

In the five Open Letters to the Viceroy of India, which form the principal portion of this work, I have endeavoured briefly and clearly to explain the fiscal history of the five great provinces of India and the condition of the cultivators of the soil in those provinces. I do not claim to have placed any new facts before the Government; on the contrary,

1 See Appendix I.

the Government has undoubtedly many sources of information not available to me, and a comprehensive and minute knowledge of many facts and figures not known to me. The only claim which these Letters have to the consideration of the British administrators and of the British public lies in the fact that they are based on a life-long study of the actual condition of the Indian cultivator in his village, and that they seek to describe the real and deep-seated causes of his chronic poverty and indebtedness, and that they represent the views and opinions of the best informed, the most thoughtful, and the most moderate section of my countrymen. For these reasons they will, I venture to believe, receive the consideration of a Government which seeks by all possible means to know the views of the people themselves; and they will probably also interest the British public who are now keenly anxious to remedy, as far as is humanly possible, the causes of the recurring famines in India. There is no doubt these famines are directly caused by the failure of the annual rains over which man has no control; but it is equally certain that their intensity and their disastrous effects can be to a great extent mitigated by moderating the land tax, by the construction of irrigation works, and by the reduction of the public debt and the expenditure of India.

The suggestions I have made in the following pages are, I believe, moderate and practicable, and do not contemplate any change in the different land systems which prevail in the different provinces of India. For the sake of convenience I will sum them up below:

(a) Where the State receives land revenue through

landlords, and the revenue is not permanently settled, we ask that the “Saharanpur Rules” limiting the State-demand to one-half the rental may be universally applied.

(b) Where the State receives land revenue direct from cultivators, we ask that the rate may not exceed one-fifth the gross produce of the soil in any case, and that the average of a district, including dry lands and wet lands, be limited to one-tenth of the gross produce, which is approximately the revenue in Northern India.

(c) Where the State receives land revenue direct from cultivators, we ask that the rule laid down by Lord Ripon, of permitting no enhancements at recurring settlements, except on the ground of an increase in prices, be universally applied.

(d) Where the land revenue is not permanently settled, we ask that settlements be made not oftener than once in thirty years, which is the general rule in Northern India and Bombay.

(e) We urge that no cesses, in addition to the land revenue, be imposed on the land except for purposes directly benefitting the land; and that the total of such cesses may not exceed six and a quarter per cent. (one anna in the rupee), in any province of India.

(f) We urge that now that the protective railway lines have been completed, a million tens of rupees be annually spent out of the Famine Insurance Grant on protective irrigation works; that these works be undertaken, as recommended by the Famine Commission of 1898, "without expectation of direct return" from the outlay; and that the cultivator be left the option of
Preface

using the water when he requires it, and paying for it when he uses it.

(g) And lastly, we urge that in the case of any difference between cultivators and Settlement Officers in the matter of assessment, an appeal be allowed to an independent tribunal not concerned with the fixing and levying of the land tax.

It will be obvious to every reader that it is not possible to improve the condition of the Indian cultivator without granting him some security from uncertain demands and harassing claims which are a ruin to agriculture and a bar to all improvements. And it will be also obvious that the security contemplated in the above rules, and the limitations on land revenue prescribed therein, are not possible without some check on the growing and ruinous expenditure of the Indian Government. We cannot moderate the revenue demand without moderating the expenditure; we cannot give relief to the overtaxed cultivator without economy and retrenchment. This is a subject which I have not touched upon in the present work, because it is so vast and so important that it requires to be dealt with fully in a separate work.

The Royal Commission on Indian expenditure has just brought out its Report with minutes of the valuable evidence it has recorded.¹ The British Parliament has not yet had time to consider this Report, and we will not anticipate the verdict of the British nation. But one thing which very painfully strikes the Indian reader is that, among all their many valuable suggestions, the majority of the Commissioners have not strongly and adequately insisted on a reduction of the public expenditure in India and of the annual drain from India. Such a reduction is absolutely necessary in the interests of the Indian people, and without such a reduction India cannot be saved.

Retrenchment is said to be one of the great principles of the Liberal Party in Great Britain; Retrenchment is the first principle of the popular party in India. Educated, moderate, and loyal Indians, who have studied Indian problems and Indian facts carefully, and are animated by a sincere desire to support and help British administration in India, feel that no permanent improvement in the condition of the people is possible without some reduction in the public expenditure. But unfortunately, this Retrenchment Party in India, if I may so call it, has no control over administration, and is debarred from influencing the administration. The Finance Minister and the officials generally in India are, no doubt, aware of the importance of economy; but the vital and absolute necessity of retrenchment does not come home to them as it does to the people; it is not a question of life and death with them as it is with the people. And so it happens that the Expending Party,—I use this phrase without any reflection on British administrators,—is permanently in power in India; the Retrenchment Party is never in power and has no control over the administration; and no

¹ Extracts from the evidence of some great authorities on Indian matters have been given in Appendix U of the present work.

¹ See evidence of Sir Auckland Colvin and Sir David Barbour in Appendix U.
adequately strong endeavour has been made in India to reduce expenditure. The Famine Commissions of 1878 and 1898 did not adequately grasp this point; and the majority of the Royal Commission on Indian Expenditure have failed to deal with it adequately.

In Great Britain the public debt was reduced by over a hundred and sixty millions within forty years after the Crimean War; in India the public debt was not reduced, but went on increasing during the same period, even if we leave out the expenditure on railways. There was no determined endeavour made in India, as was made in Great Britain, to decrease the nation’s liabilities; there was no effort made to reduce that annual drain from the Indian revenues which necessarily impoverishes the country and the cultivating population. We hear constantly of the elasticity of the Indian revenues and the recuperative power of the Indian people; the famines of 1897 and of 1900 are a terrible answer to such consoling but unsound and untrue representations.

The great military expenditure of India, too, is not only ruinous but absolutely inequitable. Retired viceroys of India and high military authorities have told the Royal Commission that to saddle India with the expenditure of wars outside India is unjust, illegal, and inequitable; that to maintain at the cost of India a vast force required for Great Britain’s Imperial purposes is unfair. Let us honestly endeavour to connect cause and effect; and let those who feel for the millions of

\[1\] See evidence of Lord Northbrook, Lord Ripon, Lord Lansdowne, Sir Henry Brackenbury, and Sir Edwin Collen in Appendix U.

voiceless cultivators who crowd round relief centres at each recurring famine, or die on the roadside and in obscure villages, bring it home to their minds that famines in India are greatly due to that policy of saddling India with the cost of vast armaments and wars which she should not bear, and which she cannot bear.

Indian witnesses have also urged before the Royal Commission the unfairness of virtually excluding Indians from high appointments in their own country, which they are fitted to hold. They referred to the Parliamentary Return of 1892, showing that of all the appointments of the value over a thousand rupees (£67) a year, the people of India were permitted to hold a small proportion aggregating to about three millions sterling, while appointments aggregating to about fifteen millions sterling a year were reserved for Europeans. And they pleaded that this was a source of material loss and of moral degradation which neither the august Sovereign of India nor the British people wished to perpetuate.

These are subjects which I have purposely excluded from the scope of the present little volume. I desired to make it an easy handbook on the land question of India, on the condition of the cultivators and the incidence of the land tax, and on the reforms needed to make agriculturists more self-relying and resourceful, and famines less frequent and less fatal. But the reader will undoubtedly perceive that limitations cannot be placed on the revenue-demand without retrenchment

\[1\] See Appendix V.
in expenditure, and without a readjustment of the financial relations between Great Britain and India on those lines which are considered fair and equitable for the British colonies.

A greater danger than the Mutiny of 1857 not only threatens, but has actually overtaken India, in the impoverishment of the people and the frequency and intensity of recent famines. And the highest type of courage and of statesmanship, such as was evinced by a Canning and a Lawrence in the past, will be needed once more to save the empire—to moderate rents and taxes, to reduce debt and expenditure, to deal with India as England deals with her colonies in financial matters, and to associate the people of India in the control of their finances and the administration of their own concerns.

ROMESH DUTT.

UNIVERSITY COLLEGE, LONDON,
20th June 1900.

OPEN LETTERS TO LORD CURZON

FAMINES IN INDIA

The Reports of the Indian Famine Commissions, published in 1880 and in 1898, tell a melancholy tale. Excluding severe scarcities, often confined to limited areas, there were eighteen famines between 1770 and 1878; and if we add to this list the subsequent famines of 1889, 1892, 1897, and 1900, we have a sad record of twenty-two famines within a period of 130 years of British rule in India.

1. Bengal Famine of 1770.—The first great famine in India which attracted the attention of the British nation to the state of things in India was the Bengal famine of 1770. Like all famines, it had its immediate cause in the failure of rains; but the intensity of the famine, and the great loss of life it caused, were partly due to the maladministration of the East India Company, and the consequent impoverishment of the people. The Court of Directors deplored “the corruption and rapacity of our servants,” 1 but were unable to check the evils until the famine disclosed the state to which the country had been reduced. It was officially estimated by the Members of the Council, after they had made a circuit through the country to ascertain the

1 Letter of the Court of Directors to Bengal, dated 17th May 1766.
effects of the famine, that about one-third of the population of Bengal, or over ten millions of people, had died of that famine. The terrible calamity aroused the attention of the British public to Indian administration, and the Regulating Act of 1773 was passed by the Parliament to improve the administration.

II. Madras Famine of 1783.—There was a famine in Madras in 1783, mainly due to the wars of Warren-Hastings with Mysore. The exact loss of life from this famine is not known.

III. Famine in Northern India in 1784.—There was a very widespread and intense famine in Upper India in 1784, directly due to failure of rains, but aggravated in some places by blunders and maladministration. Upper India was not then under British rule, but British officers had been sent to Oudh to command the Nawab’s troops, and, following the mischievous practice of the times, they had farmed the revenues of the country for their private gain. Large numbers of the people were driven to rebellion and were put down with cruel severity. Captain Edwards visited Oudh in 1774 and 1783. In the former year he had found the country flourishing in manufacture, cultivation, and commerce; in the latter year he found it to a great extent “forlorn and desolate.” Warren Hastings himself witnessed the effects of the famine in Behar, and recorded that: “The distresses which were produced by the long-continued drought unavoidably tended to heighten the general discontent; yet I have reason to fear that the cause existed principally in a defective, if not a corrupt and oppressive, administration. I am sorry to add that from Buxar to the opposite boundary I have seen nothing but traces of complete devastation in every village.” When inquiries were made later, it was found that one-third of the lands in the state of Benares had gone out of cultivation by 1788. The exact loss of lives from the famine of 1784 in Upper India is not known. On the 13th of August 1784, Pitt’s Bill for the Better Government of India was passed, and in the following year a nobleman of high reputation and character, Lord Cornwallis, was sent out as Governor-General of India.

IV. Bombay and Madras Famine of 1792.—There was famine in Bombay and Madras during Lord Cornwallis’s administration, and it was in 1792 that relief works were first opened by the Madras Government for the support of the famine-stricken. The loss of life from this famine is unknown. Lord Cornwallis made a Permanent Settlement of the land revenues with the Zemindars or landlords of Bengal in 1793; and since that date there has been no famine in the permanently settled tracts of Bengal, causing serious loss of life.

V. Bombay Famine of 1803.—The wars of Lord Wellesley with the Mahrattas, which prevented much land being sown, and the ravages caused by the army of Holkar and the Pindarees, were the principal causes of this famine. Grain was imported by the Government into Bombay and sold at a fixed price to the public; exportation was prohibited; and public works and hospitals were started in the towns of Bombay and Surat for the relief of those who flocked to those towns. The number of deaths from this famine is not known.

VI. Famine in Northern India in 1804.—The
Famines in India

wars of Lord Wellesley, the ravages caused by the army of Holkar, and also the early mistakes made by the East India Company’s servants in land revenue administration, seem to have aggravated the effects of this wide-spread famine. A part of the dominions of the Nawab of Oudh had been ceded to the British Government in 1801, and blunders were made by the new rulers in the collection of the land revenues. Mr Dumbleton, one of the early collectors of revenue, said in a letter to the Board of Revenue, that the Settlement of 1802 “pressed beyond a fair demand,” and that the severe rates of the Nawab’s Government were stereotyped, “without the same elasticity in realising.”

The Government made large remissions of revenue during the famine of 1804, gave loans and advances to landowners, and offered a bounty on grain exported into Benares, Allahabad, Cawnpur, and Fatehgarh.

VII. Madras Famine of 1807.—The early endeavours to assess lands in Madras were as unhappy as in Northern India, and when there was a wide-spread failure of rains in 1806, it was followed by a severe and desolating famine. Large crowds of emaciated people flocked into the town of Madras, attracted thither by the existence of a charitable association and by the hope of obtaining gratuitous help without limit. The Government at the outset declared against any interference with private trade, but in the end they conceived it necessary to purchase grain, guaranteeing a minimum price to importers. The number of deaths from this famine is not known. It was during the early part of

this famine that Sir Thomas Munro wrote in favour of employing labour, but against gratuitous relief. “The natives of India are probably as charitable as those of any other country, and the poor may be left to their care . . . . I see no cause to apprehend a famine in the Ceded Districts. I cannot discover that such an event has ever happened in any former period, unless when war was added to an unfavourable season.”

VIII. Bombay Famine of 1813.—Similar causes led to a similar calamity in Bombay six years later. The Government refused to prohibit export or to import grain on this occasion, and recorded in a separate minute its adherence to the principles of political economy as expounded in Adam Smith’s Wealth of Nations.

IX. Madras Famine of 1823.—A new system of land-settlements, ordered by the Home Government in 1812, was introduced first in Madras and then in Bombay. The system was one of settlement*, not with landlords or Zemindars as in Bengal, but with individual cultivators or Ryots; but the fundamental principle, so far as the revenue was concerned, appears to have been the same as in Bengal,—the Government demand on the land was considered to be fixed for ever. There was a famine in Madras in 1823, and a severe scarcity in Bombay in the following year. Mr Mountstuart Elphinstone, Governor of Bombay, declined after some discussion, to interfere with private trade; in Madras a bounty was offered on all grain imported to the distressed locality. The mortality is unknown.

X. Madras Famine of 1833.—The northern districts of the Province suffered most from this famine,

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specially the district of Gantur, in which the mortality was so terrible that this was known as the Gantur Famine. The Government appears to have been taken by surprise, and the severity of the calamity was not recognised till too late. Very little was done to relieve distress, except by the distribution of gratuitous food in the towns to which the sufferers flocked. It was estimated that 200,000 persons died in Gantur out of a population of 500,000. Groups of people died in the streets of Madras, numbers perished in Masalipatam; in Nellore "the roads were strewn with dead bodies."

XI. Famine in Northern India in 1837.—The earlier mistakes in land administration were very slowly rectified in Northern India, and a regular settlement was begun in 1833. But the revenue demanded was still excessively heavy, being two-thirds of the rents received by landlords.

There was a failure of rains in 1837 and a famine ensued. "I have never in my life," wrote Mr John (afterwards Lord) Lawrence, "seen such utter desolation as that which is now spread over the parganas of Hodal and Palwal." Deaths were numerous. In Cawnpur a special establishment patrolled the streets and the river to remove the corpses. The same thing was done in Fatehpur and Agra. In many places the dead lay on the roadside till wild animals devoured the corpses. The views adopted by the Government were that the Government should offer employment to those who could work, but the relief of the helpless and infirm should be left to the charitable public. The mortality due to this famine was estimated long after by Colonel Baird Smith at about 800,000; but the Famine Commission considers this much under the mark.

XII. Madras Famine of 1854.—A famine visited the northern part of the Madras Presidency and portions of Hyderabad in 1854. Relief was administered only by public works, and for over nine months over fifty thousand people obtained relief on these works. The mortality from this famine is not known, but the census taken in 1856-57 showed that the growth of the population had received a serious check.

XIII. Famine in Northern India in 1860.—The mistake of demanding two-thirds of the rental as the Government revenue, which was committed in the Settlement of 1833-49, was rectified by the "Saharanpur Rules" of 1855, and the Government revenue was fixed at one-half the rental, which is the recognised rule in Northern India to the present day. This gave great relief to the landlords and cultivators alike; and when the East India Company was abolished in 1858, the administration of the Indian Empire came directly under the Crown. The wars of the Indian Mutiny and the acts of retribution which followed, had, however, greatly interfered with cultivation, and when there was a failure of rains in 1860, it was followed by a famine. The principles of relief were the same as were adopted in 1837, viz., that the duty of the State was to provide employment for those who could work, and of the charitable public to support those who could not. Ten large relief works were opened, and minor works were opened to provide work for those who could not travel. Gratuitous relief at the expense of the charitable public
was generally distributed in the shape of cooked food, and this excellent system was first introduced at Moradabad by Mr (now Sir John) Strachey, who was then collector of the district. 35,000 people were employed for ten months on relief works, and 80,000 people received gratuitous relief for nine months. The mortality was high, and Sir A. Cotton estimated it at 200,000 at least. After the famine was over, Colonel Baird Smith was deputed to examine into the causes of famines. He reported that the famine of 1860 was less severe than the famine of 1837 on account of the more lenient land assessments made by the Government, and he recommended a Permanent Settlement of the land revenues, such as had been made in 1793 in Bengal. Lord Canning, then Viceroy of India, strongly recommended such a Settlement; and the Secretary of State for India recorded a memorable resolution describing the proposal as "a measure dictated by sound policy and calculated to accelerate the development of the resources of India, and to insure in the highest degree the welfare and contentment of all classes of Her Majesty's subjects in the country." If this proposal had been then carried into effect, India would have been spared those more dreadful and desolating famines which we have witnessed in later years. But the interests of the land revenue received greater consideration than the well-being of the people; and after a fruitless discussion of twenty-one years, the proposal of Lord Canning was rejected by the Secretary of State for India in 1883.

XIV. Orissa Famine of 1866.—There was a famine in some parts of Madras, and in spite of relief given to 12,000 people in relief works for fifteen months, and to 31,000 people gratuitously for sixteen months, the number of deaths increased by about 450,000. But this famine was most severely felt in Orissa, a part of the Province of Bengal where, generally speaking, no Permanent Settlement of the revenues had been made. The means of communication to Orissa were imperfect; the Government had with difficulty thrown in 10,000 tons of food grain by November 1866; but meanwhile the mortality among those whom this relief did not reach was severe; and it was estimated that one-third of the population of Orissa, or nearly a million persons had died. The inundations of the year caused further damage to the crops, and relief operations had to be resumed in the succeeding year.

XV. Famine in Northern India in 1869.—There was a famine in Rajputana in 1869 and cholera and locusts added to the sufferings of the people. The same famine also affected Northern India: 65,000 persons were employed on relief works in the N.W. Provinces for twelve months, and 18,000 persons received gratuitous relief daily. The mortality from the famine was estimated at 1,200,000.

XVI. Bengal Famine of 1874.—There was a famine in Behar in 1874; it was the first famine in India in which loss of life was prevented; and the wise and ample relief measures adopted by Lord Northbrook, then Viceroy of India, were completely successful. 735,000 persons were employed on relief works for nine months, and 450,000 persons received gratuitous relief in some parts of Madras, and in spite of relief given to 12,000 people in relief works for fifteen months, and to 31,000 people gratuitously for sixteen months, the number of deaths increased by about 450,000. But this famine was most severely felt in Orissa, a part of the Province of Bengal where, generally speaking, no Permanent Settlement of the revenues had been made. The means of communication to Orissa were imperfect; the Government had with difficulty thrown in 10,000 tons of food grain by November 1866; but meanwhile the mortality among those whom this relief did not reach was severe; and it was estimated that one-third of the population of Orissa, or nearly a million persons had died. The inundations of the year caused further damage to the crops, and relief operations had to be resumed in the succeeding year.

XV. Famine in Northern India in 1869.—There was a famine in Rajputana in 1869 and cholera and locusts added to the sufferings of the people. The same famine also affected Northern India: 65,000 persons were employed on relief works in the N.W. Provinces for twelve months, and 18,000 persons received gratuitous relief daily. The mortality from the famine was estimated at 1,200,000.
relief for six months. The result of inquiries specially made was to indicate that no mortality whatever was due to the famine.

XVII. Madras Famine of 1877.—In fatal contrast to the Bengal famine of 1874, the Madras famine of 1877 was attended with serious loss of life. The Ryotwari Settlement of Madras, effected in the early years of the century, had been recognised to be permanent. In 1856 the Government of Madras had declared in its Administration Report, that “the ryot under this system is virtually a proprietor on a simple and perfect title, and has all the benefits of a perpetual lease.” In 1857 the Board of Revenue had declared that “a Madras ryot is able to retain his land perpetually without any increase of assessment, so long as he continues to fulfill his engagements.” And in 1862 the Government of Madras, in its letter, No. 241, of the 8th February, had stated that “there can be no question that one fundamental principle of the Ryotwari System is that the Government demand on the land is fixed for ever.” Nevertheless, the Survey and Settlement operations, introduced in Madras after 1857, ignored these repeated pledges and made rents liable to enhancement on various grounds at recurring settlements. The serious question attracted the attention of Lord Northbrook when he was Viceroy of India; and during the administration of his successor, Lord Lytton, occurred the severest famine which has visited Madras within this century. Sir Richard Temple was sent as Famine Delegate of the Government of India in January 1877, and he unwisely reduced the wages in relief works to a scale which, in the opinion of the Sanitary Commissioner, Dr Cornish, provided less than subsistence for the labourer. Sir Richard Temple stated his reasons thus:—“This rate (two annas per diem) is fixed upon the supposition that it will purchase one and a half pounds of grain per diem, a quantity which is deemed essential for a man while at work. There might indeed be a question whether life cannot be sustained with one pound of grain per diem, and whether Government is bound to do more than sustain life. This is a matter of opinion; and I myself think that one pound per diem might be sufficient to sustain life, and that the experiment ought to be tried.” The unhappy experiment was tried, and abandoned after three months, and it was also then decided that weakly persons, incapable of performing half the task work, should be supported at their homes. The intensity of the famine decreased when the rains commenced, and the numbers receiving relief fell from 2,218,000 in September 1877 to 440,000 in December 1877. The loss of life from this famine was estimated at over five millions.

Lord Lytton was succeeded as Viceroy of India by the Marquis of Ripon, and he tried to settle the vexed land question of Madras on an equitable basis. In his Despatch of the 17th October 1882, Lord Ripon laid down the principle that in districts which had been surveyed and settled by the Settlement Department, assessments should undergo no further revision except on the sole ground of a rise in prices. This decision gave the
Madras cultivator some fixity of rent after the old right of a perpetual assessment had been ignored; it did away with the harassing reclassification of soils and recalculation of grain returns at each recurring settlement; it left the door open to an increase of the Government revenues on the reasonable ground of an increase in prices; and it was a reasonable compromise which was accepted by the Madras Government itself. It is one of the saddest episodes in the history of Indian administration that this moderate measure, calculated to give some security of rent and tenure to the harassed and famine-stricken Indian cultivator, was rejected by the Secretary of State for India in his Despatch of the 8th January 1885. The Madras cultivator has been deprived of that perpetual assessment which he was declared to enjoy in the first half of the century; and he has not yet obtained that security of rental which Lord Ripon and the Madras Government agreed to bestow on him. The interests of the land revenue are placed higher than the well-being of the people.

XVIII. Famine in Northern India in 1878.—There was a famine in Northern India in 1878. The average daily number of relief works for twelve months was 557,000, and in poor houses, 13,750. The relief works were placed under the Public Works Department with little control from the local civil officers, and the result was disastrous. The excess mortality from this famine was 1,250,000.

XIX. Madras Famine of 1889.—There was a famine in the Ganjam District of Madras and in parts of Orissa in 1889. Relief works were started in Ganjam, but gratuitous relief to the infirm and the weak was unfortunately delayed with fatal results. When Lord Connemara, the Governor of Madras, visited Ganjam in June 1889, 18,000 people were employed on relief works, and 2300 people had been admitted to gratuitous relief. Lord Connemara recorded that “a large amount of distress, amounting to starvation, existed, and that the most urgent orders and the most prompt action were required if many lives were not to be lost by the most lingering and dreadful of deaths.” The numbers on village relief rose to 98,000 in the first week of August, and 11,000 persons were also daily fed in the kitchens in that month. The mortality in Ganjam during the famine year (Oct. 1888 to Sept. 1889) was high. In Orissa the distress was less, the numbers on relief did not exceed 3600 in September 1889, but the deaths from the combined effects of famine, cholera, and other diseases generally brought on by privation, were numerous.

XX. Famine in Madras, Bengal, Burma, and Ajmer in 1892.—There was a wide-spread famine in 1892, affecting portions of India as remote from each other as Madras, Burma, and Ajmer. The average numbers relieved in Madras in June 1892 rose to over 87,000; in Behar to 47,000, and in Ajmer-Merwara to 34,000. In Burma the numbers in February were 30,000. In Madras the death-rate was higher than usual; in Bengal “there were no deaths from starvation.”

XXI. Famine in Northern India, Bengal, Burma, Madras, and Bombay in 1897.—A more wide-spread
and intense famine than had ever before visited India appeared in 1896-97. The number of persons relieved in the different Provinces, when the famine was most acute, are shown in the following table.

<table>
<thead>
<tr>
<th>Province</th>
<th>Month 1897</th>
<th>Relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.W. Provinces &amp; Oudh</td>
<td>May 1897</td>
<td>1,062,000</td>
</tr>
<tr>
<td>Bengal</td>
<td>June 1897</td>
<td>820,000</td>
</tr>
<tr>
<td>Central Provinces</td>
<td>May 1897</td>
<td>567,000</td>
</tr>
<tr>
<td>Madras</td>
<td>July 1897</td>
<td>215,000</td>
</tr>
<tr>
<td>Bombay</td>
<td>April 1897</td>
<td>478,000</td>
</tr>
<tr>
<td>Punjab</td>
<td>February 1897</td>
<td>50,000</td>
</tr>
</tbody>
</table>

The largest number relieved in the months of the acutest distress may therefore be taken at 3,000,000.

In the N.W. Provinces and Oudh the famine relief operations were "a conspicuous success." In Bengal the operations were "eminently successful." In the Central Provinces the local authorities "failed to grasp the situation," the operations were inadequate, and the death-rate in the eighteen districts of the Province rose from an average of thirty-three to an average of sixty-nine per mille in 1897. In Madras the operations were "as a whole adequate and successful" though there was some increase in the death-rate in the affected districts. In Bombay "as a whole the measure of success attained was very great," although there was an increase in the death-rate. In the Punjab, the measures adopted were eminently successful.

Towards the conclusion of their report the Famine Commissioners record the following significant remarks about the labouring classes of India. "This section is very large and includes the great class of day-labourers and the least skilled of the artisans. So far as we have been able to form a general opinion upon a difficult question from the evidence we have heard and the statistics placed before us, the wages of these people have not risen in the last twenty years in due proportion to the rise in prices of their necessaries of life. The experience of the recent famine fails to suggest that this section of the community has shown any larger command of resources or any increased power of resistance. Far from contracting, it seems to be widening, particularly in the more congested districts. Its sensitiveness or liability to succumb, instead of diminishing, is possibly becoming more accentuated."

XXII. Famine in the Punjab, Rajputana, Central Provinces and Bombay in 1900.—Of the famine from which India is suffering in the present year it is not possible to give any final figures, either to show the numbers relieved, or to indicate the mortality. In the present month (June 1900) nearly six millions of people are on relief works, and in spite of every effort on the part of relief officers, mortality is high in Gujrat and elsewhere. It is a sad but a significant fact that the last famine of this century is also the most wide-spread and the severest famine that has ever visited India.

One cannot read without a feeling of sadness and of humiliation this melancholy record of famines in India under British rule. There were reasons for famines in India in the last century and in the early years of this century. When an old system of government breaks down, and the country passes under a new power, wars and disorders are inevitable. When the Moghal power broke
Famines in India

down in India, and Mahrattas and Afghans contended for supremacy, war and devastation followed. And when the British nation entered into the arena, they too took their part in many wars which impeded cultivation and harassed the population of peaceful villages. In the words of Sir Thomas Munro, wars were added to unfavourable seasons to bring on recurring famines in India. We may also add to these reasons the misrule of the servants of the East India Company, and the unhappy blunders which were perhaps inevitable, when a new race of rulers found themselves suddenly called upon to administer the land revenues of a strange and newly conquered country.

But these causes have longed ceased to operate. In 1858, the administration of the country passed from the East India Company to the Crown, and since then India has enjoyed profound peace, undisturbed by a single war within her natural frontiers. The land is fertile; the people are peaceful and loyal, industrious and frugal; and generations of British administrators have been trained in the duties of Indian administration. And yet famines have not disappeared. Within the last forty years, within the memory of the present writer, there have been ten famines in India, and at a moderate computation, the loss of lives from starvation and from diseases brought on by these famines may be estimated at fifteen millions within these forty years. It is a melancholy phenomenon which is not presented in the present day by any other country on earth enjoying a civilized administration.

An explanation is sometimes sought for this phenomenon in the supposed improvidence of the people, in the rapacity of the money-lender, or in the increase of population. A close examination of facts, however, shows the unsoundness of such explanations. The increase of population in India is slow, slower than in England and Wales, slower than in eighteen other countries out of twenty-eight for which figures are available. The peasantry of India are not improvident, they are the most frugal and the most provident of all races of peasantry on earth. And the money-lender is the result, not the cause, of the poverty of the cultivators. In portions of India where cultivators are well off, the money-lender has little influence; where the peasantry are in perpetual poverty, the money-lender saves them in times of difficulty but gets a good grip over their land and property.

If we honestly seek for the true causes of recent famines in India, without prejudice or bias, we shall not seek in vain. The immediate cause of famines in almost every instance is the failure of rains, and this cause will continue to operate until we have a more extensive system of irrigation than has yet been provided. But the intensity and the frequency of recent famines are greatly due to the resourceless condition and the chronic poverty of the cultivators, caused by the over-assessment of the soil on which they depend for their living.

We have no wars within the natural frontiers of India now, but peace has not brought with it a reduction in the public expenditure or in the public debt. India maintains the most expensive foreign
government on earth, and one-third or one-half of the net revenues of India is sent out of India every year, instead of being spent in the country to fructify her industries and trades. Land revenue is the most important item of the Indian revenues, and so it happens that the taxation falls heavily on the cultivators of the soil, and reduces them to a condition of chronic poverty. They can save nothing in years of good harvest, and consequently every year of drought is a year of famine.

It is necessary, for a clear understanding of the subject, to consider the different Provinces of India separately. In Bengal and in Northern India the cultivators generally pay rents to private landlords, and wise laws have been made to restrict the demands of landlords, though a further extension of these laws is still necessary. The State-demand from the landlords, too, has been restricted—in Bengal by the Permanent Settlement of 1793, and in Northern India by the Saharanpur Rules of 1855—and the land revenue realised is between five and ten per cent. of the value of the gross produce of the soil. But in Bombay and in Madras the State itself is virtually the landlord; it has not provided adequate protection to the cultivator against over-assessment; and the land revenue realised is between twelve and thirty-one per cent. of the gross produce in Madras, and probably more in Bombay.

In the Central Provinces, the cultivators pay rents to private landlords, but the rents so payable are fixed by the State, and the proportion of the rent demanded as Government revenue is also fixed by the State. In recent settlements the rents have been raised from two to twenty per cent. and the revenue from twenty to one hundred per cent.

Such, briefly, are the land administration arrangements in the five different portions of the Indian Empire, and if we examine somewhat closely the death-rates of the famines which have occurred in India within this generation, i.e. within the last twenty-five or thirty years, we shall find that deaths have generally been most numerous, and famines have been most intense and fatal, in those places where the cultivators are the least protected against over-assessment. In 1874 there was a famine in Bengal which caused no loss of life; in 1877 there was a famine in Madras, and over five millions of the population perished. In 1892 there was a general famine in many parts of India; there was loss of life in Madras, but in Bengal "there were no deaths from starvation." In 1897 there was also a general famine; in Bengal and Northern India the relief operations were successful in preventing loss of lives; in the Central Provinces the deaths were more than double the normal rate. And in the present famine the distress is most severe, and the deaths most numerous, in Bombay and the Central Provinces.

There is no people on earth animated by a more loyal and sincere desire to contribute to the resources of the Government according to their power than the people of India. They desire that the revenues of the Government should increase with the increasing pros-

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1 See Appendices A and B.
perity of the people. They pray that the revenues of the Government be not increased by over-assessing the soil and impoverishing the people. Any endeavour to increase the revenues of India by over-assessment of the soil is both unjust and unwise—unjust because the soil in India is now virtually the only means of the nation's subsistence, and unwise because the revenues of India and the trade with India will not increase in the long run if the people are impoverished.

**FIRST LETTER TO LORD CURZON: THE CENTRAL PROVINCES.**

*My Lord,—I had the honour, in course of the interview which Your Excellency granted me, to place certain facts and figures relating to Settlements in the Central Provinces before Your Lordship. I take the liberty of noting those facts somewhat more fully and clearly in this letter, and hope they will receive such consideration from Your Lordship as they may seem to deserve.*

2. The first regular Settlement of the land, after the Provinces came under British administration, was effected after 1860. Moved by a sincere desire to improve the condition of the people of the newly-conquered Provinces, Lord Canning's Government expressed itself, in letter No. 2279, dated 28th June 1860, in favour of long leases and light assessments. And para 24 of the Settlement Code modified the old rule of demanding sixty-six per cent. of the landlord's assets, and fixed fifty per cent. of the assets as the proper and equitable Government revenue.

3. Unfortunately the intentions of the Government were not carried into effect in the Settlement which followed. Two mistakes were made. In the first place the rents payable by cultivators to landlords (Malguzars) were fixed too high; and in the second place the
FAMINE INSURANCE GRANT, RAILWAYS, AND IRRIGATION

The occurrence of the Madras famine of 1877 induced Lord Lytton’s Government to create new resources for Famine Relief and Insurance. New taxes were imposed; the annual famine grant was fixed at Rs.1,500,000; and a pledge was given to the people of India that the proceeds of the taxes would not be expended for any purpose other than that for which they were imposed. “The simple object was in fact to provide so far as possible an annual surplus of one and a half crores for famine relief or famine insurance expenditure. To the extent to which in any year the amount was not spent on relief, it was to be spent solely on reduction of debt, or rather upon avoidance of debt which is the same thing. Such avoidance was to be effected by spending the money on productive public works, the cost of which would otherwise have been met by loans.”

The pledge was broken soon after it was given. In the budget of 1878-79 the grant was made; but in the budget of 1879-80 it was suspended. There was a strong protest from the public in India; and the Secretary of State in his despatch of 23rd December 1880 took exception to Sir John Strachey’s argument that, whether the public accounts showed surplus, equilibrium or deficit, the new taxes must prevent debt by the amount they yielded, and therefore fulfilled the conditions under which they were imposed. The merging of the proceeds of taxes, imposed under a distinct pledge, in the general revenues of India, was felt to be a violation of the pledge; and it was decided in 1881 that the full grant of one and a half crores (Rs.1,500,000) should always be entered in the budget under the head of Famine Relief and Insurance, with sub-heads for (1) Relief, (2) Protective Works, and (3) Reduction of Debt.

It will thus appear that “the original policy of devoting the whole of the grant, less actual cost of famine relief, to reduction or avoidance of debt had been changed by the acceptance of the view that a large part of the grant might be better applied to what are called Famine Protective, as distinct from Productive Public Works.” But even this new and modified purpose of the famine grant was not strictly adhered to. In fifteen years down to 1895-96 the famine grant, at a crore and a half annually, was 22½ crores (Rs.22,500,000) while the expenditure for the purposes set forth above was only Rs.17,644,185, thus:

1. Spent on actual famine relief Rs.320,664
2. On protective irrigation works 1,813,841
3. On protective railways 6,550,931
4. Interest upon Indian Midland and Bengal Nagpore Railways 3,631,450
5. Reduction and avoidance of debt 5,327,299

17,644,185

It is obvious that the money spent under the fourth heading, i.e. in paying interest on Indian railways, cannot come under the purpose of the Famine Grant as originally defined. Excluding that sum, the total money spent in fifteen years fell short of the grant by over eight millions of tens of rupees. The history of the Famine Relief and Insurance Grant is an illustration of the truth that the interests of the people are but imperfectly safeguarded under the present system of administration.

With the best of intentions, British administrators in India have repeatedly drifted into errors or forgotten their pledges, because the people themselves have been carefully debarred from any real share in the administration. So true is the maxim laid down by John Stuart Mill that “it is an inherent condition of human affairs that no intention, however sincere, of protecting the interests of others can make it safe or salutary to tie up their own hands.”

The large sums spent in famine relief in 1897 and in 1900 will probably bring up the total of famine expenditure to the total of the grant; but it is necessary to lay down specific rules for the future expenditure of the grant. In the first place, the construction of protective railways should now be abandoned, because the Famine Commissioners, appointed in 1898, have stated in their Report that most of the necessary protective railways have now been constructed, and that there is a possibility of others being constructed as productive works.\(^1\) In the second place, the interest upon the Midland and Bengal Nagpur Railways should not be charged to the famine grant, and the sanction given by Lord Randolph Churchill, Secretary of State for India, to this irregular proceeding in 1885 should now be revoked.\(^1\) The whole of the famine grant of Rs.1,500,000 should thus be set free, and should be devoted entirely (1) upon actual famine relief; (2) upon protective irrigation works; and (3) on the reduction of debt. When there is no famine, a million tens of rupees should be spent annually on protective irrigation works, and the remaining half a million should be used as a sinking fund to reduce the enormous public debt of India.

The total length of railways in India up to the end of 1898-99 was 26,059\(\frac{1}{4}\) miles, of which 22,491 miles were open for traffic. The net loss to the State, i.e. to

\(^1\) Lord Randolph Churchill’s sanction runs as follows:—“Great objection has been taken, both by former Secretaries of State and by the Select Committee of the House of Commons last year, to the proposal to appropriate as interest any portion of the Famine Insurance Grant, the declared object of which was to keep down debt. I recognise, however, that the circumstances of the present time are of a special character, and could not have been contemplated either by my predecessors or by the Parliamentary Committee. . . . I therefore authorise you to charge against the Famine Insurance Grant the amount payable during the next five years, an interest on capital raised by companies for the purpose of constructing any of the lines which are mentioned by your Government as being, in your opinion, needed for the protection of the country against famine, but which you are not at present able to construct through State agency.” Subsequently, after the lines had been opened, it was agreed, in 1899, that the charge against the Famine Insurance Grant should be, not the guaranteed interest, but the net loss on the railways, including that interest. It is needless to add that the people of India, to whom a pledge had been given when the taxes were imposed, were not consulted when these various orders were passed about the application of their proceeds.
the people of India, from these railways, after deducting all their earnings and returns, was Rs.57,734,761 up to the end of 1898-99. It is apparent from these figures that railways have been overdone in India—overdone in consideration of the resources of the country. Nearly all the lines needed for famine protective purposes have been completed, and it is reasonable, therefore, to hope that no future lines shall be undertaken by the State either as protective works or as productive works, and that the profits of no future lines shall be guaranteed out of the public revenues. If there is a reasonable chance of profits from new lines in any part of India, private capital and private enterprise will undertake them. If there is no reasonable chance of profits from fresh lines, to construct them out of Indian revenues, or to guarantee profits out of the proceeds of taxes, is to sacrifice the interests of the people of India to the interests of speculators and capitalists.\(^1\)

What India wants now is an extensive system of irrigation, and we have already suggested that a crore of rupees, out of the crore and a half of the famine grant, may be annually spent on protective irrigation works. "It appears to us," write the members of the Famine Commission of 1898, "that most of the necessary protective railways have now been constructed, that there is a possibility of others being constructed on their merits as productive works or as feeders to the trunk lines of railway without assistance from the famine grant, and that under existing circumstances greater protection will be afforded by the extension of irrigation works."\(^1\)

In 1869, Colonel Strachey, then Inspector-General of Irrigation Works in India, submitted a report after an inquiry ordered by the Secretary of State for India. He stated in the report that in Madras 3,000,000 acres, being about one-fourth of the whole cultivated area, were irrigated; that in Bombay there were few irrigation works deserving special service, except in Sindh; that in the Punjab, 800,000 acres were under irrigation; and that in the North-Western Provinces a similar area was irrigated.

Irrigation works are now classed into three classes:

I.—Productive Works.

II.—Protective Works.

III.—Minor Works.

Productive Irrigation Works.—The capital outlay on productive irrigation works up to the end of 1879-80 was Rs.20,298,000. The capital outlay up to the end of 1896-97 (including one purely navigation work) was Rs.31,252,948. The capital expenditure during seventeen years was, therefore, only eleven million tens of rupees, but, deducting from this a sum paid by the Government to the Madras Irrigation Company, the actual capital outlay during the seventeen years has been only Rs.540,000 per annum. The area irrigated in 1878-79 was 5,171,149 acres. The area irrigated in 1896-97 was 9,448,692 acres. The net return on the capital outlay in the year 1896-97 was 6.35 per cent., showing that, financially, the productive irrigation works have been a success.


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\(^1\) See evidence of Mr S. Jacob before the Royal Commission on Indian expenditure, Appendix U.
Protective Irrigation Works.—The capital outlay on protective irrigation works up to the end of 1896-97 was Rs.2,099,253, out of which Rs.1,698,424 has been charged against the Famine Insurance Grant. The total area irrigated by these works in 1896-97 was 200,733 acres, not including 123,087 acres irrigated by the Swat River Canal. Interest is not charged against protective irrigation works, as the cost of construction is met from revenues.

Minor Irrigation Works.—The irrigation effected by what are called minor works is of the very greatest importance. Many of them are old irrigation works constructed by Hindu and Mahomedan rulers, or more recently by district boards or public-spirited individuals, and have been taken over by the State. Some of the old works are of great size, irrigating several hundred thousand acres; others are small works, which are numerous in Madras; and about one-half the total irrigated area in that province is irrigated from such works.

Not only are these minor works exceedingly beneficial to the country, but their financial returns too are also very satisfactory, because the British Government did not spend any capital on the construction of most of them. The total expenditure incurred on these minor works during the seventeen years ending 1896-97 was over eight crores. The revenue attributable to works of this class exceeded the expenditure by over six crores. The total area irrigated by minor works in 1896-97 was 7,442,990.

Taking all the three classes of works together, the total area irrigated in India in 1896-97 is shown below:

<table>
<thead>
<tr>
<th>Class of Works</th>
<th>Acres.</th>
</tr>
</thead>
<tbody>
<tr>
<td>By productive works</td>
<td>9,448,092</td>
</tr>
<tr>
<td>By protective works</td>
<td>323,820</td>
</tr>
<tr>
<td>By minor works</td>
<td>7,442,990</td>
</tr>
<tr>
<td>Total area irrigated</td>
<td>17,215,502</td>
</tr>
</tbody>
</table>

The figures given above, which have been taken from the Report of the Famine Commission of 1898, show the area of land now under irrigation and the satisfactory financial results of the irrigation works hitherto undertaken. But the figures do not represent the entire financial value of these works. They show the direct proceeds of water-rates collected, either separately, or with the land revenue as in Madras, but they do not indicate the extent to which the land revenue itself is made stable by irrigation works ensuring the prosperity of agriculture. The Famine Commissioners very rightly urge, “that the value of these works should not be judged too strictly by the financial results, and that due credit should be given to the works, even if it cannot be reduced to a quantitative form, not only for the stability of the revenue assessed on the lands dependent on them, which may be small, but also for their great value in such a country, in all seasons of drought, to the people of the neighbourhood, as well as to those whose crops are actually secured.”

Far above financial considerations should be reckoned the duty of the State to protect agriculture and to save

1 Report, p. 346. See also Jacob’s Evidence, Appendix U.
greater success. In a question like this I speak with
great diffidence, but I believe that the tracts of high
lands and valleys which abound in the Central Provinces
would, if looked into, furnish suitable sites for several
such tanks. Two or three of them have been made of
late years to supply drinking water to municipal towns,
but their importance for irrigation does not appear to
have received consideration.”

Besides such artificial lakes, it is possible to multiply
wells for irrigation purposes throughout the country.
“Whatever field there may be,” says the Famine
Commission of 1898, “for many years to come for
the construction of protective irrigation works of the
ordinary kind, i.e. canals or storage works, there are
probably more tracts liable to periodical drought in
which the desired protection may be afforded with
greater certainty or at less financial risk by the con­
struction of wells, by means of State advances which
would be only partially recoverable, the irrecoverable
portion of the advance being a final charge against the
Famine Insurance Grant. . . . It is open to considera-
tion whether when wells have to be sunk throuo-h rock
with uncertain results, it might not be worth while for
the State to share part of the cost in view of the pro­
tection afforded, if water is eventually found. It is
also open to consideration whether the State might not
bear the cost of scientific aid in the shape of boring
operations to ascertain whether or not a supply of water
will be forthcoming if the well is sunk. We have been

Speech in the Viceroy’s Legislative Council, 28th March 1900.
See Appendix F.
Famine Insurance Grant

informed that in the North-Western Provinces operations of this nature have been conducted in a more or less systematised method, and that the result has not been unsuccessful.  

It is abundantly manifest from these observations of representative men like the Honourable Mr Bose, who know the country, and of the Famine Commissioners who have thoroughly inquired into facts, that there is ample scope for constructing storage lakes and wells where irrigation by canals is impossible. If the same activity which has marked the extension of railways in India within the last thirty or forty years had been manifested in irrigation works in the Central Provinces, Gujrat and the Deccan, the present famine would have been less extensive in its area, and less disastrous in the loss of cattle and the loss of human lives. Another mistake which has been made in the past is to look only to the direct financial results of the irrigation works constructed, as shown in the proceeds of water rates and increased land revenue. It is a mistake, because these rates do not represent the saving which is effected by arresting famines, by securing crops, and making land revenue stable in years of drought. And it is also a mistake, because a too close attention to the direct proceeds of the irrigation works diverts attention from the duty of the State, both as a Ruling Power and as the Superior Landlord in India, from the duty of saving the lives and promoting the agriculture of the people of India, irrespective of financial considerations. The pronouncement of the Famine Commissioners is clear and emphatic on this point also: "As the State in India," they say, "is generally in the position of superior landlord, there are special reasons why the Government should undertake without expectation of direct return works peculiarly protective of agriculture, such as irrigation works." 

The most recent instance in which this mandate has been violated is the imposition of a compulsory water rate within all wet areas by an Act passed by the Madras Government in the present year. For the last forty years and more, water rates have been optional; the cultivator who chooses to use canal water pays for it, and the cultivator who does not use it does not pay.

This method has answered well enough in practice; the mass of cultivators voluntarily use canal water for the protection of their crops, and the financial returns from irrigation works have been satisfactory, as has been shown before. But local governments have, in their anxiety to secure financial profits, needlessly endeavoured from time to time to make that compulsory which is voluntarily paid without objection,—to make that an irritating tax on the people which the people have regarded and paid as a fair return for benefits obtained. As long ago as 1869, the Government of India submitted the "Northern India Canal and Drainage Bill" to the Secretary of State for India, and proposed to make the irrigation rate compulsory. The late Duke of Argyll, then the Secretary of State for India, declined to accord his sanction to the

1 Report, p. 354.

1 Report, p. 330.
measure and recorded his reasons in his letter of the 11th January 1870, the main portion of which is quoted below:  

1 To His Excellency the Right Honourable the Governor General of India in Council.  

My Lord,  

INDIAN OFFICE, 11th January 1870.

Para 1. I have had under consideration in Council, the “Northern Indian Canal and Drainage Bill, 1869,” copy of which was enclosed with your Excellency’s Legislative Despatch, No 22, of 18th October last. You have already been informed that if at any time, not less than five years after the commencement of irrigation from any canal, the average net revenue in the three next preceding years realised by the Government from the use of the water thereof, and including all sources of income dependent on such canal, and deducting all charges for maintenance and management and working, properly debitable to the revenue account of the same, shall not amount to a sum equal to seven per cent. on the capital expended on the said canal, the local government may charge on the lands irrigable by the water of such canal, but not paying any water rate therefor, such a yearly rate or rates as shall, when added to the net yearly estimated income, reckoned as aforesaid, produce a total amount as nearly as may be, equal to seven per cent. on the capital aforesaid.”

2. I will now explain in what my objections to this section consist.

3. The object of the provision in question is to enable Government to secure itself against pecuniary loss in the event of a canal proving a financial failure. Such failure might ensue from three causes. A canal might not be able to supply for irrigational purposes the expected quantity of water, or, the expected quantity being available, cultivators might decline to avail themselves to the expected extent, or excessive costliness of construction might, in order to render a canal remunerative, necessitate the imposition of higher rates than cultivators could afford or would voluntarily pay. In the first case, under the proposed enactment, the loss consequent on Government having engaged in an unsuccessful speculation, would fall, not upon itself, but upon the cultivators, whom it had disappointed. In the second, cultivators would be forced to pay for water for which they had no use, or, at any rate, were not disposed to use, possibly, no doubt, from imperfect appreciation of the value of irrigation, but quite possibly also from a perfectly intelligible desire to have part of their land under dry crops, instead of all under wet. With regard to the third, none can require less than your Government to be reminded

Another proposal made in 1879 in connection with the Bombay Irrigation Act, that all lands commanded by the water of canals should be taxed, was similarly rejected by the then Secretary of State for India. And now, in a year of distress and famine in India, the Government of Madras has thought it fit to pass an Act which, in the opinion of the late Duke of Argyll, would either throw on the cultivators the loss consequent on unsuccessful speculations undertaken by the how prone to become excessive guaranteed expenditure always is; and under the provisions of the Bill all expenditure on Government canals would be guaranteed.

4. To this alone there would be no objection if the guarantee were given voluntarily. But here the guarantee is to be extorted compulsorily. The inhabitants of a district are not to be asked beforehand whether they desire irrigation or not. The Government alone is to judge whether irrigation is desirable. It alone is to decide arbitrarily whether an irrigation work shall be constructed; but the landholders, and not the Government, are to be responsible in the event of the latter’s committing an error of judgment. There is little analogy between a plan like this, and that under which county cesses are levied in England and Ireland, for those by whom these cesses are imposed, besides being themselves cesspayers, represent theoretically, if not really, the great body of cesspayers who are assumed consequently, to have given their consent by proxy. The outlay to which they are subjected has been undertaken by them voluntarily, and in the event of its proving unproductive, they have no pretext for considering themselves aggrieved.

5. These considerations would, in my opinion, go far towards neutralising any recommendations which the proposed enactment might otherwise possess, but I am greatly in doubt whether it is really calculated to serve any useful end. To force irrigation on the people would be not unlikely to make that unpopular which could otherwise scarcely fail to be regarded as a blessing, and which, as all experience shows, Indian agriculturists, if left to themselves, are sure duly to appreciate, sooner or later, and seldom later than the first season of drought that occurs after irrigation has been placed within their reach.

(Signed)  

ARGYLL.
Government, or would force them to pay for water for which they have no use, or would lead to excessive expenditure under the vicious system of guaranteed profits.

No reason exists for making the water rate compulsory in Madras; for productive irrigation works are paying at the rate of 6.35 per cent. on the capital sunk in all India, and at the higher rate of 7.14 in the Province of Madras. No object is gained by forcing on the people the benefits of a system of which they have availed themselves voluntarily as a blessing, and which they will detest as a curse when it is needlessly forced on them. No increase in the total revenue can be expected, for in Madras lands are already over-assessed, and responsible administrators will find it necessary, before long, to lighten the burden in that Province and not to add to it. And no endeavours to make the system of irrigation works really useful to the cultivators are likely to be made when the canal officers are sure of their returns in the shape of a compulsory tax over the entire area supposed to be benefited by those works. The blunder made in Madras is likely to spread in other parts of India; and instead of a voluntary rate which the people are willingly paying everywhere in India, they will find that irrigation means another and an odious tax on their limited savings.

The Act passed by the Government of Madras is another instance of an administrative blunder due to disregarding the opinions of the people; and it is another illustration of John Stuart Mill's maxim, quoted before, that "it is an inherent condition of human affairs that no intention, however sincere, of protecting the interests of others, can make it safe or salutary to tie up their own hands."

Instances have occurred in the past in which the Government has thrown on the cultivators the loss sustained by unsuccessful speculation. The following extracts from Sir George Campbell's "Memoirs of my Indian Career" relate to one such incident which took place in Bengal:

"Sir Arthur had succeeded in forming a large private company in England to establish a great system of irrigation in Orissa; and much progress had been made with the works when there came this famine, which seemed to justify the project. Still, looking to the rarity of rain failure, and the facilities for importing grain, if measures were taken in time, we greatly doubted if such extensive works would ever pay. We suggested a liberal treatment of the company—the offer of assistance in the way of loans, etc.—but we strongly advised the Government not to purchase the works, as had been suggested. A little time after, however, that happened which usually happens when British capitalists have put their money in losing concerns in India, people in London bullied and abused the Government to get the concern taken over, and eventually they were successful. The Government paid out the Company in full, with an additional bonus, and have since expended a great deal more, making upwards of three millions sterling. From that day to this, the concern has hardly ever paid its working expenses, much less a farthing of interest on the capital."—Vol. ii. p. 161.

The success of the local cess (Road Cess) induced the Government of India, a few years later, to urge upon the Government of Bengal the imposition of a further provincial cess (Public Works Cess). It seemed to me that the Government of India sailed a little near the wind in respect of my pledges, in that the fund (Public Works Cess Fund) was, to a large extent, applied to recoup their own bad bargains, to which the Government of Bengal had in no degree assented. I had protested against the purchase of that most losing concern, the Orissa Irrigation Company."—Vol. ii. p. 213.

1 Report of the Famine Commission of 1898.