M.R.O. 14—10,000—21-4-22

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1412 — Press Mis.

408-409

Dated 27. 6. 1862.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 27th June 1862.

No. 408. Read the following letter from F. C. BROWN, Esq., to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Tellicherry, 1st June 1862:—

SIR,

1. The appointment of a Collector, altogether new to Malabar, leads me to solicit the Government to review what is called the Cardamom Farm of Wainád.

2. This Farm is put up to public auction at Calicut by the Collector, and sold to the highest bidder for a period of five years.

3. What the Collector sells is: *First*—The whole annual Cardamom crop wheresoever produced over the face of seven Táluqs, above or below the Ghâts, Wainád being the chief.

Second—The Collector sells to the Farmer the right of requiring the grower to dig up his crop, clean it, dry it, make it merchantable, and to transport it, every pound, to a given place, there to be weighed and delivered.

Third—The Collector sells to the Farmer the right of paying to the grower for his Cardamoms, so grown, prepared and delivered, the price fixed by the Collector, namely, Rupees 300 per Candy of 5 Cwts.

The present market price of Cardamoms is Rupees 1,200 a Candy, or four times more. Wainád Cardamoms are selling currently in London at 5*s*. 6*d*. to 5*s*. 8*d*. a lb., equal to Rupees 1,500 a Candy on the spot.

Fourth—The Collector sells, openly or tacitly to the Farmer, the right of receiving the crop with his own weights and of paying for it in his own coins.

Before Wainad was partially opened by Coffee planting, the growers, ignorant, timid men, who never left their mountains, were regularly and largely defrauded in the weights and coins.

Fifth—The Collector sells to the Farmer the right of having the seven Cardamom Táluqs guarded and watched by armed Peons, and of having any house or place he points out searched for secreted Cardamoms.

4. The mention of such a monopoly, and the recital of such conditions are of themselves enough to show that force and fraud are the rule on the Farmer's side, falsehood and evasion on the grower's. This week, a Candy of smuggled Cardamoms, concealed in a necessary, was seized in this town by the Farmer's Peons. The grower is necessarily bred up a systematic smuggler, or the associate of smugglers. His and the Farmer's is a state of constant internal war, in which the community universally side with him.

5. Arrived on the Coast, Cardamoms, pod and seed, are two of the 165 articles enumerated in the Export Tariff that are subject to duty. The Government, as sovereign lord, has taken and sold the whole crop to the highest bidder, and received the money! it next stops the crop and demands duty. There is not in this case, as in the case of Opium, the pretext that the grower has received a money advance, and has contracted to deliver every ounce he produces at a fourth of its selling price. The Cardamoms are the grower's absolute property, grown on his own undisputed land, without their having cost the Government one Pie in growing, gathering or delivering. The Government money-gain for its part in the transaction is the sum of Rupees 16,000 (£1,600 sterling) the outside bid of the Farmer.

6. "Look on this picture and on this!" The English Coffee planter of yesterday pays a a tax of 2 Rupees an acre on his full-bearing land; he sells his crop to whomsoever he pleases, or he exports it *free* to any part of the world. Living and laboring side by side with him in the same country is the Native Cardamom grower. *He* is compelled to deliver up his whole crop under a penalty if he conceals an ounce; he is forced to receive for it a fourth of its value; it is then charged export duty. And this has been his treatment for sixty-three years, at a money profit to the Government of Rupees 3,200 a year!

7. Nature has gifted Wainád with the best Cardamoms known. Those of Coorg, produced half a degree further north in the same range of mountains, have no longer the same flavour, nor bring the same price. So valuable a spice in a small bulk, had it been left unmonopolized would have naturally peopled, reclaimed, and enriched that difficult country by an attractive local trade, some generations before Coffee planting was heard of, albeit that culture was intro-

duced by myself. I believe the growth of Cardamoms would have been far more lucrative to the people, because better understood by them than any exotic. The monopoly, by robbing the grower of the only merchantable article he had to exchange for foreign commodities, kept his country sealed up against the pioneer trader, it steeped him in his original poverty and barbarism, and this forced condition became the excuse for the utter neglect to which he and his country were abandoned. On the institution of the monopoly by the Company, the only Cardamoms known to Eastern or Western commerce were those of Wainád and Coorg. By means of the Collector and the Commercial Resident, the Company took and sold at its own price the whole Wainád crop. When by law the Company ceased to trade, the monopoly was continued under Farm, with this change, made of late years, that the Collector no longer receives 5 per cent. commission on the sale price. The invariable results of monopoly followed. The selling price in England was pushed up to the last shilling that greed could wring out of scarcity. These Cardamoms began to be discovered in countries where before they were unknown. They are now exported in increasing quantities from Cochin and Travancore, from Ceylon, from Burmah, Siam, Java, Sumatra, Borneo. They have been found in the Pulney Hills, in Orissa, and in Assam, and their further habitat will no doubt be traced in those great kindred tracts of mountain and forest land, which Englishman are penetrating and opening to the eye of day in other parts of the extreme East. The monopoly is enriching all those countries, and, as far as its effects extend, impoverishing Wainád, for in none of them is there the same harsh system enforced. Accurate statistics are within your reach.

8. I write conjecturally, and, I believe, I am within bounds, if I set down the general production of Cardamoms at ten times the quantity now produced in Wáinád and Coorg. This year the Farmer got in all 25 Candies. I need not say that is all, perhaps more than all, that pays export duty.

9. I have no doubt that there are reams of foolscap on record filled to prove that Wainád Cardamoms are, like English Hops, an exceptional article. This non-example will serve no more. The Hop duty was abandoned in this year's Budget in the face of a deficit. Mr. Gladstone could not continue this anomalous agricultural tax so obnoxious to right principle, and so unjust to the Hop growers. But was an export duty ever charged in addition on English Hops?

10. I wish sincerely that Coffee and Cardamoms were the only articles that can be instanced, showing how different is the treatment that is dealt out to the Englishman and to the Native in the prosecution of their separate and peculiar industries. The reverse is the case: the difference is made to extend, studiously and by law, to every article in which the English grower and the English merchant are interested, as contrasted with those that are dealt in by the Native grower and the Native merchant.

11. The Customs' Act of India is Act X of 1860. Schedule A. appended to the Act, enumerates in all 25 imports, of which 18 are declared free. These are all articles of English use, trade and consumption. They are followed by the sweeping clause of dutiable articles, which comprise "*All* articles not included in the above enumeration." The import duty charged upon them is 10 per cent. *ad valorem*. The complement of the Customs Act, namely, the Indian Import and Export Tariffs, was published nine months after in a "Notification" dated 10th December 1860. In the Import Tariff, the dutiable articles enumerated amount in number to 515, full 450 of which, unknown by name to the Englishman, are exclusively articles of Native trade. With regard to exports, Schedule B. of the Customs' Act first enumerates 23 free articles, 17 of which are the chief articles of English growth and trade. They are, Sugar, Rum, Spirits, Tobacco of all kinds, Tea, Coffee Raw Silk, Cotton, Wool, Flax, Hemp, Jute, Hides and Skins, Books, Maps, Prints and Works of Art, Horses and animals, Rangoon and Eastern teak of all kinds. In the Export Tariff of dutiable articles, the number enumerated is 165. In the list are grain and pulse of all kinds, and about 40 others which are really articles of food and Native necessaries of life. Who starved in last year's famine? Was an Englishman stinted in a meal? In the list of dutiable Native manufactures named are 18 kinds of Silk and Cotton Piece Goods. Indian Twist is valued for Export duty at 7 Annas a lb. English Twist, of which we have pitiably heard so much, is valued for Import duty at 6 Annas

a pound I conclude for the same quality. Not a native dye escapes duty, not a native produce that could be named, down to "cow tails!"

12. But the sweeping Clause of Schedule B. makes dutiable, "*All country articles* not enumerated *or named* as above." (How ineffably contemptuous are the slip-slop words, "country articles!" how significative of sweeps and costermongers, of dealings in tripe and cow-heels!). "articles!" how significative of sweeps and costermongers, of dealings in tripe and cow-heels!). It is accordingly ruled under these specific words, that, in addition to the 165 exports "named," every conceivable article of Indian growth and production that is not named is to pay export duty: the duty to be levied according to the local valuation at every port and out-port, and according to the knowledge of trade, the judgment and the honesty of Customs Managers on Rupees 50 a month.

13. It was a standing India-House prediction that Indian Exports could not be increased, consequently that English Imports, to pay for them, could not be. Is it the part of the Queen's Government to buttress up afresh the Chinese wall of Import and Export duties, which was built up round India under the Company, in order that the prediction may be fulfilled under Her Majesty? English paper has been freed by Mr. Laing. Indian rags pay export duty. Malabar Teak has also been freed, incomparably the best Teak in the world. Rangoon and Eastern Teak of every growth, British and foreign, were made free by the Customs' Act. Why this difference made by law, more than two years ago, between these identical woods? For this reason, because the Eastern Teak trade was principally in the hands of Calcutta Merchants, when the Customs' Act, the two Schedules, and the two Tariffs were all framed together, the Malabar Teak trade was in the hands of Natives in this remote Province. Who thought of them? The great demand for Malabar Teak to line Iron ships and the consequent great rise in price, is now making it a valuable export from Bombay to England. Mr. Laing has been apprised of the change, and the duty is repealed. But why on Teak only? Is English Oak alone free? Or do English Elm, Fir, Ash, Beech, Birch, and every other wood, pay export duty? I fear the answer to the question is, because the Indian timber trade in other woods, certainly all the felling, the dragging and the floating, are all the toil and occupation of Natives. It is not the Englishman who is the malarious axeman, nor the laborious lumberer, nor the venturous raftsman.

14. We have, then, as the system of taxation in India, first, the Ryot rack-rent of half the land's produce taken in money, a demand frightfully enhanced in a roadless country and with a sluggish trade; next an export duty upon every native thing the same land produces, and an import duty upon every thing the Native consumes; third, an Income Tax ending this year on all incomes of Rupees 200 (£20) a year, continued on all above Rupees 500 (£50) a year. These are followed by minute and searching Stamp duties, Civil, Judicial and Commercial, by Sayer duties, by monopolies of Salt, Opium and Native spirits; and up to the present year at Madras, by the Moturfa tax. The system, therefore, combines and unites in one broad stream the two extremes of direct and of indirect taxation. Talk of the elasticity of the Indian Revenue. Surely the marvel is that there is Revenue at all. What would be the Revenue of England if the same system were enforced there under the same local circumstances?

15. But the Government is now turning to the illimitable land of India as its great and permanent gold mine. Beneficent nature meant the mine, if wisely worked and judiciously developed, to be inexhaustible. The world has before her proof of her intention, in the Indian Court of the Great Exhibition. The Government desirous of turning this land henceforth to the best account, is offering it for sale, cultivated and waste, and seeks for it monied purchasers. it a magnet to attract purchasers to enact that, after paying fully for the fee simple, the purchasers are to pay export duty upon every "country article" their land may now or ever produce. Let us imagine an English landlord selling his estate outright then surrounding it with toll-gates and exacting his own duty upon everything taken from it to market for sale. What would be pronounced to be his state of mind? The land of India is a collection of Government Estates.

16. Or will it be avowed that the intention is, by special tax exemption, to invite and encourage only English buyers and English products. Whose, I ask, is the foremost claim to the land? Which class is likely to become the more settled occupants, the more permanent improvers? Which the largest growers of Cotton for England—the Cotton for which so many thousands are there starving?

17. I ask these questions, because I am an Englishman, and because, as an Englishman, I am totally unable to see how pauperising and degrading the Native by a different treatment can make the rule of England secure or make the fortunes of Englishman in India, official or non-official. Are searches for arms, security? Are a population of paupers the largest tax payers and goods consumers? Will they yield the most solvent fund to pay annuities and pensions, provision for widows and subsistence for orphans? One would think that counting relative numbers, and weighing patent consequences, the narrowest selfishness would point out to both the former classes, that it is their first interest morally to disarm the Native, millions they are dwelling amongst of every alien feeling, by penetrating the Native mind with the abiding sense of receiving in every walk and pursuit in life affecting their material interests, the same rigidly just treatment, the same impartial consideration, and the same equal protection, as is accorded by law to the Englishman. Instead of this, what does the Native see and feel? His crop, if the Government covets it, is taken, and, without a word said to him, sold: the Englishman's crop, is held sacred, and left free. The Native goes to his Custom House, wherever it may be, sea or land: he there meets the Englishman exporting free to England or to Foreign States, his Tea, Coffee, Sugar, Cotton, &c., while he, the Native, must pay duty upon his food, his grain, his Cocoanut shells, his Cocoanut and Date Brooms, his Cow tails, his Coir in every shape, his oils and seeds of every kind, his "Ajevan, Burroo, Bodar, Wachnack, his Chumbalee, Curday, Dhopell, Moortooth, Peplamool;" in short, upon every "country article" named or not named in the Tariff, which the Englishman consumes not and despises, but which are among humble Native wants.

18. It is treatment like this that the Native feels to the core, that brushes away from his memory all the cobweb professions spun out to enthrall his common sense, and that in place of content, sears his heart with the red hot iron of wanton injustice. His dislike is *not* inborn: this is its well-spring, this its fount and origin. Your superior intellect he freely acknowledges, your capacity to rule he willingly bows to, your vast science he reverences, your mechanical skill he unfeignedly admires, your title to lead and command, he in no wise questions: but his human soul does rise from its depths and rebel at the useless tyranny, which denies to the head and the hands God has seen fit to bestow upon him, the same free exercise, the same incitements to exertion, and the same money rewards as you profusely grant, before his eyes and in his own country, to your own countrymen. What a spectacle is offered to the civilized world! In Europe, there is England, notoriously herself without a shred of export duty, deriving a Custom's Revenue of about 25 millions sterling from import duties charged upon eight to ten chief articles of trade, every other being virtually or absolutely free: there is England, pointing triumphantly to her free exports of the annual value of 120 millions sterling, importuning Foreign States to conclude reciprocal Free Trade treaties. In India, there is the Government passing a Custom's Act and framing Tariffs, by which 515 Imports and 165 Exports that can be named, with every other that cannot, are made to pay duty. I may well repeat, "look on this picture and on this!" Which picture are honest men to regard as the picture of England's good faith, wisdom and upright purpose? Is the road to national wealth in England one, in India, another? Or is it not the palpable interest of England, as well as a first moral obligation to bestow upon India that measure of free trade in all indigenous productions, by which her own people are so largely and increasingly prospering? The boon would be "twice blessed, it would bless him that gives and him that takes," and prove the truest charity.

19. I trust the Government of Madras will answer the question for South India. The opening of the Legislative Council seems the fitting time, the Council itself the fit tribunal, pass under dispassionate review legislation so exceptional, so partial, so impolitic and so injurious, as the legislation I have brought before you.

P. S.—London advices of the 10th May quote "Malabar Cardamoms" as selling at 6*s.* 6*d.* to 7*s.* 6*d.* lb.

NOTE.—Effects on a peasantry of rents in money, and rents in kind: from S. Laing's "Notes of a Traveller," London, 1812, p.p. 44-5.

"The Irish cottar tenant has no property, to begin with, in the land or in anything else. He is also placed in a false position, even as compared to the cottar-tenantry which existed formerly

all over Scotland, and still continue in the Northern counties. The latter were generally charged a rent in kind, or with a reference to the average crops of the land. The peasant could understand the simple data before him, knew at once whether the land could produce enough to feed his family, and leave a surplus such as was demanded for rent, and if not, he sought a living in some other employment. His standard of living was not deteriorated by his rent in kind because he had a clearly seen surplus of the best, as well as of the worst, of the products of his farm for family consumption, after paying the portion of these products that were his rent. The Irish (Indian) small tenantry, on the contrary, have to pay for their land in money. It would be just as reasonable to make them pay for their land in French wines for the Squire, or Parisian dresses for the lady. Their land produces neither gold, nor silver, nor Irish Bank notes. It is not reasonable to make the peasant, the ignorant man, pay in those commodities, they are but commodities like wines and silks, and to make men, simple, inexperienced in trade, a prey to market jobbers (Bunniahs), to run the double mercantile risk of selling their own commodities, and buying those in which their landlords choose to be paid their rents. The great capitalist-farmer may choose to add the trade of the corn merchant to that of the agriculturalist, and to take the mercantile as well as the agricultural risks and profits upon himself; but even the shrewdest of this class, the great farmers of the south of Scotland, are dropping as fast as they can, this mercantile branch of farming business, and coming back to the natural principle of farming, that of paying for their land a proportion of what the land produces, so many bolls of grain per acre, throwing upon the laird the risk which, in reason, common sense (and common honesty), ought to devolve upon him, that of turning into gold or bank bills his share of the produce, raised out of his acres by the farmer's labor, skill, and capital."

"Money rent deteriorates the condition of a small tenant in two ways. The more honestly he is inclined, the more poorly and meanly he must live. He must sell all his best produce, his grain, his butter, his flax, his pig, and subsist upon the meanest food, his worst potatoes and water, to make sure of money for his rent. It thus deteriorates his standard of living. He is also tempted by money rent out of the path of certainty into that of chance. It thus deteriorates his moral condition. Ask him six barrels of oats, or barley, or six stones of butter or flax, for a piece of land which never produced four, and his common sense and experience guide him. He sees and comprehends the simple data before him, knows from his experience that such a crop cannot be raised, such a rent cannot be afforded, and he is off to England or America to seek a living. But ask him six Guineas an acre for land, proportionably as much over-rented as the other, and he trusts to chance, to accident, to high market prices, to odd jobs of work, to summer or harvest labor out of the Country (Ceylon Coffee culture); in short, he does not know to what, for he is placed in a false position, made to depend upon chance of markets, on mercantile success and profits, as much as upon industry and skill in working his little farm."

A land tax assessed in kind was the law throughout South India until the time of Major, afterwards Sir Thomas, Munro. The Brahmins, who made the land assessments, were too wise, too experienced and far seeing, and I believe too humane, to assess the land in Rupees. It was Major Munro, who, by a stroke of the pen, first levied money rents in the Ceded Districts, giving as the only reason for this total revolution in taxation, that an assessment in kind was "inconvenient" to collect by a European Collector. His example became universal; pay and salaries were paid in Rupees, not grain, and a money land tax was alone allowed, or is now known.

If an authentic history of prices were published for the sixty years during which the change has been enforced, the history would show that there is not one Province of Madras in which, at some one or more times, the money land tax has not absorbed the whole crop, leaving the Ryot nothing, not even the seed soon. Hence arose "tuccavi," as a necessity in revenue management. To such a land tax, to superadd export duty upon the raw produce, seems an incredible way of raising Revenue.

(Signed) F. C. BROWN.

No. 409. ORDER THEREON, 27th June 1862, No. 1,412.

Referred to the Board of Revenue for early report respecting the Wainád Cardamom Farm referred to in this letter.

(Signed) P. P. HUTCHINS,
Acting Deputy Secretary to Government.

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Laing's "Notes of a Traveller." London, 1842 — pp 144-5.

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Board of Rev. for certain purposes re
Return of Brahmin Conolar
from Canara referred to in the
Collector
Asst. Sec. Govt.
24 Sept. 1856
Rec'd 30 Sept.

Revenue 1862 Depts
Progs Govt for June
No 1736

From

F. C. Brown Esq
Tellicherry

Dated 1st
Rec'd 17th } June
1862

From Mr. F. C. Brown
d/ 8th Dec/62 C No 3468
in Pro: 23rd Dec/62 No 2681

Submitting for
consideration certain
irregularities connect-
-ed with the monopoly
of the Cardamom Farm
of Wynaad.
R 14/12 – 27 Encls
With order

No 4084209.