Secy. I (1)-2—10,006—7-10-70.

(1) Number of pages 14

(2) Date of repair 25-11-71

(3) Initials of the Referencer

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No. / B.P. No.	520	Press / ~~Mis.~~
Dated	5 . 2 . 1877	~~197~~ .

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
5th February 1877.

No. 112. Read the following letter from the Hon. T. C. HOPE, C.S.I. Additional Secretary to the Government of India, Department of Revenue, Agriculture and Commerce, (Agriculture and Horticulture—Famine) to the Hon. Sir RICHARD TEMPLE, Bart., K.C.S.I., Lieutenant-Governor of Bengal (on a Special Mission,) dated Calcutta, 16th January 1877, No. 45 :—

His Excellency the Governor-General in Council having been pleased to depute you on a special mission for the purpose of inspecting the districts suffering from scarcity in the Presidencies of Madras and Bombay, and conferring personally with the Governments of those Presidencies regarding the measures which are being carried out, and which will have to be carried out, for the relief of distress, I am directed to communicate to you the following observations, indicating the general views of the Government of India on some of the more important questions with which you will have to deal.

2. I am to observe in the first place, that while it is the desire of the Government of India that every effort should be made, so far as the resources of the State admit, for the prevention of deaths from famine, it is essential in the present state of the finances that the most severe economy should be practised. The distress is so wide-spread, extending over twenty-one districts in the two Presidencies, and more or less affecting a population of twenty-seven millions, and threatens to be protracted for so many months, that the utmost care is necessary to restrict the expenditure to the absolute requirements of the case. Even, however, if financial considerations were less overpoweringly strong, it would still be true that a Government has no better right in times of scarcity than in other times to attempt the task of preventing all suffering, and of giving general relief to the poorer classes of the community. False and mischievous ideas on this subject have become so prevalent, that the Government runs some risk of being charged with inhumanity, when it declares that these are the principles by which it intends to be guided. The Governor-General in Council will not be deterred by such considerations as these from a course of action which he knows to be right. Everyone admits the evils of indiscriminate private charity, but the indiscriminate charity of a Government is far worse. The Government of India is resolved to spare no efforts which may be necessary and practicable, with reference to the means at its disposal, to save the population of the distressed districts from starvation, or from an extremity of suffering dangerous to life; but it will not sanction a course of action which must tend to demoralize the people themselves who are passing through a time of temporary trial, and inevitably lead to the imposition of heavy and permanent burdens on the industry of the country. Even for an object of such paramount importance as the preservation of life, it is obvious that there are limits which are imposed upon us by the facts with which we have to deal. If the estimates of the Local Governments are to be accepted, the relief of the existing scarcity in the Madras and Bombay Presidencies, including loss of revenue, will not cost less than six and a half millions sterling. Considering that the revenues are barely sufficient to meet the ordinary expenditure of the empire, and that heavy additional taxation is both

financially and politically impracticable, we must plainly admit that the task of saving life, irrespective of the cost, is one which it is beyond our power to undertake. The simple fact is this, that the recurrence of a few famines such as that from which the country is now suffering, or such as that which occurred three years ago in Behar, would, if measures of relief were carried on upon that principle, go far to render the future Government of India impossible. The embarrassment of debt, and the weight of taxation, consequent on the expenditure thereby involved, would soon become more fatal to the country than famine itself. Happily, however, the Government are not placed in any such dilemma. They believe that from the history of past famines, rules of action may be learnt which will enable them in the future to provide efficient assistance for the suffering people without incurring disastrous expenditure.

3. One of the first points which should engage your attention is the extent to which relief is given, and the principles on which it is afforded. The numbers on the relief works are so great, that the Government of India see reason to apprehend that many persons must be employed to whom such relief is not absolutely essential, and who without it would have been able to maintain themselves, at all events for some time to come. The Governor-General in Council does not for a moment doubt the reality of the calamity that has fallen upon the country, a calamity which unhappily threatens to become ere long still more disastrous. But it is necessary to remember that the mere collection of enormous numbers of people on relief works in seasons of scarcity is in itself no sufficient proof of serious actual suffering. If relief works are carried on upon wrong principles; if labor is not strictly exacted from all who are physically able to work; if proper supervision is wanting, and people find that they can obtain, almost for the asking, and in return for next to no work at all, wages in money or in grain, there is hardly any limit to the numbers who even in prosperous times may be attracted to them. "When," as Sir George Campbell has observed, "a lax system is established, and everyone down to the merest child gets paid for the merest pretence of work, with probably a good many abuses besides, the thing becomes too attractive, the whole country tends to come on the works, the numbers threaten to be absolutely overwhelming. The people, too, become demoralized; works where real work is exacted, are deserted, and many evils follow." A good illustration of this may be found in the official narrative of the scarcity of 1873-74 in the North-Western Provinces. "In a season of considerable pressure, but not of absolute famine, the relief works in Gorakhpur and Basti were for some weeks daily thronged by more than 200,000 men, women and children, who found an attraction in the light work, in the liberty of going at night to their houses after attending a sort of vast picnic during the day, and in the wages earned at a time when ordinarily they had no employment in the fields, and had to live on their harvest savings. But when the wages were cut down to a mere subsistence allowance, when a full day's labor was

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On relief works ...	1,122,117	
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insisted on, and when the liberty of living at their homes was threatened, these immense crowds melted away as rapidly as they had collected, and it was found that there was hardly any one who really stood in need of relief. The Governor-General in Council does not expect that a similar condition of things now exists in any of the districts of Madras or Bombay, but the matter is one which requires the most careful observation.

4. The general principles on which operations for the relief of famine in India should be conducted, have been established beyond question by past experience. When, as may easily happen, at the commencement of a period of distress, it is a matter of doubt whether serious scarcity is actually threatening a tract of country, it may be desirable, in the first instance, to open, as a tentative measure, small and well supervised local works. The Government may thus avoid the risk of finding itself committed to serious expenditure on large public works which there was no immediate necessity for undertaking. It was for reasons of this kind that the Government of India, at the commencement of the present scarcity, and while still in doubt regarding the extent to which relief operations might ultimately become necessary, thought it right, both in the Madras and Bombay Presidencies, to encourage, in the first instance, the organization of works of a local character in preference to those of greater magnitude. But when it becomes no longer a matter of doubt that serious scarcity is impending, and that relief will have to be provided upon an extensive scale, the great difficulty of insuring adequate supervision for numerous scattered works renders it necessary to resort to large works on which large gangs of laborers can be employed, and on which adequate labor tests can be exacted. As soon, therefore, as it is clear that the Government will have to undertake serious measures for the relief of scarcity, no time should be lost in giving to the people, to the greatest extent practicable, the means of employment on large public works. Such works supply the means of subsistence to the able-bodied poor; they prevent, instead of merely relieving, distress.

5. In choosing such works it is obvious of great importance that those selected shall be of a permanently useful and remunerative character; for it is in the last degree unsatisfactory that when the necessity for employing great multitudes of people is forced upon the Government, their labour, which might have been devoted to works which would have conferred lasting benefit on the country, should be thrown away. The works should also be such as are calculated to absorb in comparison with their entire cost a sufficient proportion of labor during the anticipated period of famine. They need not always be in the distressed districts, or near the homes of the people who require relief. When railways or other thoroughly good means of communication are available, it may sometimes be easier and wiser to carry the people to the works and to their food, than to carry the food to the people. Temporary migration from their homes has always, in times of scarcity, been the natural and one of the best remedies to which the people have had recourse, and the organization of public works in places where food is plentiful, and to which access is not difficult from the distressed districts, may in some cases be more useful than works at places

where the supply of food is already insufficient. No apprehension need be felt that the people will not return to their homes when the period of distress is passed away. It will be for you to consider how far these principles are being acted on, and if necessary to recommend to the Local Governments the discontinuance of any works, or system of works, which, in your opinion, cannot be usefully proceeded with.

6. When by undertaking large public works, employment has been provided for the able-bodied poor, it may still be necessary, even before the pressure of famine has become extreme, to afford means of support to persons who are physically unable to give a full amount of labor in return for the wages they receive. These must either be employed in poor-houses or on roads and other easy work, every effort being made to prevent relief being given to any one who does not really require it. It has often been found a most useful test of actual distress to insist, when charitable relief is necessary, that it shall ordinarily be given in the shape of cooked food.

7. It should be added that when distress becomes extreme, and a state of absolute famine has been reached, that large public works may become insufficient to afford relief to the numbers of people in need of it. At such a time the Government may be driven to set up relief works near the homes of the people on a scale inconsistent with careful supervision or searching tests. Such measures as may be practicable must then be adopted for reducing to a minimum the inevitable evils that will then arise. The Governor-General in Council leaves it to you to communicate to the Local Governments the results of your own experience in regard to this very difficult part of the question.

8. A very satisfactory feature in the course taken by the Bombay Government in dealing with the present famine is their adherence to the principle of non-interference with private trade, which up to the present time they have acted on with marked success. In Madras a different policy has been observed. At an early stage in the scarcity, the Government of Madras contracted through a local firm for a supply of 30,000 tons of grain, to be used as a reserve to meet deficiencies in the local markets. Applications for authority to make further similar purchases have since been received, but have not been sanctioned, the Government of India being of opinion that such purchases are seriously calculated to discourage the operations of private trade, and to increase, instead of diminishing, the difficulty of procuring the supplies which will be necessary to augment the deficient food-supply of the Presidency. Enquiry has been made whether this objection would apply to the Government advertizing for tenders for the supply and delivery of grain in the immediate neighbourhood of certain works on which gangs of laborers are employed at a distance from all local markets. The answer must of course be in the negative. There is no more objection to such purchases than their is to the Government making purchases through the Commissariat for the troops. The objection is to the Government entering into transactions which may excite apprehensions on the part of traders, that the Government are about to take their place, and so to disarrange the bases on which they found their calculations of profit. This objection is

especially applicable to purchases of a secret character. In such cases the fact that the Government are in the market is almost certain to become known, and thereupon doubts are raised as to the nature and extent of the transaction, and private trade is paralysed. In regard not only to this but all other matters connected with the management of famines, the general rule should be that the operations of the Government, and the reasons on which those operations are based, shall receive full and complete explanation and publicity.

9. One of your most important duties in connection with the present state of things in the Madras Presidency will be to ascertain how far private trade, if left perfectly unfettered, may be counted on to supply the wants of that Presidency. As at present informed, the Governor-General in Council entertains a strong opinion that the supply of that Presidency from foreign sources, such as Burma, Bengal, &c., should be left altogether to private trade, and that the intention of the Government so to act should be widely made known, together with full and frequent information regarding the prices of food-grains and other articles of consumption in the distressed and other districts. It is possible, however, that in certain localities at a distance from the lines of Railway and from large markets, it may be requisite for the Government to intervene by making purchases at the nearest local depot to which the trade will convey the grain. In such cases, where the local trade, from whatever cause, is not active, the direct intervention of the Government may probably tend rather to facilitate than to discourage the importation of grain, by affording confidence to the trade that importations will find a certain purchaser. Finally, it must not be overlooked that there is a great advantage in paying laborers on relief works in money, wherever and so long as this mode of relief is practicable.

10. The Governor-General in Council would have hoped that it was hardly necessary to impress upon local officers the importance of exercising no interference of any kind with the object of reducing the price of food; but cases have come to his notice which show that a warning on this point may not be uncalled for. It is obvious that, especially in a time of scarcity, nothing could be more mischievous than such interference, and that high prices, by reducing consumption and encouraging the importation of fresh supplies of food, are not only necessary but highly beneficial.

11. Another matter of importance is the question of transport of grain, both on the Railways and to parts of the country with which the existing means of communication are insufficient, as well as of providing additional facilities for landing it at the ports. These matters, the Government of India have reason to believe, have not been at all overlooked by the Local Governments, but it is probable that your experience will enable you to offer valuable suggestions on the subject.

12. There is one other subject to which the Governor-General in Council thinks it desirable to refer, not because it is one with which you will have at present in any way to deal, but because he wishes to place you generally in possession of the views which are held by the Government of India on all the more serious questions connected with the treatment of Indian famines.

You will observe that His Excellency in Council, in my letter to the Government of Bombay, No. 3-A, dated the 5th instant, has laid down the principle that if any great irrigation works or other works of local and provincial importance, involving heavy future responsibilities for their completion and maintenance, be undertaken, certain rules will be held applicable, which will hereafter be prescribed, in regard to the enforcement of provincial responsibility for meeting the charges for extraordinary public works. This is not a convenient time for entering into a full discussion of these questions, but His Excellency in Council desires to take the present opportunity of declaring his opinion, not only that the main portion of the charges incurred on public works which protect the people against famine, and which add greatly to their wealth, should be borne by the people protected and benefitted, and not by the general tax-payer, but also that every province ought, so far as may be practicable, to be held responsible for meeting the cost of the famines from which it may suffer. The Governor-General in Council believes that until these principles are enforced, the only real security for wise and economical management will be wanting. When Local Governments and local officers understand that the inevitable consequence of unnecessary expenditure will be the imposition of heavy burdens upon their own people, and not upon those of other provinces, a powerful and most useful check upon extravagance will have been established. On this subject the opinions of Her Majesty's Secretary of State for India have been expressed in a passage which may properly be quoted here *:—

"There is a further point, though not one to fall within the scope of such an inquiry as that which you have directed to be made, which should, in my opinion, be carefully considered by Your Excellency's Government before the questions that arise in connexion with the occurrences of 1873-74 can be regarded as fairly met. I refer to the proper incidence of the charges that are necessarily incurred in providing for the requirements of the population of a district in a period of drought. However plain may be the primary obligation on the State to do all that is requisite and possible towards preserving the lives of the people under such circumstances, it would be most unwise to overlook the great danger of tacitly accepting, if not the doctrine, at least the practice, of making the general revenues bear the whole burden of meeting all local difficulties or of relieving all local distress, and of supplying the needful funds by borrowing in a shape that establishes a permanent charge on the general revenues for all future time. In Bengal, where (as the Lieutenant-Governor observes in reference to the objections of the Government in relation to emigration) the beneficial interest of the Government in the land is limited by the permanent settlement, these considerations are of special and more pressing application.

"The question which is thus raised, of how to make local resources aid in meeting local wants, is no doubt one of great difficulty and complexity, particularly in a country like India. But the difficulty of providing any satisfactory solution of it should not be allowed to obscure the perception of its vital importance to the future well-being of the country, as well as of the troubles to the Government and the demoralization of the people which must necessarily result from postponing too long the introduction of some system under which shall be suitably recognised the undoubted responsibility which rests on the people themselves to provide for their own support and well-being. The duty of the State does not extend further than to see that the needful means are supplied for giving effect to this principle, and for distributing the local

* Despatch from Secretary of State to Government of India, No. 59 (Revenue), dated 25th November 1875.

burden arising from its practical application in the manner which shall be most equitable and least onerous to those who have to bear them."

The manner in which these principles shall be carried into practical effect is under the consideration of the Government. It is sufficient at present to say that the Governor-General in Council is of opinion that they ought to be kept in view in connection with the present scarcity, and that a considerable portion, if not the whole, of the permanent charges which relief operations now in progress may entail ought to be borne by the Presidencies in which the expenditure is being incurred.

13. The above are the only observations that the Government of India deem it at present necessary to place on record in connection with the important and delicate duty which you have undertaken; and they have been made, not so much with the view of advising you on a subject which you have probably studied more thoroughly than any other public officer in India, as for the purpose of furnishing you with a statement of the views of the Government of India, to which you can refer in your communications with the local Governments. I am directed, in conclusion, to convey to you the cordial thanks of the Governor-General in Council for the promptitude with which on this, as on other occasions you have responded to the call made upon you.

No. 45-A.

Copy forwarded to the Government of Madras for information.

(Signed) T. C. HOPE,
Additional Secy. to the Govt. of India.

No. 113. Order thereon, 5th February 1877, No. 520.

Miscellaneous. Recorded.

(True Extract.)

(Signed) J. H. GARSTIN,
Additional Secretary to Government.

Exd. L. F. Zephir.

No. 65.

FROM

THE HONOURABLE T. C. HOPE, C.S.I.,

Additional Secretary to the Government of India,

To

THE HONOURABLE SIR RICHARD TEMPLE, BART., K.C.S.I.,

Lieutenant-Governor of Bengal (on a Special Mission).

Department of Revenue, Agriculture and Commerce.
Agriculture and Horticulture.
Famine.

Calcutta, the 16th January 1877.

SIR,

His Excellency the Governor General in Council having been pleased to depute you on a special mission for the purpose of inspecting the districts suffering from scarcity in the Presidencies of Madras and Bombay, and conferring personally with the Governments of those Presidencies regarding the measures which are being carried out, and which will have to be carried out, for the relief of distress, I am directed to communicate to you the following observations, indicating the general views of the Government of India on some of the more important questions with which you will have to deal.

2. I am to observe in the first place, that while it is the desire of the Government of India that every effort should be made, so far as the resources of the State admit, for the prevention of deaths from famine, it is essential in the present state of the finances that the most severe economy should be practised. The distress is so wide-spread, extending over twenty-one districts in the two Presidencies, and more or less affecting a population of twenty-seven millions, and threatens to be protracted for so many months, that the utmost care is necessary to restrict the expenditure to the absolute requirements of the case. Even, however, if financial considerations were less overpoweringly strong, it would still be true that a Government has no better right in times of scarcity than in other times to attempt the task of preventing all suffering, and of giving general relief to the poorer classes of the community. False and mischievous ideas on this subject have become so prevalent, that the Government runs some risk of being charged with inhumanity, when it declares that these are the principles by which it intends to be guided. The Governor General in Council will not be deterred by such considerations as these from a course of action which he knows to be right. Everyone admits the evils of indiscriminate private charity, but the indiscriminate charity of a Government is far worse. The Government of India is resolved to spare no efforts which may be necessary and practicable, with reference to the means at its disposal, to save the population of the distressed districts from starvation, or from an extremity of suffering dangerous to life; but it will not sanction a course of action which must tend to demoralize the people themselves who are passing through a time of temporary trial, and inevitably lead, to the imposition of heavy and permanent burdens on the industry of the country. Even for an object of such paramount importance as the preservation of life, it is obvious that there are limits which are imposed upon us by the facts with which we have to deal. If the estimates of the Local Governments are to be accepted, the relief of the existing scarcity in the Madras and Bombay Presidencies, including loss of revenue, will not cost less than six and a half millions sterling. Considering that the revenues are barely sufficient to meet the ordinary expenditure of the empire, and that heavy additional taxation is both financially and

politically impracticable, we must plainly admit that the task of saving life, irrespective of the cost, is one which it is beyond our power to undertake. The simple fact is this, that the recurrence of a few famines such as that from which the country is now suffering, or such as that which occurred three years ago in Behar, would, if measures of relief were carried on upon that principle, go far to render the future Government of India impossible. The embarrassment of debt and the weight of taxation, consequent on the expenditure thereby involved, would soon become more fatal to the country than famine itself. Happily, however, the Government are not placed in any such dilemma. They believe that from the history of past famines, rules of action may be learnt which will enable them in the future to provide efficient assistance for the suffering people without incurring disastrous expenditure.

3. One of the first points which should engage your attention is the extent to which relief is given, and the principles on which it is afforded. The numbers on the relief works are so great, that the Government of India see reason to apprehend that many persons must be employed to whom such relief is not absolutely essential, and who without it would have been able to maintain themselves, at all events for some time to come. The Governor General in Council does not for a moment doubt the reality of the calamity that has fallen upon the country, a calamity which unhappily threatens to become ere long still more disastrous. But it is necessary to remember that the mere collection of enormous numbers of people on relief works in seasons of scarcity is in itself no sufficient proof of serious actual suffering. If relief works are carried on upon wrong principles; if labour is not strictly exacted from all who are physically able to work; if proper supervision is wanting, and people find that wages in money or in grain, there is hardly any limit to the numbers who even in prosperous times may be attracted to them. "When," as Sir George Campbell has observed, "a lax system is established, and everyone down to the merest child gets paid for the merest pretence of work, with probably a good many abuses besides, the thing becomes too attractive, the whole country tends to come on the works, the numbers threaten to be absolutely overwhelming. The people, too, become demoralized; works where real work is exacted, are deserted, and many evils follow." A good illustration of this may be found in the official narrative of the scarcity of 1873-74 in the North-Western Provinces. "In a season of considerable pressure, but not of absolute famine, the relief works in Gorakhpur and Basti were for some weeks daily thronged by more than 200,000 men, women and children, who found an attraction in the light work, in the liberty of going at night to their houses after attending a sort of vast picnic during the day, and in the wages earned at a time when ordinarily they had no employment in the fields, and had to live on their harvest savings. But when the wages were cut down to a mere subsistence allowance, when a full day's labour was insisted on, and when the liberty of living at their homes was threatened, these immense crowds melted away as rapidly as they had collected, and it was found that there was hardly any one who really stood in need of relief." The Governor General in Council does not assert that a similar condition of things now exists in any of the districts of Madras or Bombay, but the matter is one which requires the most careful observation.

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On relief works	... 1,125,117	
Feeding gratuitously	... 119,363	
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4. The general principles on which operations for the relief of famine in India should be conducted, have been established beyond question by past experience. When, as may easily happen, at the commencement of a period of distress, it is a matter of doubt whether serious scarcity is actually threatening a tract of country, it may be desirable, in the first instance, to open, as a tentative measure, small and well supervised local works. The Government may thus avoid the risk of finding itself committed to serious expenditure on large public works which there was no immediate necessity for undertaking. It was for reasons of this kind that the Government of India, at the commencement of the present scarcity, and while still in doubt regarding the extent to which relief operations might ultimately become necessary, thought it right, both in the Madras and Bombay Presidencies, to encourage, in the first

instance, the organization of works of a local character in preference to those of greater magnitude. But when it becomes no longer a matter of doubt that serious scarcity is impending, and that relief will have to be provided upon an extensive scale, the great difficulty of insuring adequate supervision for numerous scattered works renders it necessary to resort to large works on which large gangs of labourers can be employed, and on which adequate labour tests can be exacted. As soon, therefore, as it is clear that the Government will have to undertake serious measures for the relief of scarcity, no time should be lost in giving to the people, to the greatest practicable extent, the means of employment on large public works. Such works supply the means of subsistence to the able-bodied poor; they prevent, instead of merely relieving, distress.

5. In choosing such works it is obviously of great importance that those selected shall be of a permanently useful and remunerative character; for it is in the last degree unsatisfactory that when the necessity for employing great multitudes of people is forced upon the Government, their labour, which might have been devoted to works which would have conferred lasting benefit on the country, should be thrown away. The works should also be such as are calculated to absorb in comparison with their entire cost a sufficient proportion of labour during the anticipated period of famine. They need not always be in the distressed districts, or near the homes of the people who require relief. When railways or other thoroughly good means of communication are available, it may sometimes be easier and wiser to carry the people to the works and to their food, than to carry the food to the people. Temporary migration from their homes has always, in times of scarcity, been the natural and one of the best remedies to which the people have had recourse, and the organization of public works in places where food is plentiful, and to which access is not difficult from the distressed districts, may in some cases be more useful than works at places where the supply of food is already insufficient. No apprehension need be felt that the people will not return to their homes when the period of distress has passed away. It will be for you to consider how far these principles are being acted on, and if necessary to recommend to the Local Governments the discontinuance of any works, or system of works, which, in your opinion, cannot be usefully proceeded with.

6. When by undertaking large public works, employment has been provided for the able-bodied poor, it may still be necessary, even before the pressure of famine has become extreme, to afford means of support to persons who are physically unable to give a full amount of labour in return for the wages they receive. These must either be employed in poor-houses or on roads and other easy work, every effort being made to prevent relief being given to any one who does not really require it. It has often been found a most useful test of actual distress to insist, when charitable relief is necessary, that it shall ordinarily be given in the shape of cooked food.

7. It should be added that when distress becomes extreme, and a state of absolute famine has been reached, that large public works may become insufficient to afford relief to the numbers of people in need of it. At such a time the Government may be driven to set up relief works near the homes of the people on a scale inconsistent with careful supervision or searching tests. Such measures as may be practicable must then be adopted for reducing to a minimum the inevitable evils that will then arise. The Governor General in Council leaves it to you to communicate to the Local Governments the results of your own experience in regard to this very difficult part of the question.

8. A very satisfactory feature in the course taken by the Bombay Government in dealing with the present famine is their adherence to the principle of non-interference with private trade, which up to the present time they have acted on with marked success. In Madras a different policy has been observed. At an early stage of the scarcity, the Government of Madras contracted through a local firm for a supply of 20,000 tons of grain, to be used as a reserve to meet deficiencies in the local markets. Applications for authority to make further similar purchases have since been received, but have not been sanctioned, the Government of India being of opinion that such purchases are seriously calculated to discourage the operations of private trade, and to increase, instead of diminishing, the difficulty of procuring the supplies which will be

necessary to augment the deficient food-supply of the Presidency. Enquiry has been made whether this objection would apply to the Government advertizing for tenders for the supply and delivery of grain in the immediate neighbourhood of certain works on which gangs of labourers are employed at a distance from a local market. The answer must of course be in the negative. There is no more objection to such purchases than there is to the Government making purchases through the Commissariat for the troops. The objection is to the Government entering into transactions which may excite apprehensions on the part of traders, that the Government are about to take their place, and so to disarrange the bases on which they found their calculations of profit. This objection is especially applicable to purchases of a secret character. In such cases the fact that the Government are in the market is almost certain to become known, and thereupon doubts are raised as to the nature and extent of the transaction, and private trade is paralysed. In regard not only to this but all other matters connected with the management of famines, the general rule should be that the operations of the Government, and the reasons on which those operations are based, shall receive full and complete explanation and publicity.

9. One of your most important duties in connection with the present state of things in the Madras Presidency will be to ascertain how far private trade, if left perfectly unfettered, may be counted on to supply the wants of that Presidency. As at present informed, the Governor General in Council entertains a strong opinion that the supply of that Presidency from foreign sources, such as Burma, Bengal, &c., should be left altogether to private trade, and that the intention of the Government so to act should be widely made known, together with full and frequent information regarding the prices of food-grains and other articles of consumption in the distressed and other districts. It is possible, however, that in certain localities at a distance from the lines of Railway and from large markets, it may be requisite for the Government to intervene by making purchases at the nearest local depôt to which the trade will convey the grain. In such cases, where the local trade, from whatever cause, is not active, the direct intervention of the Government may probably tend rather to facilitate than to discourage the importation of grain, by affording confidence to the trade that importations will find a certain purchaser. Finally, it must not be overlooked that there is a great advantage in paying labourers on relief works in money, wherever and so long as this mode of relief is practicable.

10. The Governor General in Council would have hoped that it was hardly necessary to impress upon local officers the importance of exercising no interference of any kind with the object of reducing the price of food; but cases have come to his notice which show that a warning on this point may not be uncalled for. It is obvious that especially in a time of scarcity nothing could be more mischievous than such interference, and that high prices, by reducing consumption and encouraging the importation of fresh supplies of food, are not only necessary but highly beneficial.

11. Another matter of importance is the question of transport of grain, both on the Railways and to parts of the country with which the existing means of communication are insufficient, as well as of providing additional facilities for landing it at the ports. These matters, the Government of India have reason to believe, have not been at all overlooked by the Local Governments, but it is probable that your experience will enable you to offer valuable suggestions on the subject.

12. There is one other subject to which the Governor General in Council thinks it desirable to refer, not because it is one with which you will have at present in any way to deal, but because he wishes to place you generally in possession of the views which are held by the Government of India on all the more serious questions connected with the treatment of Indian famines.

You will observe that His Excellency in Council, in my letter to the Government of Bombay, No. 5A., dated the 5th instant, has laid down the principle that if any great irrigation works or other works of local and provincial importance, involving heavy future responsibilities for their completion and maintenance, be undertaken, certain rules will be held applicable, which will hereafter be prescribed, in regard to the enforcement of provincial responsibility for meeting the charges for extraordinary public works. This is not a convenient time for entering into a full discussion of these questions, but His Excellency in Council

desires to take the present opportunity of declaring his opinion not only that the main portion of the charges incurred on public works which protect the people against famine, and which add greatly to their wealth, should be borne by the people protected and benefited, and not by the general tax-payer, but also that every province ought, so far as may be practicable, to be held responsible for meeting the cost of the famines from which it may suffer. The Governor General in Council believes that until these principles are enforced, the only real security for wise and economical management will be wanting. When Local Governments and local officers understand that the inevitable consequence of unnecessary expenditure will be the imposition of heavy burdens upon their own people, and not upon those of other provinces, a powerful and most useful check upon extravagance will have been established. On this subject the opinions of Her Majesty's Secretary of State for India have been expressed in a passage which may properly be quoted here:—

"There is a further point, though not one to fall within the scope of such an enquiry as that which you have directed to be made, which should, in my opinion, be carefully considered by Your Excellency's Government before the questions that arise in connexion with the occurrences of 1873-74 can be regarded as fairly met. I refer to the proper incidence of the charges that are necessarily incurred in providing for the requirements of the population of a district in a period of drought. However plain may be the primary obligation on the State to do all that is requisite and possible towards preserving the lives of the people under such circumstances, it would be most unwise to overlook the great danger of tacitly accepting, if not the doctrine, at least the practice, of making the general revenues bear the whole burden of meeting all local difficulties or of relieving all local distress, and of supplying the needful funds by borrowing in a shape that establishes a permanent charge on the general revenues for all future time. In Bengal, where (as the Lieutenant-Governor observes in reference to the objections of the Government in relation to emigration) the beneficial interest of the Government in the land is limited by the permanent settlement, these considerations are of special and more pressing application.

"The question which is thus raised, of how to make local resources aid in meeting local wants, is no doubt one of great difficulty and complexity, particularly in a country like India. But the difficulty of providing any satisfactory solution of it should not be allowed to obscure the question of its vital importance to the future well-being of the country, as well as of the relation which the demonstration of the people which must necessarily result from postponing too long the introduction of some system under which shall be suitably recognised the undoubted responsibility which rests on the people themselves to provide for their own support and well-being. The duty of the State does not extend further than to see that the needful means are supplied for giving effect to this principle, and for distributing the local burdens arising from its practical application in the manner which shall be most equitable and least onerous to those who have to bear them."

The manner in which these principles shall be carried into practical effect is under the consideration of the Government. It is sufficient at present to say that the Governor General in Council is of opinion that they ought to be kept in view in connection with the present scarcity, and that a considerable portion, if not the whole, of the permanent charges which relief operations now in progress may entail ought to be borne by the Presidencies in which the expenditure is being incurred.

13. The above are the only observations that the Government of India deem it at present necessary to place on record in connection with the onerous and delicate duty which you have undertaken; and they have been made, not so much with the view of advising you on a subject which you have probably studied more thoroughly than any other public officer in India, as for the purpose of furnishing you with a statement of the views of the Government of India, to which you can refer in your communications with the Local Governments. I am directed, in conclusion, to convey to you the cordial thanks of the Governor General in Council for the promptitude with which on this, as on other occasions, you have responded to the call made upon you.

* Despatch from Secretary of State to Government of India, No. 59 (Revenue), dated 25th November 1875.

I have the honour to be,
SIR,
Your most obedient servant,
sgd T. C. Hope
Additional Secy. to the Government of India.

cf 245a
Copy forwarded to the Government of Madras for information
T.C.H.

No. 715

Rev. 1877. Dept.

GOVERNMENT OF INDIA.

DEPARTMENT OF REVENUE, AGRICULTURE AND COMMERCE.

AGRICULTURE and HORTICULTURE.
Famine.

To

THE HON'BLE SIR RICHARD TEMPLE,
BART., K. C. S. I.,
Lieutenant-Governor of Bengal.

Dated Calcutta, the 16th January 1877.

Recd. — 22 —

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SUBJECT.

Communicates certain observations containing the general views of the Government of India on some of the most important questions with which he will have to deal during his mission to the distressed districts of the Madras and Bombay Presidencies.

Govt. Central Press.—No. 648 R., A., & C.—16-1-77.—40.

No. 52

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