

We refer our readers to a striking representation (which follows) of the conduct of the East India Company with regard to our settlements in the Straits of Malacca, viz.—Penang, Malacca, and Singapore. The Company, it is obvious, were intrusted with these keys to the Indian Archipelago, under an engagement, not only to maintain them in security, but to avoid any measures by which their value as commercial dependencies of the British empire should be impaired. If the prodigality of the Company, or the rapacity of their servants, be such in other parts of the East as to compel them to pinch and ruin the administrative or judicial establishments of the above colonies, and render them an unsafe dwelling for British subjects carrying on an active commerce, it is clear that the Company have forfeited their title to a trust which has been so grossly abused, and that the settlements themselves ought to be restored to the nation. It is impossible to overvalue the importance of these colonies, now on the eve of opening an uncontrolled trade for the British merchant, not merely with the Archipelago, but with China itself; and lest there should be any sinister policy brewing in Leadenhall-street for getting up a colourable disparagement of the benefits and safeguards of these colonies to the China trade, when proposed to be carried on by individual merchants of Great Britain, we think that His MAJESTY'S Government had better be prepared to frustrate all such machinations.

(From a Correspondent.)

"From the attention which has been bestowed in your journal on the affairs of India, and the interests of British trade, I trust you will not allow to pass unnoticed an important revolution now silently going on in the settlements of Penang, Malacca, and Singapore, which form the medium and only connecting link remaining in British hands, of the vast and daily increasing trade between the eastern Archipelago and the coast of China and British India, Europe, and America.

"You are aware that these settlements were made free ports in 1826; they are the first possessions of the East India Company put upon that footing, and it was reasonably calculated that such convenient stations in the Straits of Malacca would form an important staple of eastern trade, and in a great degree compensate the British merchant for his exclusion from China; while they afforded, at the same time, a security against the influence and encroachment of the Dutch, who, since the surrender of Sumatra to them, have complete command of the southern passage, or Straits of Sunda, and who, by the treaties of 1814 and 1824, have secured all the most valuable islands and commercial stations in the eastern seas, with the solitary exception of the three united settlements above named, in the Straits of Malacca.

"The intrinsic value of these has also been proved by the immense increase of their commerce and population since they were put on the present footing. In the youngest of them (Singapore), the population in 1819 was (according to the late Sir Stamford Raffles, its founder) only about 150 persons, when the British flag was hoisted and it was declared a free port. In the course of three months afterwards, the population increased to 3,000; in the first year to above 5,000; in two years afterwards to 10,000; in 1824 to 13,000, and in 1825 to 15,000. The value of exports and imports during the same period rose as follows, omitting fractions:—

	Dollars.
In 1822, value of exports and imports	8,000,000
1823	13,000,000
1824	15,000,000
1825	20,000,000

The population in the three settlements has increased from 40,000 to 100,000 souls, from the best information.

"It must be unnecessary to say more to prove the great value of these settlements; and that every motive of good policy demanded that their importance should be most jealously guarded and maintained by a well-organized local government, composed of men of high character, talent, and intelligence, to give them respectability and inspire confidence on the part of the public, with a judicial establishment competent to afford complete security to property and adjust satisfactorily the numerous conflicting claims that will arise in a commercial community; aided by an efficient magistracy and system of police to preserve order among so heterogeneous a population, suddenly collected from various countries, partly savage, partly civilized.

"But it appears by a letter in the last number of the *Asiatic Journal*, that the East India Directors have discovered—and no great discovery—that all this could not be done without considerable expense, and, as they are not suspected of being very favourable to freedom of trade, they have come to this conclusion—that they should not incur such an expense for such a purpose. They have therefore resolved to reduce their establishment of public officers in these three settlements, from about 20 to 12 in number; and in future to employ only a class of individuals whose services and talents may be purchased at a lower rate than those they have hitherto employed. In short, that in proportion to the growing importance of the work to be done, the machinery employed is to be of an inferior description.

"The East India Directors have also, it seems, discovered, that the superintending of the affairs of these free trade settlements in the Straits involves some trouble; and of this they propose to relieve themselves by devolving it upon the Governor-General of India. Now, really, when it is considered that the individual who fills that high station has already to preside over an empire containing from 100,000,000 to 150,000,000 of people,—that he is at the same time frequently commander-in-chief of an army of above 100,000 men,—that, besides the voluminous correspondence and negotiations with the various residencies and native courts throughout India, he is subject to be called on to supervise the very details of commercial revenue and judicial business which, according to the system of Indian government, are liable to be brought upon the council table,—in addition to all this, which is already a greater charge than almost any human talent can support, to throw upon him the additional burden of superintending the affairs of Penang, Malacca, and Singapore, and the various complicated interests of their Malay, Portuguese, Chinese, European, and American residents and traders, is a proceeding not a little preposterous.

"It is in fact much the same as saying, that these settlements shall in future be left by the East India Company to superintend themselves. For of the sort of supervision which a Governor-General of Bengal can afford to give them, the following instance, which happened in Bencoolen just before it was given up, will serve as an example. A Mr. Nicholson, a settler there, felt himself compelled to proceed to Bengal to complain of some measures of the Lieutenant-Governor, who had deprived him of his spice plantation. After a voyage of one month, and a delay of one or two more, he got the proceedings examined by the Governor-General (Lord Amherst), who doubtless gave the best decision he was able on the case. The chief points in dispute were three,—the right to a certain road, the right to a certain adjacent outfield, and the right of confiscating the factory altogether. His Lordship's written judgment, which I have seen, determined the two first points; but the last, which was the main question, he passed over entirely. Of what use would the road and the outfield have been, without the plantation? It realized Swift's bitter satire on the lawyers in his time, who, he said, were a case to arise about the property of a cow, would bestow all their learning in determining the colour of her hair, or the length of her horns, but say nothing whatever about the person to whom the cow belonged.

"Such will be the sort of justice dispensed to the united settlements of Penang, Malacca, and Singapore, when made to depend on the Governor-General of Bengal. Nor is he to be blamed for not being able, with hands already too full, to exercise a more effectual control. Seeing the impossibility of devoting sufficient attention to their affairs, he will naturally distrust his own judgment, and as much as possible avoid interfering with them. Hence the answer to all appeals from that quarter will in general be to the following effect, a formula

of expression too well known in the East:—'I see no sufficient grounds for disturbing the decision of the local authority!'

"This authority will consequently be virtually left without any effective control whatever, unless it be that which the former lawlessness of the place has rendered proverbial in India—viz., a Penang lawyer, otherwise club law. When any dispute arises as to British ships touching there, they must either follow their appeal to Bengal, to the ruin of the owners, and to the objects of the voyage, or if they come on direct to England, as the papers in the case, instead of going along with them, will have gone off to Bengal, hence nothing can be settled until they are procured from that place after great loss of time.

"For these and other similar reasons, Penang, or, as it is called, Prince of Wales's Island, was, in 1805, erected into a separate Government, immediately dependent, like other settlements, on the Company at home. The reason which the Directors assigned for this was as follows:—

"By this measure, we expect that the benefits of fixed government and laws will be established; and industry, commerce, and general resort will be thereby encouraged."

"This was done at a time when Penang was the only one of the three settlements now under consideration. Since that period, Singapore has been created by the genius of free trade, and Malacca ceded by the Dutch. Hence, both our territory and the population have been more than doubled, and the trade has increased beyond all proportion. But now, on the plea of economy, it is proposed to diminish the means employed for securing person and property,—to abolish what was established to give 'the benefit of fixed laws and government!—to do away the encouragements 'to commerce, industry, and general resort.' Is this keeping pace with the improvement of trade?—or is it fulfilling the pledge given to the British merchant in the erection of these free ports?

"If economy be the real motive, let it be considered that by giving up Bencoolen, and consolidating its establishment with these settlements, a saving was effected of about 80,000*l.* per annum. The cost of Penang singly was before nearly as much, being 70,000*l.*, making together 150,000*l.* per annum; whereas the joint expense of the three settlements is now little more than 72,000*l.*, making an actual saving of nearly 80,000*l.* by the settlement of 1824. From the rapid augmentation of the exports and imports above exhibited, it is probable that a very moderate duty on the trade will soon be sufficient to cover the whole remaining expense. But even if this were not the case, is a saving of a few thousand pounds to be put into competition with objects of such public importance as the support of British character, and the maintenance of our trade in the Eastern seas? For if these settlements be neglected, and reduced to insignificance by mismanagement, our old commercial rivals in that quarter of the globe, the Dutch, will then have uncontrolled sway throughout the whole Indian Archipelago.

"If every possession of Great Britain were to stand or fall merely according to the surplus revenue, or surplus charge, which may appear on its accounts, without reference to its importance as a part of the empire, we should then very soon lose some of our most valuable possessions. What would become of Gibraltar, Malta, St. Helena, or even the Cape of Good Hope, which last are maintained at a vast charge as an additional security to India. And the rulers of that territory, therefore, ought to look at something beyond the debtor and creditor side of their account, before they sacrifice those important stations, established in the East to protect and encourage British commerce.

"With regard to the other motive attributed to the Directors,—that of relieving themselves of the trouble and responsibility of superintending them, by devolving these on the Governor-General of India,—it would naturally be imagined, that 24 gentlemen deeply versed in Indian affairs from long practice, are more competent to watch over these dependencies than one, however exalted in rank, who is frequently new to the office, and an entire stranger to every thing connected with them (excepting that general and very limited degree of knowledge, regarding India, possessed by British noblemen and gentlemen); and it is a mistake to suppose that he can see with his own eyes from Bengal to Penang, any more than they can from Leadenhall-street. But if by persevering in this measure they mean to say that they feel themselves to be less competent; then how do they expect to be longer intrusted with the much more arduous task of governing the vast continent of India, with its many millions of inhabitants? When the charter comes soon to be discussed, the Duke of Wellington will have a very short argument for them furnished by themselves. 'How can you govern India,' his Grace may justly say, 'when you confess your inability to govern the small settlements of Penang, Malacca, and Singapore? I shall now relieve you, gentlemen, altogether of these duties which you have seemed so anxious to relinquish, and to devolve upon others who were unprepared for them.'

"The Ministers and the country have, indeed, great right to complain of the Directors in this matter. For it resolves itself into this,—that after the East India Company had solemnly pledged itself to the Government and to the British nation to maintain these free ports for the sake of our commerce in the East, the Directors are now, by a sort of side-wind, contriving to get rid of their engagement. For they know very well, that when the securities for person and property formerly established are, as above shown, taken away, and the whole subjected to the arbitrary discretion of the Governor-General of India, (of whom the public only know that he is the absolute ruler of some hundred millions of people, who banishes his countrymen according to his will and pleasure, without any trial or inquiry!) merchants will become very wary how they trust themselves and their goods into such hands. The ports may then be shunned like the Scylla and Charybdis of the Indian seas, and probably decline as rapidly as they have risen. The current of trade will be diverted into another channel, to the benefit of the Dutch; and our new marts of free trade in the East, lately so full of promise, will become but a shadow and an empty name."