LORD DERBY ON THE LIMITS OF OUR COLONIAL EMPIRE.
(From the Economist.)

It is not easy to conceive a more unanimous or more ! influential expression of conviction than that which Manchester, Liverpool, Glasgow, and London have brought under Lord Derby's notice on the subject of Sir James Brooke's proposal to place the little territory of Sarawak, on the N.W. coast of Borneo, either under the protectorate, or under the actual rule, of the British Crown. The leading men in all these great cities are of one mind, that to establish our influence firmly on the coast of Borneo is of paramount importance, in order to sustain our present relations with China, in order to secure the free navigation of these piratical seas by our merchant vessels, in order to establish a safe intermediate point for the electric communication between Singapore and Hong Kong, and finally, though not least, for the sake of the young settlement in Borneo itself, which has already in ten years made such surprising progress under Sir James Brooke, and which promises richly to recruit our sup-plies of coal for the purposes of our steam navigation in the East. All these points were once more urged on Lord Derby, on Tuesday last, with great ability, and with the advantage given by the fact that all of them had been kept before his mind for several months by the frequent addresses and speeches which the interest of the subject has elicited, but apparently all in vain. Lord Derby had evidently prejudged the question, on the abstract principle which he had British Crown were "already too numerous." "Every fresh addition to them," says Lord Derby, "adds fresh expenditure; not only the expenditure of the local Governments, but the consequent increase of the military and naval forces to protect them. So that he looked with very great jealousy to increasing the number of our dependencies or new settlements. They were not additions of strength, but of weakness."

Now certainly it never has been, and we trust never will be, the part of the Economist to plead for any needless expenditure of Imperial resources, or for the reckless multiplication of Imperial responsibilities—an error which we hold to be a worse and more fatal violation of the principles of true economy than even wasteful expenditure itself. There is a moral frugality which is at the root of all pecuniary frugality; and no nation which is lavish of pledges and promises which it may be unable to redeem, can have any grasp at all of the first principle of a true State economy. But while we are always anxious that every national obligation we incur should be carefully, and we may say suspiciously, scanned, before it is incurred, we have no sympathy at all with that spirit of undiscriminating and superficial economy so apt to find favour with Mr. Bright's school, which uniformly grudges every new national engagement, on the ground that the web of English influence abroad is already too complicated and too expensive—which will not endure to see a single fresh name added to the list of England's clients or allies—no matter whether it really bring with it important vantage ground for the solution of old difficulties, or whether it involve a completely new and isolated class of responsibilities.

Yet it is, we believe, completely in this narrow spirit that Lord Derby expresses the strong inclination of the Government to reject Sir James Brooke's offer.

(1) As to material advantages to England, it seems fully admitted by Lord Derby that under Sir James Brooke's ten years' administration, the revenue of Sarawak has been eventually made to cover the cost of the administration, which is, it seems, about £15,000 a year; while the value of the exports have increased tenfold in the same period, from £30,000 to about £300,000; and this, we must remember, under the great disadvantages to which a young and infirm administration, sometimes supported and sometimes deserted by England, has been exposed. It may be quite true that a formal English Government in the colony would cost much more than the simple administration of Sir James Brooke. But it is also true that the commercial resources of the country are scarcely yet opened up. Mr. Coulson gave his evidence that excellent Bornese coal can be produced at a cost of 6s.

a ton, while coals at Singapore cost as many dollars. The Dutch Government, it was shown, was fully alive to the value of these coal-fields. Two Dutch steamers had been to coal there, and pronounced the coal ex-cellent. The coal-fields are easily accessible without machinery. The antimony-ore and timber of Borneo is also very rich, and there are many other exports of considerable value. All these important resources are only just on the eve of development. The Borneo Company is still quite in its infancy. It is but a narrow economy that reckons up the expense of a colonial government without reckoning up also the national gain of a new branch of commerce. In ten years we are told, the exports of Borneo have increased to £300,000, while in the first seventy years of the existence of the English East India Company their exports from all the vast peninsula of India had only reached about £800,000. Were it still possible, in the present day, for a trading society such as the Bornard Company neo Company to accept rights of actual government, with a trade monopoly for their revenue, we are strongly inclined to think the Borneo Company would be ready enough to undertake the administration of Sarawak. They would count securely on speedy gains in the shape of mere rent from the English Government for the privilege of establishing an electric telegraph station in their dominions, and also from the frequent use which the English navy would be obliged to make of the intermediate station so established between China and Singapore. Yet if a company could make such a monopoly pay, it is clear that the gain to the English nation of having such a trade without monopoly would be far greater.

(2) But while we speak thus strongly of the material advantages of securing a footing in Borneo, we believe the moral advantages of availing ourselves, as a na-tion, of the efforts of Sir James Brooke are yet more important. He has established what we may truly call the first thoroughly cordial relations between Eng-land and the Oriental races. The Government of The Government of Sarawak is the first Oriental government in which native agency has been from the first the predominant instrument of government, and where English influence has been welcomed as a release from every imaginable evil, and as the stepping-stone to peace, tranquillity, and prosperity. That such relations are capable of bearing most important fruits in all our policy in India and China, we heartily believe; nothing, for example, has ever yet been said, on the relation of the English Government and its Christianity to the Mahometanism and heathenism of the East, one-half so instructive and full of practical weight as Sir James Brooke's recent speech at Chester, in which he detailed the results of his own experience in Borneo. We say, without hesitation, that if England rejects his offer, she refuses to hold the only spot on the whole Eastern hemisphere where English intelligence has hitherto been a pure and unmixed benefit to the Oriental races with which it has mingled. In India we have done much good, but also not a little harm. In Borneo we are still heartily loved by the native tribes, whether Malay and Mahometan on the one hand, or strictly indigenous and heathen on the other.