

H.V. BOWEN, *Revenue and Reform: the Indian Problem in British Politics 1757-1773*. Cambridge: Cambridge University Press, 1991. XI, 204 pages, £ 27.50. ISBN 0-521-40316-2

A new and successful approach to the interpretation of the British Empire in the second half of the 18th century, H. V. Bowen's study places the "Indian problem" squarely in the context of British imperial policy after 1770. Portrayals of this era usually concentrate on the western hemisphere and more particularly on the loss of the thirteen North American colonies. This approach stems mostly from the chronological sequence of "Old Colonial System" and "Second British Empire". Contemporary England, as Bowen reveals, saw things quite differently. The question then was how to secure the financial basis of the Empire in the context of Britain's global dominions and the East India Company's (EIC) territorial acquisitions.

The author takes L. S. Sutherland's standard work (*The East India Company in eighteenth century politics, Oxford 1952*) as his starting point. Its prosopographic "Namier School" examination illuminates the constellation of political and financial interests in Parliament, the City and trade. H. V. Bowen's achievement is to bring events in India and the East India Company's financial difficulties more clearly into view. His primary subject is the North government's reform of the EIC in 1772/3 and the events leading up to it.

Events in Bengal have received far too scanty attention, from the EIC's direct military engagement in 1757 to the acceptance of the *Diwani* (revenue administration and civil justice) in the Mughal province of Bengal in 1765. H. V. Bowen subscribes unquestioningly to P. J. Marshall's opinion (*Bengal: The British bridgehead in Eastern India 1740-1828, Cambridge 1987*), in which Bengal appears to fall into British hands by chance and without the intervention of the EIC. The English government only felt obliged to act to form the Empire when the EIC ran into ever greater financial difficulties: the dividend brought by its powers to raise revenue was being consumed by the demands of the military. The EIC's imminent bankruptcy prompted Lord North to take decisive action, belying his reputation for poor leadership. H.V.Bowen recounts in detail the proceedings in Parliament, the General Court and the Court of Directors of the EIC. The generous attention given to the contemporary press is both admirable and interesting. It provides a good reflection of events and a barometer of English public opinion. All the responsible committees appear resolved to overcome the problems

which confront them. The EIC was obviously loathe to relinquish its chartered rights, let alone its Bengali revenue. Long and bitter disputes developed over sovereignty, whether it lay with the Crown or the Company. Positions became intractable when the EIC found itself in the midst of an unavoidable transformation from a trading company to an administrative one with limited liability. Fears of regulation from both the Crown and Parliament were not without justification. Finally, the consensus was broken during the parliamentary debate of 1772/3 and the EIC withdrew to its legal position as set out in its charter. When an agreement seemed impossible Lord North broke the stalemate with a compulsory loan of £1.5 million to the EIC and insistence upon a share of Bengali revenues. In the final readings of the Indian "Regulating Bill" the EIC submitted further petitions. The Government subsequently maintained the Company's sovereignty of Bengal, but this success for the Company was only superficial. It became all too clear to everyone involved that the government would henceforth take an active part in the reform process of the EIC, even, when necessary, against bitter opposition from within the Company.

Parliament was simultaneously occupied with a redefinition of relations with the thirteen North American colonies. They too (through the Stamp Act and the Townshend Duties) were to contribute to the Mother Country's military and administrative costs. This was without doubt the characteristic feature of English politics and public opinion. H. V. Bowen shows that the Government rejected its last opportunity to display moderation and a willingness to reform in a parliamentary decision on 26 April 1773, during the decisive phase of considerations over revenue from the American colonies. It opted instead for compulsory loans and sanctioned direct EIC tea imports to the American Colonies, measures designed to rehabilitate its finances. Neither Parliament nor the Government were aware of the consequences of these decisions. Yet *Revenue and Reform* demonstrates that some politically responsible individuals had realised the "problems of empire" and that they were willing to solve them. This is the main feature of English imperial politics in the 1770's and 1780's.

H. V. Bowen's book is an important contribution to both British-Indian history and that of the British Empire itself in its decisive phase of transformation in the 18th century.

Michael Mann