

held the view that the reforming energy of the Indian government since the Mutiny had rather outstripped the necessities of the case. One of his early acts, a very strong measure for a Governor-General recently arrived, was to veto a Bill which Sir George Campbell, the able Lieutenant-Governor of Bengal, had passed through the legislature of his province for the setting up of rural municipalities. In the domain of finance Lord Northbrook showed, on the testimony of Sir Richard Temple—a high authority—‘an admirable mastery of finance, economic facts and statistics such as I have never seen surpassed in India, not even by such economists and financiers as Wilson or Laing’.¹ Except for one year of famine, 1873-4, India in his time was passing through a period of material prosperity due partly to the effects of Lord Mayo’s fiscal reforms, partly to the stimulus to oversea trade given by the increased amount of shipping using the Suez Canal, which had been opened in 1869. At home in the decade after 1860 the establishment of the Free Trade principle was completed by the gradual removal of all those remaining import duties which might have a protective effect, and in India the favourable state of the finances enabled Northbrook to make great advances towards the same ideal in India. The Indian tariff down to 1860 contained ten per cent. *ad valorem* duties on all imports, and three per cent. on the majority of exports. The import dues had been already reduced to $7\frac{1}{2}$ per cent. under Sir John Lawrence in 1864, and Lord Northbrook in 1875 lowered the rate to 5 per cent. At the same time he abolished all export duties except those on oil, rice, indigo, and lac. The remission of the duty on wheat with the completion of the Indus valley railway was especially beneficial and made India a great wheat-exporting country. The home government naturally, in view of the economic theories prevalent at the time, pressed upon him a still wider

¹ Sir R. Temple, *Men and Events of my Time in India*, p. 396.