

**THE DRAIN OF SILVER  
TO THE EAST, AND THE  
CURRENCY OF INDIA**

Published @ 2017 Trieste Publishing Pty Ltd

ISBN 9780649132935

The drain of silver to the East, and the currency of India by W. Nassau Lees

Except for use in any review, the reproduction or utilisation of this work in whole or in part in any form by any electronic, mechanical or other means, now known or hereafter invented, including xerography, photocopying and recording, or in any information storage or retrieval system, is forbidden without the permission of the publisher, Trieste Publishing Pty Ltd, PO Box 1576 Collingwood, Victoria 3066 Australia.

All rights reserved.

Edited by Trieste Publishing Pty Ltd.  
Cover @ 2017

This book is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, re-sold, hired out, or otherwise circulated without the publisher's prior consent in any form or binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser.

[www.triestepublishing.com](http://www.triestepublishing.com)

**W. NASSAU LEES**

**THE DRAIN OF SILVER  
TO THE EAST, AND THE  
CURRENCY OF INDIA**



(63)

9218

THE  
DRAIN OF SILVER TO THE EAST.

EcF  
L4878dr

THE  
DRAIN OF SILVER  
TO THE EAST,  
AND  
THE CURRENCY OF INDIA.

BY  
W. NASSAU LEES, LL.D.  
JES



502224  

---

3. 1. 50

LONDON:  
WM. H. ALLEN & CO., 13, WATERLOO PLACE, S.W.

1864.

LONDON :  
COX AND WYMAN, PRINTERS, GREAT QUEEN STREET,  
LINCOLN'S-INN FIELDS.

## P R E F A C E.

---

It is a common error to suppose that *Money* is capital; and though it is now tolerably well understood by all persons accustomed to reflect on these subjects, that such is not the case,—it is, nevertheless, impossible, in discussing questions of capital, altogether to exclude money; and this is more true of India and Oriental countries generally, than of any part of the world. For, as *all capital is the result of saving*, and, in India, *saving and hoarding*, are, for the most part, synonymous terms, any discussion on the subject necessarily opens up the very much larger question of the distribution of the precious metals.

Towards the latter end of last year I was engaged in completing a review of an Indian subject, embracing considerations regarding



the three great elements of wealth,—*Land, Labour, and Capital*; but finding information in India on the many intricate and difficult questions liable to arise in even a partial examination of the last-mentioned branch of the subject, very defective, I thought it better to revise and correct my remarks on this head, reserving them for a separate occasion. Of this intention I acquainted my London publishers, but was advised by them to spare myself the trouble, on the grounds that, if I undertook it, I should certainly lose my labour, as the British public “seemed *determined* not to read anything relating in the most remote degree to India.” This announcement was not encouraging. But, setting it side by side with the established fact of the very great difficulty of getting *forty* out of the *six hundred odd* members of the House of Commons, to listen to the annual financial statement of Her Majesty’s Secretary of State, or indeed a debate upon any Indian question of importance not involving military operations or per-

sonal differences, I was compelled to concur with my publishers in their estimate of the probability, or rather the improbability, of an obscure individual being able to attract public attention to subjects, however interesting and important, when others of position and distinction had failed. I therefore flung aside my manuscript as fitting food for white ants—those voracious *consumers* of the *productions* of men's brains who discriminate but sparingly between *standard* and *base* coin.

Within the last two months, however, I have been given to understand that the question of the currency of India is likely soon again to come under the consideration of the authorities at Westminster, and this has induced me to rescue the MS., though possibly in doing so I have made a mistake. My previous difficulty—defective information—has not been removed; and I can, therefore, only say that I have revised and corrected it as well as, under these circumstances, and with heavy official duties, I have been able, adding

something bearing on the subject of the hour, the currency of India.

I have been greatly hampered in treating the question of a gold currency for India, by the fact of her trade being almost wholly with countries from which, under present circumstances, she cannot very readily obtain gold in the form of remittances; but still so forcibly am I impressed with the idea that the introduction of gold into the currency of India in some form or other is a matter of such urgency as to be a question rather of necessity than of expediency, that I trust, that if the plan I have suggested be not thought to promise success, the *idea* will not be thrust aside as impracticable, but be worked by others more competent to solve the difficulties with which I have *attempted* to deal.

Another point which I have not thought it desirable to introduce into the discussion of this inquiry; but which, nevertheless, has a material bearing upon it in regard to *hoards*, is the expediency of special loans by the