

An able and skilful artist

The career of Paul Benfield of the English East India Company

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ABSTRACT

Paul Benfield (1742-1810) went out to India in 1764 as a military engineer in the service of the English East India Company. Shortly thereafter he resigned his commission to become a successful private contractor, and based on the revenue from his construction contracts built a successful career as a banker and financier, with a fortune, by the time he left India, of half a million pounds. Benfield was deeply involved in a series of dubious loans to the Nawab of Arcot, secured by mortgages on the tax revenue of the Carnatic. It is chiefly because of a vitriolic speech made against these loans by Edmund Burke in 1784 that Benfield is remembered today. Friction with the less corruptible colonial governors appointed by Parliament in the 1780s ended Benfield's Indian career; he returned to England and became a prominent "nabob", a member of the class of *nouveaux riches* whose estates, political power, and respectability were bought with ill-gotten gains from the East.

Though he seems to have been involved in most of the major scandals of the late 18th century, Benfield has to date not been the subject of serious historical study. The present work attempts, concentrating on Benfield's surviving personal correspondence, to go beyond the caricature of Benfield as 'most notorious of the nabobs' found in most of the secondary literature, and provide at least a sketch for a complete picture of Benfield's career. While a work this short cannot hope to exhaust such a complex subject, as one of the few investigations in detail of the relationships between private finance and political power in late 18th-century India, it does provide some insight into the dysfunctional operation of the English East India Company at an important point in its history: that of its transformation from mercantile enterprise to territorial power.

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CONVENTIONS

TYPOGRAPHY

Unless otherwise noted, emphasis in cited text indicates emphasis in the original.

TERMS

For the sake of consistency with the primary documents I have generally used contemporary spellings for names, places, and titles—“Tanjore” rather than “Thanjavur,” and so on—except where the modern spelling has become the standard one in the secondary literature; thus “Nawab” for “Nabob.” In most cases the connection should be easy enough to follow; where not, a note has been provided.

“The Carnatic,” however, does present a particular difficulty. The Indian region where Paul Benfield concentrated his activities is today known as Karnataka—more or less. A good deal of it is now also known as Tamil Nadu. The borders of modern Karnataka state (until 1973, Mysore) are based on the range of the Kannaa or Kannarese language, and include land from the post-independence states of Bombay, Hyderabad, and Tamil Nadu as well as the original Mysore. The region was known as “the Carnatic” to the English of the 18th century; its nominal capital was the city of Arcot, its functional capital, by Benfield’s day, the largely British-built city of Madras, now both in Tamil Nadu state. In English the title of its ruler was properly Nawab “of the Carnatic,” but the contemporary practice of referring to him as “the Nabob of Arcot” was sufficiently entrenched to have survived to the modern day. More often than not Muhammad Ali Khan is “the Nawab of Arcot” to modern historians; I have followed their example.

ABBREVIATIONS

Unless otherwise noted, references to the *Dictionary of National Biography* and the *History of Parliament* refer to the entries for the persons under discussion.

BC: British Library, OIOC MSS Eur C307 (Benfield Collection)

HP 1964: The History of Parliament: The House of Commons 1754-1790, Vol. II: Members A-J, ed. J. Brooke and L. Napier (London 1964)

HP 1986: The History of Parliament: The House of Commons 1790-1820, Vol. III: Members A-F, ed. R.G. Thorne (London 1986)

INTRODUCTION

By the middle of the 18th century the United Company of Merchants of England Trading to the East Indies had a capitalisation of £3.2 million, fixed by law; £6 million in working credit; annual sales of £1.2 to £2 million; and twenty to thirty of the world's largest and best-equipped merchant ships en route to or from Asia at any one time. It was the largest and most successful commercial organisation of its kind, far outpacing its nearest rivals. The late-arriving *Compagnie française des Indes* had reached its peak in the early 1740s, and the formerly pre-eminent *Verenigde Oost-Indische Compagnie* was by this time no longer profitable. The Company's other foreign rivals were insignificant and in England its royal monopoly was effectively unchallenged.¹

Protecting and extending that monopoly, however, would eventually lead the East India Company a long way from its mercantile origins. European trade in Asia had always gone hand in hand with military force, and in addition to its ships, trading ports, and extraterritorial enclaves the East India Company also had some 15,000 men under arms, rising to more than 100,000 by the century's end.² In 1757 this army (originally built up for the purpose of fighting the French, which it did straight through Europe's mid-century peace and into the Seven Years' War) was used against Indian troops at Plassey, defeating Nawab Siraj-ud-daula of Bengal and placing on the throne his distant cousin Mir Jafar. This new Nawab was less hostile to commercial interests—not only those of the Company, but also those of its powerful allies in the Indian financial community, such as the Jagath Seth banking house. Within a few years, however, the Company had deposed not only Mir Jafar, but his successor as well, and assumed direct control of Bengal—albeit under the nominal suzerainty of the Mughal Emperor in Delhi.³ Further acquisitions followed; and in the half-century after Plassey the Company transformed itself, step by step, from an import-export firm to a private, for-profit imperial government.

Paul Benfield

Paul Benfield (1741-1810) was both an agent and a victim of that transformation. Today he is remembered primarily as the chief creditor of Nawab Muhammad Ali Khan

¹ Marshall 1998, 488-91

² Callahan 6

³ Marshall 1987, 79; Marshall 1998, 501-503

of Arcot—remembered, primarily, because of the vitriol flung at him by Edmund Burke in his speech on the Nawab’s debts, in which, borrowing from Shakespeare, Burke denounced Benfield as ‘a criminal who long since ought to have fattened the region kites with his offal.’⁴ Benfield’s reputation, among modern writers, has not risen. The nearest thing to a favourable description is perhaps P.E. Roberts’ ‘the most typical instance of the debt-holders.’⁵ More often the moderns’ words are less complimentary: the word “notorious” occurs frequently, as in the *DNB*’s ‘notorious principally in consequence of the attack made upon him by Burke,’ the *History of Parliament*’s ‘perhaps the most notorious of the nabobs,’ Cyril Philips’ ‘the most influential and notorious creditor of the Nawab of Arcot,’ and N.S. Ramaswami’s ‘the most notorious of the Nawab’s harpies.’⁶

The notorious Mr Benfield began his career in 1764, at a time when the Company was still consolidating its rule in Bengal, and Benfield’s base of operations, the *de facto* British protectorate of the Carnatic, was still a nominally independent Mughal principality. His career in India spanned more than two decades and included some of the most interesting and tumultuous years in the Company’s history; Benfield himself was a central figure in some of the period’s most controversial episodes. He was three times dismissed from the Company’s service and recalled to England, each time only to be reinstated. With his fingers in nearly every commercial or political pie in India, he amassed a fortune of some half a million pounds. When he was finally sent back to England for good by Lord Cornwallis in 1788, Benfield became a prime example of the new class of “nabobs,” British adventurers who used the ill-gotten fortunes they had acquired in the East to buy country estates, seats in Parliament, and, above all, respectability. Yet, for someone so often mentioned and so generally disliked, Paul Benfield has received relatively little attention from historians.

Research goals

Despite the undisputed importance of the East India Company’s history, there is a surprising amount of information about it that remains unknown. The broad outlines of the Company’s corporate organisation, the principles under which it ostensibly operated, are well known, but the details of its internal organisation—how the Company actually *worked*, on a day-to-day level—are still relatively opaque. In many respects it is questionable whether the Company worked at all. Officially, the purpose of the Company’s trade and of its overseas operations was to make money for the stockholders back in Europe. In practice, however, the reverse often seems to have been the case: the Company apparatus in London acted as a cover, and a shield, for the private activities of

⁴ Burke, quoted in *DNB*

⁵ Roberts 86

⁶ *DNB*; *HP 1986*; Philips 26; Ramaswami 324

the Company's nominal servants in India. One historian, Susil Chaudhury, has gone so far as to assert that the instability leading to the battle of Plassey was deliberately fomented by the British in support of this "private trade."⁷ Untangling these issues requires that we clarify our understanding of the everyday work, decision-making, and thought processes of the individuals who operated for (or in spite of) the East India Company. A study of how Paul Benfield acquired, maintained, and spent his East Indian fortune promises to make a start on exposing some of these details. Obviously, a research project like this one, with its limited scope, cannot hope to find the final answers to any of the open questions about the East India Company's history; but it can perhaps hope to complement the broader but more general studies that have gone before.

The Benfield Collection

The primary source of material for my examination of Benfield's career is the British Library's Benfield Collection, five volumes of Benfield's personal correspondence held in the Library's Oriental and India Office Collection. The vast majority of the documents in the Collection are letters to Benfield from his agents, particularly his London attorneys John Call and N.W. Wraxall. In addition to these letters there are a few from Benfield himself to various correspondents, some copies of correspondence between third parties (particularly letters between the Nawab of Arcot and various British correspondents, the translation of which Benfield may have had a hand in), and a handful of miscellaneous documents. However, it is the correspondence from Benfield's agents that forms the core of my research.

Call, like Benfield, began his career as an engineer and artillery officer in India; he preceded Benfield by some fifteen years. Unlike Benfield, Call participated in several military campaigns, the high point of which was his supervision of the successful siege of Vellore in 1762—but like Benfield, his primary concerns were money and politics. At one point it seemed possible Call might be made Governor of Madras—Clive had recommended him for the post—but in 1770, on the news of his father's death, he returned to his native Cornwall. Call and Benfield undoubtedly came to know one another in Madras, where Call served on the Council from 1768 to 1770; it is even possible that Benfield was Call's direct subordinate, Call having been Engineer of Madras at about the time young Lieutenant Benfield first arrived there. By the 1780s Call was a successful merchant banker, with connections in Parliament and among the aristocracy as well as in the East India Company. These connections netted him a string of government appointments and a seat in Parliament, and in 1791 a baronetcy. While his dealings with Benfield were undoubtedly profitable, he was in no way financially

⁷ Chaudhury 310

dependent on him.⁸

For Wraxall it may have been a different story. His greatest prominence would come in the early years of the next century, as a diplomat of sorts. He also published several volumes of travel writing, and four volumes of chatty, anecdotal memoirs in which he portrayed himself as moving in, if not quite the highest circles, perhaps the next ring down, dropping the names of most of the nobility of Europe. (Those memoirs also earned him a spell in prison for libel, after attributing to the wrong man the rumour that Catherine the Great had been responsible for the assassination of her husband, Tsar Paul III.)⁹ His letters to Benfield are lengthy, breathless, full like his memoirs of court gossip and misplaced emphasis. ('It is commonly *said*, & commonly *believed* by People of the highest Rank, and best Information, that the Prince of W—s is actually *married*, as far as He *can* marry himself contrary to Law—to a Mrs. Fitzherbert. She is a *Catholic*, and about 34 or 33 years of age.'¹⁰) The tone does not inspire a great deal of confidence, and the content—particularly his predictions of future events, as optimistic as they are frequent and as inaccurate as they are optimistic—inspires even less. Yet knowing all this Benfield still seems to have placed an enormous amount of trust in Wraxall. If even half of Wraxall's stories are true (and the most outlandish are generally followed by lists of witnesses), in this Benfield followed any number of more highly placed patrons, including the Duke of Dorset and Thomas de Grey, Lord Walsingham:

Lord Walsingham has been *offer'd* the Embassy to Spain; He has not only *offer'd*—but *conjur'd & entreated* me to accompany Him, *if He goes*. The appointments are of £1,000 *pr. annum*, besides the Situation, and all the Prospects, to which it conducts. I have refused it, from regard to you, without Hesitation. I shall make no Comment upon it. James M—. & Willis know what I say, to be true. Lord W. himself would avow it. I *could* not leave this Country, without it's being follow'd by innumerable Evils to *You*. Who would attend to your various Concerns? Who would write to you? What would become of John, and of Betsy? Call *could* not, even if he were willing, do much. James M—. *would* not do anything. My Honour & my Friendship for you, compel me to refuse any Offer, however great. I *will* do so—but, I hope, Dear Benfield, you won't forget me, as soon as you have it in your Power. I need say no more.¹¹

From the historian's point of view Wraxall's letters have a number of virtues. The hand in which they are written is quite legible (far more than that of, say, Call's letters—Call was losing his sight all through the late 1780s and early 1790s, and went completely blind in 1795). Their grammar is of a high order. Their style of writing, once

⁸ *DNB*

⁹ *DNB*

¹⁰ *BC* vol. 3 fo. 39: Wraxall to Benfield, 7 February 1786

¹¹ *BC* vol. 3 ff. 100-1: Wraxall to Benfield, 19 May 1786

one becomes accustomed to the indiscriminate underlining, is admirably clear. Moreover, there are a great many of them. Of the five volumes of the Benfield Collection, Wraxall's comprise the entirety of one volume and a good part of another. In fact, their share of the whole is more than that proportion would indicate, as Wraxall with his small, neat script often manages to fit two hundred words in a space where Benfield's other correspondents can barely manage a hundred. Against this must be set Wraxall's tendency to repeat himself: he often writes two letters in a week, one by land and another, differing only in details, by sea. Sometimes he writes more often, even when he has nothing in particular to say: 'I can, indeed, do little else today, than repeat and reiterate what I have already endeavour'd to impress on your Judgment & Conviction,' he writes, and then goes on for four closely-spaced double-sided sheets, labelled at the top 'Important & Secret!'¹²

To some extent building up a picture of Benfield's career from these letters is like attempting to paint a portrait when both subject and canvas are visible only as reflections in a mirror. Benfield's immediate circumstances can be known only from his agents' responses to his rare letters; and several important episodes, such as the 1776 "revolution" in Madras against Governor Pigot, the 1784 Parliamentary election (in which the "Indian interest" was said to have bought Pitt's support), Benfield's break with Governor Campbell in 1787, and Benfield's expulsion by Lord Cornwallis in 1788 are hardly more than hinted at, letters from the pivotal months having been lost or destroyed. However, the surviving letters do provide a great deal of information as to the machinations necessary in London to keep Benfield's affairs in order while he was in India; and on some issues—for instance, the manoeuvring that preceded Benfield's election to Parliament in 1790, and that ensured the election of suitable candidates for other rotten boroughs under his control—there is enough detail for each episode to begin an entirely separate research project. The bulk of the letters, however, are those written in London in the 1780s, when Benfield was at the peak of his career in India, and it is on these that I have concentrated.

Other sources

For Benfield's early career I have relied most on J.D. Gurney's masterful, sadly unpublished 1968 Oxford D. Phil. dissertation on the Nawab of Arcot's debts, which covers the period leading up to the 1776 "revolution" in great detail. Gurney's thesis would be invaluable even if its only virtue was the use it makes of the Nawab's diaries, otherwise inaccessible to those without Gurney's command of Persian. However, where it shines is in its integration of the Persian sources with European sources such as Company records and, most notably, the diary of George Paterson, Benfield's

¹² *BC* vol. 3 fo. 31: Wraxall to Benfield, 1 February 1786

predecessor as the Nawab's chief European agent. I have also made use of Paterson's diary to fill in some of the gaps in the chronicle of Benfield's early years in India, particularly his first connections with the Nawab.

Where the end of Benfield's career is concerned, the Collection is if anything less helpful than it is for the beginning. Aside from one letter on the matter of the 1794 loan of £6 million to the Emperor of Austria, there is very little coverage of his apparently spectacular rise to prominence in the London banking world, or of his apparently equally spectacular fall. Of his declining years in Paris, hiding from his creditors, there is none at all. With not only the limitations of my chief source to consider, but limitations of space as well, my treatment of this era is correspondingly brief; after settling Benfield in England on his return from India, I am dependent on the most general of secondary and tertiary sources.

I. AN ABLE AND SKILLFUL ARTIST: 1764-72

Since the establishment of the East India Company... the other inhabitants of England, over and above being excluded from the trade, must have paid in the price of the East India goods which they have consumed, not only for all the extraordinary profits which the company may have made upon those goods in consequence of their monopoly, but for all the extraordinary waste which the fraud and abuse, inseparable from the management of the affairs of so great a company, must necessarily have occasioned.¹³

—Adam Smith

The East India Company of Benfield's time was an institution becoming a victim of its own success. On paper it was, like many other English institutions of the time—the Navy, for instance, or the Company's own armies—thoroughly hierarchical: driven chiefly by seniority, but also by “interest.” Company employees or “servants” followed an established path, laid down by the Court of Directors in the previous century. On joining the Company a new servant was first made a “writer”—a sort of apprentice, or junior secretary. After five years, the writer could expect promotion to “factor”; after three years as factor, to “junior merchant”; and after three more years as junior merchant, to the pinnacle of the hierarchy, the exalted rank of “senior merchant.” To be promoted, all a man had to do was avoid typhoid, dysentery, hepatitis, cholera, malaria, and dismissal from the Company's service.

There were periods—such as the quarter-century that preceded the Battle of Plassey, and saw a number of Company servants bankrupted—where even this was no guarantee of material success. But by Benfield's day the conventional wisdom was that any man who survived his dozen or twenty years in India (as more than half did not) could expect to acquire a substantial fortune. Though getting that fortune back to England might prove to be another matter, the effect was a drastic inflation in the numbers of the Company servants in India, from fewer than 30 in 1707, to about 70 by mid-century, to more than 200 by 1773.¹⁴ (By comparison, it is worth noting that the Company's actual imports and

¹³ Smith, *Wealth of Nations*, bk. iv., ch. vii, pt. iii (ed. Skinner, p. 215)

¹⁴ Marshall 1976, 230 *passim*

exports increased only by two or three times in the same period.¹⁵) Competition for a place with the Company was fierce. A writership could be secured only by appointment from the Court of Directors—that is, either by a substantial outlay in bribes, or by connections that were for all intents and purposes hereditary.¹⁶

The son of a Cheltenham carpenter, Paul Benfield must at first have lacked the requisite funds, or the requisite interest: he came out to Madras not as a writer, but as a lieutenant of artillery.¹⁷ Acquiring an officer's commission in the Company's Madras army must have necessitated a certain amount of corruption—positions in the Company's army, like those in its civilian service, were filled by patronage—but nothing on the scale required for a writership. A parliamentary committee investigating the traffic in Company patronage in 1809 found that a cadetship in the Indian army sold for about £500, while a writership in India might fetch as much as £3000; and in the 1760s the competition for commissions had not yet become so fierce.¹⁸ Lieutenant Benfield, then, was presumably attached to one or another of the Company's Madras regiments, but his primary official appointment was as a civil engineer and architect, with the title of Assistant Engineer. Before long he was promoted to Engineer of Madras.¹⁹ In 1765 he managed to obtain a writership after all, and his occasional suspensions from the Company's service did not prevent him from rising through the ranks roughly on schedule: factor in 1771, junior merchant in 1774, senior merchant in 1776.²⁰

Benfield does not, however, appear to have regarded his position with the Company as much more than a convenience to his private interests. In 1769, he resigned his lieutenant's commission and his position as Engineer of Madras, the better, apparently, to pursue a career as a private contractor.²¹ As an engineer, builder, and architect he was extremely successful, and his ability was apparently highly regarded. Among his better-known projects was a palace built in Madras—on Company land—for the Nawab of Arcot; in its day the palace was the city's architectural wonder, and parts of it are still in use by the government of Madras and by Madras University.²² In 1771 he bid for a contract to strengthen the defences of Fort St. George, the Company's Madras stronghold; in describing the transaction a contemporary observer called Benfield 'an

¹⁵ Chaudhuri 1978, 81-2. The Company's imports and exports fluctuated through a fairly wide range in this period, but regression analysis shows an average increase of about £7500/year for imports and £8000/year for exports for the period 1660-1760, from a base of about £100,000. The increase from 1707 to 1773 can thus be estimated at something less than £500,000, above a base of perhaps £300,000.

¹⁶ Callahan 17

¹⁷ Gurney 163

¹⁸ Callahan 16-7

¹⁹ Ramaswami 250

²⁰ *HP* 1986

²¹ *HP* 1964

²² Ramaswami 319-20

able and skillful artist’, lamenting that the plan had been ‘defeated by some Management, which may very probably make the subject of a future Enquiry.’²³ Benfield’s engineering talents extended beyond construction; in 1773, for instance, on the recommendation of Col. Patrick Ross of the Company’s Madras army, he was asked by the Nawab to construct new gun carriages for the fortifications at Tanjore.²⁴ Respecting the latter case, it is true that the Company’s officers were not above engaging in fraudulent or at least corrupt contracts, particularly where the costs could be borne by the Company’s Indian allies.²⁵ It is also true that Col. Ross and Benfield were later, if not at the time, financially involved: In 1778 Benfield apparently borrowed some £21,000 from Ross, or at least gave him a bond for that amount—a sum that was not repaid in its entirety until 1794.²⁶ But at the time there appears to have been no doubt in anyone’s mind that the work of the gun carriages was safe in Benfield’s hands.

Meanwhile Benfield was pursuing other, ultimately more lucrative directions. The loan to Col. Ross was not Benfield’s first. He joined another Company servant, Francis Jourdan, in a commercial partnership, and by 1772, in refusing the Company’s order to transfer to the new settlement of Balambangan in Java, was able to claim 2 1/2 lakhs of pagodas (roughly £75,000-£100,000) in outstanding concerns, ‘five vessels under his particular charge and chiefly his own and the concerns of many absent people in his hands to a very considerable amount.’ (With such a volume of business at stake, relocating to the Dutch East Indies was out of the question.) At about the same time he acquired the services of an Indian dubash, Comaroo, and with Comaroo’s backing and the capital from his contracting work embarked on a career as a banker and moneylender.²⁷ How exactly Benfield did this is not entirely clear; by his own testimony in 1779,

by long and extensive dealings as a merchant he had gained credit at Fort St. George, and confidence with the natives of India, and with the moneyed people in particular, to an extent never before experienced by any European in that country.²⁸

These interests fed each other: when Benfield was suspended for refusing to go to Balambangan, it was his merits as a contractor that formed the basis of his supporters’ arguments for his reinstatement, and his banking activities that funded the bribes paid to

²³ Ramaswami 216

²⁴ Paterson diary, 18 Nov. 1773

²⁵ Callahan 33-4

²⁶ *BC* vol. 1, fo. 7: Call to Benfield, 28 Jul. 1790; *BC* vol. 1, fo. 32: Ross to Call, 24 Jan. 1794; *BC* vol. 1, fo. 30, Call to Benfield, 24 Jun. 1794

²⁷ Gurney 164, 233

²⁸ *DNB*

them to speak on his behalf.²⁹

Eventually, though, Benfield the financier came to predominate over Benfield the engineer and Benfield the trader. The Madras Presidency offered a great deal of opportunity for anyone with a certain amount of capital and a certain amount of patience, and Benfield took advantage of it. He lent extensively, and bought other lenders' nonperforming loans up at discount.³⁰ Not only were there commercial opportunities among the European and Indian merchants, the Company government itself ran a continual deficit. The Madras government

could not act at all without the facilities provided by its own servants in their private capacities and by the private European merchants... [T]he governor and council had one invariable rule: arrange for the military expenditure, let the rest wait, sell bills on Bengal or, if authorized from home, advertise to receive cash and give in exchange either bills on London or their own 8 per cent bonds... All these transactions in bonds, bills of exchange, and bills on London made business for the private merchant.³¹

Furthermore, local Indian princes, like the Nawab of Arcot and the Rajah of Tanjore, were always in need of funds to pay both their own troops and the Company's protection money. Benfield became prominent early on among the Nawab's creditors and those of the Rajah of Tanjore. In the 1760s he, like many other Europeans in Madras, had invested in the Nawab's bonds, 'a seemingly safe and profitable investment for most in the settlement.' He lent to the Nawab directly and also bought up bonds held by others; his holdings in the Nawab's bonds had by 1772 already reached nearly 40,000 pagodas.³²

Only Benfield's 'ebullient and aggressive character, his outspoken criticisms of the Nawab's revenue management and his Tanjore interests' prevented him from going further.³³ In the last months of 1772, however, the Nawab's desperation apparently overcame his reservations. Unable to borrow further from his other creditors, he turned to Benfield. Benfield not only extended additional loans, but also took responsibility for paying the dividends on the bonds that were already outstanding, and so restored the Nawab's faltering credit.³⁴ It was the beginning of the relationship that would make Benfield's reputation.

²⁹ Gurney 165

³⁰ Gurney 170

³¹ Furber 1941, 276-8

³² Gurney 170

³³ Gurney 186

³⁴ Gurney 170

II. USEFUL TO THE NABOB IN MANY WAYS: 1773-80

Mr. Benfield's desire is more Money, which I never thought of before; for he always had endeavored to appear to me as wanting nothing of the Nabob but his accounts settled and his present debts paid off... Benfield's mind is full of suspicions—He bribes thro' every thing himself—he is anxious to be in every Man's secrets—He suspects all mankind and is ready to believe every body else as bad as himself; but, notwithstanding all these, this business must be brought to bear if possible for more reasons than one; were it not for that and that my stay is now so short in this Country, I should have no objection against suffering Mr. Benfield to indulge his own humor for a time.

—George Paterson's diary, 25 August 1774

There is some debate in the literature as to the character of Muhammad Ali Khan, Nawab of Arcot, and correspondingly, as to the origin of his notorious debts. Ramaswami writes that the Nawab 'carefully created an interest for himself... by borrowing from influential Britons in Madras at interest rates that should have made their mouths water.'³⁵ Whelan, in his work on Edmund Burke and India, gives the Nawab less credit, calling him 'irresponsible or inept'.³⁶ Burke himself, even allowing a certain discount for hyperbole, appears to have had no doubt that the Nawab knew what he was doing:

[T]he Nawab of Arcot and his creditors are not adversaries, but collusive parties... the whole transaction is under a false colour and false names. The litigation... is between him and them combining and confederating on one side, and the public revenues, and the miserable inhabitants of a ruined country on the other.³⁷

George Paterson, one of the closest Europeans to the Nawab, for several years the Nawab's confidential secretary, describes a more complex character: not, perhaps, a strong ruler, or a brilliant one; but it would have taken an exceptionally able and strong-willed individual to cope with the Nawab's situation. The Muhammad Ali Khan that emerges from Paterson's diary is beset by difficulties: corruption and inefficiency of his

³⁵ Ramaswami 239

³⁶ Whelan 108

³⁷ Burke, quoted in Roberts, 93

administration, contention between his two sons, external threats from hostile Indian and European powers, and, above all, the stress of trying to preserve some semblance of dignity and independence.

Necessities of the State

‘The Nawab’s independence was,’ P.J. Marshall writes, ‘little more than nominal.’ He was indebted to the Company morally as well as financially, having been helped to his throne by the Company’s army at a time when the French were backing a rival claimant. In return for this assistance the Nawab not only made grants of territory, he undertook to assume the costs of the war, and of the ongoing maintenance of British troops in his territory.³⁸ By 1773 these obligations entailed annual payments of more than three quarters of a million pagodas.³⁹ To realise the necessary sums the Nawab was forced to mortgage the land-tax revenue of his provinces both to local moneylenders and, increasingly, to Europeans. This might have been a practical solution if the Nawab had been a skilled administrator, or had the service of diligent and honest ministers, but this was not the case. Paterson wrote:

Sometimes he had flush of money, and then he applied it improperly with profusion; so that, when the necessities of the State made great payments necessary, he had nothing, and was obliged to raise money at an exorbitant interest, from Soucars and Money lenders of every denomination, which ruined his finances, brought thim into disgrace with the publick, and after all his payments were precarious and uncertain. His Sepoys... have frequently mutinied for want of pay; while his Country Horse and the Tuncas upon his Countries for the expenses of his Civil Government, impoverish the people; and are the cause of enormous accounts being produced to his Treasurer, instead of Bags of Pagodas.⁴⁰

Between poor management and usurious interest the Nawab soon fell into arrears. The amount of revenue that could be squeezed from the provinces he currently held was limited: at best, Gurney estimates, ‘under a stable administration in years of peace and average rains,’ it might reach 2.5 million pagodas, but the actual revenue being realised was only about a third of that.⁴¹

At any rate, by 1773 nearly every province that could be mortgaged, had been. However, the neighbouring Hindu principality of Tanjore produced, at least on paper, an annual revenue of 20 lakhs of pagodas.⁴² The Nawab had nominal suzerainty over Tanjore, and on the pretext that the Rajah had not paid him the share of its revenues to

³⁸ Marshall 1998, 501

³⁹ Paterson diary, 5 December 1773

⁴⁰ Paterson diary, 5 December 1773

⁴¹ Gurney 215

⁴² Gurney 215

which he was entitled, asserted his right to dispossess him of them. His first attempt on Tanjore was only a qualified success: he failed to conquer it outright, but did extract from the Rajah a promise of a substantial sum in tribute. The Rajah's finances being in no better state than the Nawab's, he was forced, like the Nawab, to borrow the money against the future revenues of his provinces. Benfield, for instance, lent at least 5 lakhs of pagodas at 24% annual interest. A good part of that sum was made up of money deposited with him by other Madras Europeans like Matthew Horne, Sir Robert Fletcher, and Samuel Johnson. Others, including members of the Madras council, were also among the Rajah's creditors. When the promised payments were not forthcoming, the Nawab suspected some machination on the part of these Europeans and their dubashes—particularly Benfield's dubash Comaroo.⁴³ By promising them an even larger share of the Tanjore revenues, however, the Nawab was able to convince both the Rajah's creditors and the council as a whole to underwrite the operation, and in 1773, on their second attempt, the Company's troops succeeded in annexing Tanjore for the Nawab.⁴⁴

Arrangements to answer every demand

There were a few loose ends to be tied up. The *Verenigde Oost-Indische Compagnie's* Tranquebar factory had its own claims on the Tanjore revenues. These were settled by repaying the Rajah's debt to the VOC, but only at the cost of a large bribe to the Dutch Governor at Negapatnam, Van Vleissingen, and his council. According to Paterson, the negotiations did not go well:

[H]ad the Nabob taken the proper method of settling it privately with the Governor of Negapatnam, the business had been over long ago, and would have saved him a great deal of money... he might have got off, even for the original money, which had been paid to the Rajah, had he sent a private Agent to Negapatnam, with full power to give the Governor a large proportion of the difference between that, and their present demand. But the Nabob's vanity, to make his consequence appear, wished rather to force them to it, by the assistance of the Company's Troops... In this way, many things might be urged, to make the Governor see his own interest in complying with the Nabobs demands; which might be very well made to appear to the Dutch Company, to be the consequence of urgent necessity.⁴⁵

The man called on to rescue the situation was Paul Benfield, whose handling of the business restored him to the Nawab's good graces. It was about this time that the Nawab accepted Col. Ross' recommendation of Benfield as the man to handle the Tanjore gun carriages, but that was only the beginning of it. Paterson, who had acted as the Nawab's chief advisor on dealings with the Europeans, was preparing to return to Europe and

⁴³ Gurney 170, 186-8

⁴⁴ Whelan 111

⁴⁵ Paterson diary, 9 November 1773

hoped to make sure that matters at the durbar did not fall apart in his absence. His connection with the Nawab was his own best guarantee of future success, and he needed someone in place at the durbar who would support the Nawab and keep his regime on an even keel.

I went to the Nabob, and had a great deal of conversation about the advantages which must accrue to his finances, by making his arrangements for all his different payments, in such a manner, as to make the produce of certain Countries, answer every demand, that can be made upon the Circar, either for prize money, pay of his Troops, the Company, The Creditors &ca. &ca. &ca. and I proposed, that he should without delay conclude a written agreement with Benfield for this purpose... which could be signed and sealed by them both, and then it would be binding.⁴⁶

Having gained the Nawab's qualified approval, Paterson then did his best to ensure the backing of the Nawab's dubash, whose opposition to the plan would doubtless be fatal. 'I said everything in my power to Vencatachulum, of the advantages that must accrue to the Nabob, from the proposed arrangement of his Finances... I likewise told Vencatachulum, that Benfield could make himself usefull to the Nabob, in many ways besides his money concerns.'⁴⁷

The agreement was signed on 5 December 1773, and Paul Benfield officially became banker to the Carnatic. Paterson believed that the Nawab's finances were finally in capable hands. 'Thus a very tedious and a very laborious task has been brought to a conclusion,' he wrote. '[T]he Nabob could not have satisfied the very large demands for money, without the assistance of Mr. Benfield.'⁴⁸ But while the argument of Benfield's unique qualifications may have satisfied Vencatachulum and the Nawab, it did not satisfy Paterson's European rivals, who doubtless had looked to his immanent departure as an opportunity. They immediately began looking for ways to unravel the arrangement.⁴⁹ Benfield's only other weapon, besides Paterson's influence over the Nawab, was his own influence over the Governor of Madras, Alexander Wynch. The 'hapless' Wynch was one of the Nawab's creditors in his own right, and was also one of Benfield's investors. Supporting Benfield's plans for reorganisation of the Nawab's finances must have seemed his best hope of recovering his money; while to the extent those plans promised to secure the Nawab's payments to the Company, he could justify supporting them in his public capacity as well. Between them they were able to keep a reasonably tight rein on the Nawab, Wynch threatening to call in the Company's debts whenever Benfield's

⁴⁶ Paterson diary, 27 November 1773

⁴⁷ Paterson diary, 29 November 1773

⁴⁸ Paterson diary, 5 December 1773

⁴⁹ Gurney 237

position was threatened.⁵⁰

Still, if he lost his exclusive contract, Benfield was in trouble. The money he provided to the Nawab was by no means all his. As Gurney points out, if Benfield's personal fortune in 1773 was no more than the 2 lakhs of pagodas he claimed, there was no way he could meet the Nawab's financial obligations without the support of outside investors. "They welcomed the high returns and anonymity that Benfield's management gave them, but once a competitor offered better terms, those not attached to Benfield by ties of friendship or self-interest, would not scruple to withdraw their backing." He could not afford to have any European rival offering those investors more attractive terms.⁵¹ Benfield's situation was made more precarious by the arrival in 1774 of Laughlin Macleane, 'an adventurer on a grand scale,' who joined the rival European camp. The group Macleane came to lead was, according to Gurney, 'a set of unscrupulous adventurers' who made even Benfield, Paterson, and Wynch look good. Through 'unrealistic proposals,' encouraging the Nawab in 'his greatest illusion—that he was an independent sovereign,' Macleane quickly gained the Nawab's confidence, displacing Paterson and Benfield.⁵² While Macleane, Macpherson and their allies were not able to completely dislodge Benfield, their opposition was enough to disrupt Benfield's control over the Nawab's finances. By the end of 1775 Macleane had obtained a commission as the Nawab's agent, with a salary of £5,000, and was sent to England to negotiate directly with the English government. Meanwhile his schemes had doubled the Nawab's debt.⁵³

Benfield's plans for a more productive management deteriorated into extortion and avarice, when the durbar did not give him the financial and political control of their affairs that he wanted. Exploited by him and Wynch, deceived by the false hopes with which Macleane and Macpherson flattered him, the Nawab's affairs again demanded the directors' intervention. That came in no uncertain manner with Lord Pigot's arrival as governor.⁵⁴

A dangerous and subversive precedent

The new governor, George Pigot, was a seasoned India hand, a stronger character than Wynch and one who would not be easily taken in. Moreover, he had already made his fortune; the gain in reputation and political influence from a successful tour as governor meant more to him than any purely monetary inducements Benfield might offer. His arrival spelled the end of Benfield's cosy relationship with the Madras government. That by itself would have been a blow, but as John Call wrote from London to warn

⁵⁰ Gurney 250

⁵¹ Gurney 232-3

⁵² Marshall 1965, 9; Gurney 210, 282

⁵³ Marshall 1965, 9

⁵⁴ Gurney 283

Benfield, the new governor's instructions were directly contrary to Benfield's interests:

As Lord Pigot is thoroughly acquainted... of the Embarrassment which the Claims of private Creditors on the Nabob has given to the Government I fancy he will not only endeavour to get all paid off, but he will also remove all English Subjects from the Nabob, & prevent any transactions or dealings with thim. His Resolutions on this Head will I fancy affect you, & I give you this hint that you may in Time close your Concerns & not be involv'd to your Prejudice, if you continue to be the Nabobs agent as you were lately.⁵⁵

Benfield's concerns were too complex to be easily closed, and he was still deeply involved to his prejudice when Pigot arrived. An apparent letter of support from the Nawab to Benfield written in May 1776 details the loans Benfield had made to the Nawab and the mortgages given him on the Tanjore revenues in security:

The Money on account of several bonds which I owe to you, and which was paid by you on my Account to the Company for prize Money, for repairing the Fort of Tanjore, to my troops at Tanjore, and for Sundry other purposes, amounted in the whole to 369091 Pags., for securing the payment of which to you, I agreed in last November to mortgage to you the Revenues of Manargoody in the Tanjore Country till your Money should be paid off... besides which I gave you a Perwunna on the Papanassy Country for 20,000 Pags., which you had advanc'd in the Month of January 1775 to Mahomed Naif Cawn for the use of his troops, I also gave you a Perwunna for 15000, P. in the month of Nov. 1774 which you had advanced to the use of the Fort. It is Customary in this Country to make advances to the Inhabitants for the purpose of Cultivating and planting the land, & in the months of Augt. September and October Last, when A. U. O. Bahadr. was in the managmt. of the Tanjore Country... he took up from You 120,659 Ps., for which he gave you his bonds and to secure the paymt. Thereof, it was agreed wth. you that the Bonds of the Inhab. should be held by You as security, and that you should receive the monies due by said bonds from the Inhabitants till you should be cleared off.⁵⁶

Pigot's orders were, first, to ensure the priority of the Nawab's debts to the Company over those to his private creditors, and second, to restore the domains of the Rajah of Tanjore.⁵⁷ The restored Rajah naturally refused to honour Benfield's Tanjore mortgages. If there was no other bright side for Benfield in this situation, at least this threat was enough to unite the rivalrous Madras factions—against Pigot and in favour of private interests. It took little time for Pigot to find himself at odds with the rest of the Madras

⁵⁵ *BC* vol. 2 fo. 4: Call to Benfield, 10 March 1775

⁵⁶ *BC* vol. 2 ff. 103-4: Nawab to Benfield, 26 May 1776. 'A.U.O. Bahadr.' is Amir al-Omrah Bahadur, the Nawab's second son. At the close of the letter is written 'In the Nabob's own Hand', but of course without a Persian original one cannot be sure; this letter might be a rough copy of a translation, or then again it might be a draft of a document Benfield intended to have the Nawab sign in support of his claims against Pigot and the Rajah of Tanjore. If the latter, it at least shows the sort of claim that Benfield intended to be believed.

⁵⁷ Gurney viii, Roberts 86

government. A few months after his arrival a crisis was precipitated that resulted in the new governor arresting two members of his own council; he was then deposed in turn by a veritable palace coup, ‘arrested’ by trickery, and thrown into his own prison. As soon as the news reached London, an order was sent out for his reinstatement, but it came too late—Pigot had already died ‘from mental stress and the rigours of the confinement.’⁵⁸

By all accounts, Paul Benfield was at the back of the Madras ‘revolution’, as it came to be called, though he had no official part in Pigot’s arrest. He was among those recalled to England in 1777, ‘charged with having aided and abetted the malcontents in the Madras council.’⁵⁹ Rumour, however, was not enough to convict him of those charges. While the Company’s response to the affair was being deliberated in London, Call, who from his time in India had friends on both sides of the issue, wrote Benfield a reassuring letter:

I have not heard a Syllable of any Resolution in relation to yourself; for tho’ it is said that you had taken a very active part in the Revolution, & were a chief adviser & promoter of it, yet as nothing appears on the publick Records, & you were not in any office or Employ to be an Actor, I do not see how they can reach you with any censure, or bring home any charge, unless it be for engaging in Loans contrary to their orders.⁶⁰

And when Benfield arrived in England in 1779 he was exonerated even from that charge. The Court of Directors, in fact, resolved not only that Benfield’s loans to the Nawab had been legitimate, but that ‘his conduct, so far as it respects the loan to satisfy the claims of the Dutch, was productive of public benefit.’⁶¹

Call’s letter contained not only a reassurance, however, but also a warning:

There are few or none (except his immediate Relations) who exculpate Lord Pigot, or even attempt to defend many of his proceedings; but the Circumstance that hurts and cannot be mitigated on the opposite side is the seizing and confining of his Person, in the manner it was done. That was a slip so dangerous as a precedent, & so wholly subversive of all Government, that it cannot be pass’d over, or forgiven... What a change will this unfortunate measure effect in the harmony, & tranquility among individuals at Madras, & perhaps among higher Powers too.⁶²

⁵⁸ Roberts 111

⁵⁹ *HP* 1964

⁶⁰ *BC* vol. 2 fo. 10: Call to Benfield, 15 June 1777

⁶¹ *DNB*

⁶² *BC* vol. 2 fo. 10: Call to Benfield, 15 June 1777

III. FAR MORE OFFENSIVE AND OBJECTIONABLE: 1781-9

In a private View, and from personal Feelings, no Event could be more agreeable to Me, than your Return to this Country. But, however much I may wish it, I feel that it is my Duty to you to say, fairly & plainly, that in my opinion, your coming here at this time *could not be advantageous*, & most probably *would be very injurious* to your greatest Objects & Interests... My dear Benfield, you know what numerous & virulent Enemies, your Talents, your Political Connexions, and your supposed ample Fortune excited, when You was in England the last time. Those Enmities are dormant, but, by no means, extinct. *The Paddy*, when he quits *Hastings*, will fall upon *you*, if you are here.⁶³

—Nathaniel W. Wraxall to Paul Benfield, 28 May 1786

In January 1781, Benfield returned to India, and did not set foot again in England for more than nine years. Having escaped prosecution over the Pigot affair, he doubtless hoped for a return to business as usual. His connections with the Nawab were intact, strengthened now by Maclean's 1778 death by drowning, and by his alliance with the Macphersons. With Wynch's departure he had lost his best patron in the Madras government, but the new administration of Lord Macartney offered its own opportunities: a governor largely unfamiliar with India would doubtless require an advisor with Benfield's expertise. Benfield must have had every expectation of continued success in Madras. And, of course, by returning to India he also escaped his London entanglements.

Considerable expense and uncertain resources

Dealing with those entanglements became the responsibility of John Call and Nathaniel William Wraxall. Perhaps the most urgent issue was the mollification of Benfield's creditors, who were both numerous and clamorous. It seems quite likely that one of Benfield's motives for returning to India was to again put several thousand miles between himself and them (though at the cost, presumably, of putting himself again in reach of his other creditors in India). An example of the creditors was Andrew Newton,

⁶³ BC vol. 3 fo. 108: Wraxall to Benfield, 28 May 1786

who seems to have missed Benfield in London by mere weeks. His letter, below, shows that though the international financial system may have been well developed by this time, the slow pace of transport and communication could still present considerable obstacles to someone attempting to collect a private debt, and offer considerable advantages to someone attempting to evade one:

Gentlemen,

When I arrived in Town, the beginning of February last, nothing could equal my surprise to find that Mr. Benfield had quitted the kingdom without giving me the least notice, or making any provision for the discharge of your Joint Bond for £8710.10., which was due the first of April last; it is true, Messrs. Wynch and Call have since that received letters from him, and have paid me one years interest, and this with the like sum paid by Mr. Benfield in may last is all you have paid, for money lent in the beginning of the year 74, now above seven years, tho' payment was repeatedly demanded by, and as often promised to, my Attorneys at Madrass... I expected punctuality, instead of which, I find Mr. Benfield wrote the above gentlemen that I had agreed to waite for payment; this I positively deny... I hope you will immediately make remittances for the discharge of your Bond, and not oblige me to have recourse to methods that cannot be more to your discredit, and dishonor, than they will be disagreeable to

Gentlemen

your very hum. Servt.

Andw. Newton⁶⁴

Besides holding off Benfield's creditors, Call and Wraxall also had to deal with his domestic responsibilities. Benfield had no children of his own (that he acknowledged, at any rate) until the 1790s, but he did take responsibility for the education of two nieces and a nephew, the Snows; a sister's children, presumably—what became of Mr. Snow is unclear. The children appear to have lived in Ireland until some time in the 1780s. Wraxall writes of the nephew: 'It is a pity that John was left so long in that barbarous country—Ireland; but, however, all that Expense and Education *can do*, to retrieve the time lost, has been, & continues to be done.'⁶⁵ One of the children, the elder Miss Snow (otherwise nameless in the letters) took ill and died in 1785, but Benfield seems to have done well by the survivors, John and Elizabeth. Under Wraxall's care, John was put to school at Eton, and Elizabeth placed at La Belle Chasse, 'one of the best convents in Paris,' with a Madame de Martinville, 'one of the most charming, & accomplished Women of Fashion in France' in charge of her welfare.⁶⁶

⁶⁴ BC vol. 5 fo. 60: Newton to Benfield and Jourdan, 14 March 1781

⁶⁵ BC vol. 3 fo. 46: Wraxall to Benfield, 15 February 1786

⁶⁶ BC vol. 3 fo. 126: Wraxall to Benfield, 1 August 1786; BC vol. 3 fo. 156: Wraxall to Benfield, 23 October 1786

Such care did not come without cost. Wraxall did his best:

However considerable the additional immediate, as well as future annual Expence, attending Betsy's Removal to Paris; & however uncertain are, & may be our pecuniary Resources; yet, I have determin'd to suffer no Obstacle whatever to prevent my complying with your so warm Requests, in a matter so very important to Betsy... John goes on very well at Eton, under Dr. Sumner. For every reason, I shall leave all Idea of procuring him a Commission, 'till I hear further from you, and that We have a Remittance. I *cannot* do anything, at present, 'till we receive Money.⁶⁷

But money was not forthcoming. For a man who claimed (some years later, admittedly) a fortune of half a million, Benfield provided his London agents with remarkably little in the way of resources. Nearly every letter from Wraxall to Benfield includes a request for funds, the requests becoming increasingly strident as the months pass without so much as a guinea from India. That anywhere from eight months to a year might pass before Wraxall could expect to receive a reply to any of his letters seems to have deterred him not at all.

Our Distress for Money is really such, & our Resources are so completely, gone, that, indeed, My Dear Friend, if you don't remit to *Us*, or furnish *me exclusively* with some means of going on, I *cannot* answer for Consequences. I am sure, that for your own sake, you will strain every Nerve, & make a point, in some way or other, of remitting *Us Something*, without Delay!⁶⁸

In the absence of funds from India, their other resources were few. Benfield had debtors in England as well as creditors, but the latter seem to have far outnumbered the former, and when his agents dealt with the former, it appears they were at a distinct disadvantage.

Woodhouse has at last paid a part, & promises the Remainder of his *original Debt*, namely 3,500.—for which, when paid, we have agreed to give him up his *Note to You*, deliver'd to us by Townson. Of consequence, Woodhouse saves the *Interest*—but, in our distressed State... we were necessitated to accept joyfully Woodhouse's Offer of paying the *Principal*, as we have been torn in pieces by your Creditors here, & had not a Sixpence, wherewith to satisfy them... We trust, Dear Benfield, that you will make every possible Exertion, to send *Us*, at least, a small Supply of Money—either by Diamonds, or in some other shape, as soon as possible, as God knows to what Extremities we may be reduced, if some Remittance does not soon arrive.⁶⁹

⁶⁷ *BC* vol. 3 fo. 123: Wraxall to Benfield, 15 June 1786

⁶⁸ *BC* vol. 3 fo. 125: Wraxall to Benfield, 15 June 1786

⁶⁹ *BC* vol. 3 fo. 33: Wraxall to Benfield, 1 February 1786

Measures of public necessity

Of course it was not only Benfield's creditors that his agents had to deal with, not only everyday expenses like those of providing for John and Betsy Snow. Without a title, without family connections, without significant property in England, without any other natural source of "interest," the only real means Benfield had of gaining political influence was money.

I am sure, My dear Friend, that it is unnecessary for me to make any Comment, or to add any Explanation of the Articles of the enclos'd account of Money expended on your Affairs... The £20 Note, which I give annually to Wood—ll, is *well laid out*. The £50, for "Secret Service Money," is *equally* so, as *Call* and *Willis* know. We *must* have a Person at the India House, who is *friendly*. I need say no more.⁷⁰

And if there was one thing that Benfield was in need of in this period, it was political influence in England. In the 1760s and 1770s, the influence Benfield's money gave him over local government and local politics in the Carnatic had generally been enough to protect his financial interests. But with his sponsorship of the revolution of 1776, he overplayed his hand. He would not be able to get around the next Governor of Madras as easily. George Macartney, Earl Macartney (it was an Irish title), unlike Lord Pigot, unlike any of the previous Company governors, was not an old India hand; he was, rather, a career administrator, the first of the new outside governors brought in under the more open policy of the 1780s. Macartney's qualifications included a stint as chief secretary for Ireland, and another as governor of a Crown Colony in the West Indies. What Benfield first saw as an opportunity was in fact a sign that the Company's servants in Madras would no longer be able to operate without scrutiny from or accountability to the government in London.

At first things must have seemed to Benfield to be going well. Macartney's first priority was, as it would be for his successors and indeed most of Britain's India governors for the next several decades, to put the finances of his territory on a sound footing. In Madras that primarily meant finding a way to ensure regular payment of the monies owed by the Nawab for the upkeep of the Company's troops—a necessity made all the more urgent by the renewal of hostilities between the Company and Hyder Ali of Mysore. In the crisis an arrangement had been made whereby—as in the debt schemes of the previous decade—the Nawab would assign the tax revenues of certain districts over to the Company, allowing the Company to collect its money directly. The man Macartney placed in charge of the business was none other than Paul Benfield. In the fall of 1781 Macartney appointed 'Six Gentlemen on the part of the Company—viz. Mr Benfield &c.' to negotiate with the Nawab's son, Amir al-Omrah, 'the powers to be vested in the

⁷⁰ BC vol. 3 fo. 40: Wraxall to Benfield, 9 February 1786

persons appointed on the part of the Company to reside in the several districts' for the collection of the revenues.⁷¹ According to Benfield he himself had 'entirely suggested' to Macartney the plan of the Committee of Assigned Revenue, as it was called, and Macartney placed him at the head of it in 'a handsome manner.'⁷²

From there, however, things quickly fell apart. 'You will perhaps be astonished to hear of the Strange Alteration of Conduct of Lord Macartney towards me,' Benfield wrote in the same letter. 'I can attribute his unwarrantable and mean Behavior to me to no other Cause than his extreme Jealousy that the uncommon Zeal I shewe to urge him to measures of Public Necessity must procede from other Motives than he could devine'—not an unreasonable assumption, given what we know of Benfield's character, though it is curious that Macartney should not have discovered it sooner—or else that he feared I should gain Credit in the Conduct of important Trusts and be more conspicuous in the public Service than it seems his inclination to permit any Individual.' When the committee failed to produce results, Macartney dissolved it and assumed direct management of the revenue collection; when this also failed he reconstituted the committee, but without Benfield. 'Stung with the Idea that I might gain Credit by the Conduct of so import. a Charge in which he had failed, he removed me... without either Cause or Plea, and from no other Motive that I can divine than what I have afore Suggested.'⁷³

Benfield may not have been able to divine it, but one of Macartney's motives may have been the suspicion that, even if his private concerns were to be taken out of consideration, Benfield was still far too cosy with the Nawab to be trusted to maintain the Company's interests against him. And it was quite definitely "against". What began as a co-operative arrangement between the Governor and the Nawab to maintain the finances of the durbar and the Presidency on a war footing quickly degenerated into an ugly, open quarrel, with Macartney accusing the Nawab of deliberately obstructing the collection of the revenue and the Nawab accusing Macartney of undermining his authority, dignity, and sovereignty. A few weeks after Benfield was taken off the Committee of Assigned Revenue the Nawab wrote to Macartney:

I have received your Lordship's letter of the 18th. Robellowel or 21st February 1782 and understand what you have been pleased to say of my judging it expedient upon your Lordship's Solicitation to make an Assignment of my Revenues to the Company under Certain Conditions to Support the expenses of the War, of your having Continued my Servants in their Respective Offices in consequence of your confidence in my Agreement., of this disobedience in not sending Money & the accounts agreeable to your Orders, of the

⁷¹ *BC* vol. 2 fo. 30, Nawab to Macartney, 11 October 1781

⁷² *BC* vol. 2 fo. 215, Benfield to Atkinson, 26 January 1782

⁷³ *BC* vol. 2 ff. 215-6, Benfield to Atkinson, 26 January 1782

Strangest disposition being every where manifested to with-hold from your Lordship's sight every tittle of information, of Orders being Sent by me Relating to the Revenues Contrary to the Agreement of the Phouzgars interfering & Controlling the Amildars who are under your Lordship's orders in every thing regarding the Revenues, all this I fully understand.⁷⁴

If Macartney believed Benfield to be a party to this apparent lack of co-operation, it is easy to see why he would be unlikely to trust Benfield with any administrative responsibility, his own vanity or lack of it notwithstanding. And while Benfield's feud with the Governor closed him off from all opportunity to distinguish himself in Madras, a change of government in England seemed likely to close off his opportunities in England as well. In 1782 he wrote:

The total Change of Administration at home has been an unexpected Blow, and must have disconcerted the Hopes I had conceived from the Arrangement made by my Friends in Europe. Still I trust their zealous Exertions will be continued, and that a Prospect will be opened for my Plan of Advancement by their Communications with the present Ministry.⁷⁵

These communications were not entirely successful. A 1783 letter to Benfield's sometime business partner Richard Atkinson is almost desperate in tone:

For Heaven's sake my Dear Atkinson, use your good offices towards the arrangements of the Nabob's Consolidated Fund I am very deeply concerned there, and every thing has been done by the Nabob to fix the fund upon a proper footing. Call is well informed of all these matters. I should be glad to [dispose] of a large sum of this Loan... I would not stand upon the price so that it could be negotiated; I want to be back amongst my Friends and a few of those firmly settled would enable me; therefore it is not the quantity, but the positive arrangement that I want.⁷⁶

That positive arrangement came with the general election of 1784. A more sympathetic administration under the leadership of William Pitt passed an India Act that established the Crown's authority over and, to some extent, responsibility for Indian affairs. These were vested in a commission known as the Board of Control, one of the first acts of which was to assume responsibility for the collection of the Nawab's debts. It was in response to this arrangement that Edmund Burke made his celebrated speech attacking Benfield and the other creditors; but despite Burke's efforts the settlement went through. Benfield's share allegedly came to '£35,520 a year charged to the public revenues, with further sums bringing his income to £149,520.'⁷⁷

Foremost among Burke's accusations was the claim that the settlement of the

⁷⁴ *BC* vol. 2 fo. 42, Nawab to Macartney, 7 March 1782

⁷⁵ *BC* vol. 2 fo. 229: Benfield to Atkinson, 17 October 1782

⁷⁶ *BC* vol. 2 ff. 240-241: Benfield to Atkinson, 13 August 1783

⁷⁷ Roberts 95

Nawab's debts was made in order to repay the 'Arcot interest' for their political and financial support in the 1784 election. Of the men who made up the so-called Arcot interest, 'Paul Benfield was the most notorious, but there were many other influential creditors, including several Directors and at least thirteen members of Parliament.'⁷⁸ That some amount of corruption was a factor in the settlement of the debts is almost certain—it is hard to see how a settlement so favourable to the creditors, particularly one so favourable to the private creditors over the Company, would have been made otherwise. Burke's description of Benfield's part in the affair, however, may have been somewhat exaggerated. Certainly if the omission from the Benfield Collection of any significant correspondence about the election was deliberate, one has to wonder what Benfield felt he had to hide. The surviving letters clearly show Benfield's desire for influence and his willingness to use what influence he had. But Burke and Benfield were old adversaries by this time, with an animosity between them dating back at least to the late 1770s. Burke's cousin William, in what was apparently only one in a long series of more or less hare-brained get-rich-quick schemes, had gone out to India in 1777 and returned to England as agent for the deposed Rajah of Tanjore, just as Benfield was defending his part in the deposition. P.J. Marshall writes:

Burke's notorious family loyalty does not seem to have blinded him to William's lack of realism about his own financial prospects. Edmund does not, on the other hand, appear to have had any doubts about the soundness of William's sympathies and was perhaps insufficiently critical of William's version of the rights and grievances of the Rajah of Tanjore.⁷⁹

When the question of the Nawab's debts finally came before Parliament, then, Burke was probably predisposed to see Benfield as the central villain of the piece. Benfield probably helped engineer the settlement, and certainly benefited from it, but to think of the Arcot interest as a unified party under his direction would certainly be to overstate the case.

It is clear from the letters in the Benfield Collection that the men who comprised the Arcot interest regularly consulted one another, and often acted in concert where general questions that affected all of them were concerned. In discussing Burke's opinion of the Indian interest generally (of which the Arcot interest could be considered a subset), Whelan wrote:

Not only were they directly and profitably concerned in the business of the special interest; they also had no intention of putting this behind them when they entered Parliament. They were there precisely and exclusively to act as 'agents and advocates' for the interest and to

⁷⁸ Philips 36

⁷⁹ Marshall 1965, 4

protect their own and their colleagues' stakes in it.⁸⁰

Certainly this captures the Arcot interest's self-interestedness—the best of them could hardly be described as public-spirited, except perhaps to the extent that, as Benfield showed in his feud with Macartney, they believed that what was best for them was best for the Company and for England. But it presents an incorrect impression that they thought of themselves as part of something larger. Benfield's letters present a rather different impression: of men who would act together when it served their own interest to do so, but who would abandon their allies without a qualm when their interests came into conflict.

In 1786 Benfield apparently wrote to Wraxall that he proposed to return to England, and asked Wraxall to look into procuring him a seat in Parliament. In reply Wraxall argued that it would be a mistake to come home empty-handed, as it were, without some official appointment that would both justify returning and provide some influence and protection. 'I am clear,' he wrote, 'that you can do no Benefit to Yourself, by coming, *unless* you are absolutely *sent home* by Sir John Macpherson or Sir A. Campbell, as their Delegate to Ministry.' As to a seat in Parliament, it was out of the question:

You have no Idea of the Difficulty & Address requisite, in the *middle* of a Parliament, to find out & procure *a Seat*. But, Dear B.—, if a Seat was to be had Tomorrow, & for £1500—or £1800., we can as soon command Ten Millions, as one third of that Sum. We cannot draw Bills upon you, without *giving Security* to pay the Bills, *ourselves*, in case of any Accident to you; and, even were I willing & desirous to incur this risk, neither Call nor James M—. will do it.

More important than Benfield's shaky credit—suffering, it would appear, from the infrequency of his remittances—was, however, the argument that by taking a seat in Parliament Benfield would increase his influence there only slightly or not at all, while at the same time making himself a target.

Obscure Men want such a Situation, to bring them forward to View—but your Talents, and Connexions, & supposed Fortune *have* made you known to Everybody, already. Gentle, silent, quiet Applications to Ministers, properly *sustained* by Call, James M—., Lord W., myself, &ca., will do ten thousand times more for you, than any Display of Power or Opulence. I *know* what I say, to be true. *Your* Policy, and *your* Line to every thing, is, to have *Support* in P—t., but to be *out, yourself*, at present.

The best course, Wraxall reiterated, was for Benfield to get himself in with the new governor of Madras, Sir Archibald Campbell.

You will see, on Sir A. Campbell's arrival, how He receives you, & whether He will employ

⁸⁰ Whelan 118

you in an active Situation. *I* will now endeavour shortly to procure & send you out Letters from *Dundas & Rose*, strongly recommending you for public Employment. A way is open'd... to get you, by & by, possibly, into Council. Only, *Cultivate Campbell*, & keep well with him, My dear Friend, at all Events! *We* can, & we will sustain you, but, you *must be* well with Campbell. Remember this Advice!⁸¹

If there was one piece of advice Wraxall wished Benfield to take to heart, it was *cultivate Campbell*. Macartney's replacement was a career soldier, having begun his military career in North America in 1757, as a captain in the Fraser Highlanders. Later, as a brigadier-general during the American Revolution, he had distinguished himself by the capture of Savannah, Georgia, leading to his being appointed governor of Jamaica in 1782. Campbell was not new to India, having served with the 42nd Highlanders there from about 1765 to 1773. When he arrived in Madras on 7 April 1786, his mission was 'to take strict account of stock at Madras and to place that settlement upon the soundest possible basis.'⁸² He faced the same financial difficulties that Macartney had, compounded by the by now effectively total cessation of the Company's trading activities:

[T]he Company, looked at as a Madras merchant, was utterly bankrupt... Since the acquisition of political power by the Company, the surplus of revenue over expenditure was presumed to take the place of bullion brought from Europe. In the Madras of 1787, there was no such surplus, no matter in what light the Company's budget was considered.⁸³

As an acknowledged expert in the extraction of Indian land revenue, Benfield no doubt had hopes of being called on to assist the new administration. In the event, however, things went as badly for Benfield with Campbell as they had with Macartney, if not worse. How exactly it happened is obscure, at least as far as the Benfield Collection is concerned: as with the 1784 election there is a significant gap in the correspondence for this period. The first we hear of it is when Wraxall writes to Benfield to express his disappointment:

We all three [Wraxall, Call, and James Macpherson] deeply regret & lament, that, after all the Exertions which We have made, & more peculiarly, after the Letter to Sir A. C—ll, which James M. wrote to him by the "Ranger" last August, You should have totally destroy'd our efforts to raise you, to bring you, (if possible) into Council; & in all Cases, to recommend you, thro' Campbell, to Dundas & Pitt.⁸⁴

Wraxall gives us few details, naturally presuming them to be known to his correspondent. It is clear, though, that Benfield's central dispute with Campbell concerned a certain

⁸¹ *BC* vol. 3 ff. 109-10

⁸² *DNB*; Furber 1941, 255

⁸³ Furber 1941, 273-4

⁸⁴ *BC* vol. 4 fo. 83: Wraxall to Benfield, 2 April 1788

deposit of a lakh of pagodas, which, it appears, the Nawab had made with the Madras Government in security for his various debts, and which Benfield apparently believed that he, personally, had a right to. 'Call exceedingly laments, & indeed *blames* you, for quarrelling with Sir A.C., even though *You* may be in the Right, & *He*, in the Wrong,' Wraxall writes. 'I own, Dear B., that I am of opinion, a little Management & Address might have procured you the Lac in Deposit.'⁸⁵ Management and address, however, was not Benfield's strong suit; it appears, rather, that he expected his agents in England to get Campbell's policy reversed, if not to have the man himself sacked.

My dear Friend, it must be Insanity for *me* to attempt to overturn Sir A.C., altho' He should have been guilty of an Act of Violence and Injustice towards you. Consider only, for one moment, how matters stand in this Country! You have no Strength, no Friends here, except Call, James M., Sir John M. & Myself... Call himself is out of humour... James M. and Sir John M. are very friendly; but, how can I expect *James M.* to assist you *against* the Nabob, & the Ameer? It is impossible. How can I, alone, totally destitute of Money or Funds from you, attempt, in contradiction to James M., and unassisted by Call, to push *you* up, & to overturn *Campbell*? It is *thro'* Campbell, as you well know, that I have always told you & conjur'd of you to remember, I could only hope to achieve any great Things for you at Madras. It is only, while you are well with the *Durbar*, that *James M.* will, or can assist you. All that We laboured so much last Summer to do for you, you are destroying before it is ripe.⁸⁶

That very year, quite likely before receiving Wraxall's letter, Benfield was dismissed the Company's service for the fourth and final time; in the words of Governor-General Cornwallis, for 'conduct... far more offensive and objectionable' than that of any of the Nawab's other creditors.⁸⁷

⁸⁵ *BC* vol. 4 fo. 83: Wraxall to Benfield, 2 April 1788

⁸⁶ *BC* vol. 4 fo. 84: Wraxall to Benfield, 3 April 1788

⁸⁷ *DNB*

IV. COUNT ROUPEE: 1789-95

For some years past there has been an influx of wealth into the country which has been attended by many fatal consequences, because it has not been the regular, natural produce of labor and industry. The riches of Asia have been poured in upon us, and have brought with them not only Asiatic luxury, but I fear, Asiatic principles of government. Without connexions, without any natural interest in the soil, the importers of foreign gold have forced their way into Parliament by such a torrent of private corruption as no hereditary fortune could resist.

—William Pitt, Earl of Chatham, 1770

It would be nearly two years more before Benfield finally arrived again in England. His expulsion from India had not come at the most opportune moment; much of his fortune was still stuck in India and his financial affairs there were still in disarray. Call had advised him many years earlier:

Whatever turn Affairs may take at Madrass, or how much so ever your Situation may be altered, let me give you this serious advice—Never think of visiting England till you have 50,000£ there before you, and if you cannot realise that Time so fast as your aspiring active Genius hopes to do, I hope you will be contented to go on with such progression as the Times will admit taking it for granted, you never will be, so happy any where else as you are, or may be in India. The many who return are Instances of this Truth.⁸⁸

By September of 1789 Benfield had reached Europe, and was fretting in Amsterdam while the French Revolution disrupted the at best quasi-legal cargo shipments by which he hoped to remit his Indian fortune, and the East India Company manoeuvred to regain priority over the private creditors in the repayment of the Nawab's debts.⁸⁹ Call and Wraxall engaged a battery of lawyers to dispute possession of the Nawab's 'Lac in Deposit' with the Company, and to attempt to have the Company itself take responsibility for repayment of the Nawab's creditors (on behalf of whom Call was already attempting

⁸⁸ *BC* vol. 2 fo. 4: Call to Benfield, 10 March 1775

⁸⁹ *BC* vol. 4 ff. 104-5: Wraxall to Benfield, 10 October 1789

to press a sort of class-action lawsuit against the Company, demanding that they adhere to the arrangement of 1785), and another to disentangle Benfield's financial affairs.⁹⁰ The most pressing of the latter involved a Jamaica plantation, the Bogue Estate, which Benfield and Richard Atkinson had jointly agreed to purchase some ten years previously. When Atkinson died in 1785, the previous owners, the Mures, were allegedly still owed some £60,000 for the estate. As executors and trustees of Atkinson's estate, the Mures were in a position to know that they would not be able to recover their money from it. In 1789 they began to put about the rumour that Benfield would repay them that sum on his return to England, and to borrow on the strength of the rumour, while at the same time threatening Benfield with arrest for debt.⁹¹

Within six months or so most of these affairs had been put in order. Regular remittances were beginning to arrive from India. While the attempt to have the Nawab's debts transferred to the Company was not yet successful, the 'Lac in Deposit' seemed likely to go to the creditors—even if there was still dispute over whether it would be Benfield, the Committee of Creditors, or the firm of Taylor & Call that would finally lay hold of it.⁹² The Mures' attempt to collect on the Bogue Estate bills was exposed as more or less fraudulent, despite the best efforts of James Macpherson, who as a creditor of Atkinson's estate stood to lose if Benfield could not be made to pay them.⁹³ Meanwhile Benfield's agents had arranged him a seat for the remainder of the current Parliament at the bargain price of 500 guineas, and against the next election, negotiated the purchase of estates in the boroughs of Cricklade and Shaftesbury, assuring him perpetual control of at least three seats.

We shall then, without Delay, get all the requisite Powers from Nesbitt, which may enable Us to avail ourselves of the Influence arising from the property. We shall grant Leases, &ca. &ca., & get every thing ready against an Election.⁹⁴

I shall say a few words on *Shaftesbury*. Call *hopes* to be able to settle for the *Purchase of the whole Property of Mortimer*, by which means you will be *Master* of that Borough... If We can get it for you, the Price will be from £26000 to £30000. *But*, for this Sum, you will have besides the two Seats, a clear Income of £200 pr. ann. from Houses having no Votes, or from Land. *Besides*, If... by so doing We *include Two Seats* for this approaching Parl't, we reduce the Price, as you must see, by £8000. So that, possibly, you would not give therefore, above £20000 for a *Borough*, & £200 pr. ann. I'm sure you'll approve of such a Purchase, if we can

⁹⁰ *BC* vol. 1 ff. 46-47: Call to Committee of Creditors, 10 April 1788; *BC* vol. 4 fo. 105: Wraxall to Benfield, 10 October 1789

⁹¹ *BC* vol. 4 ff. 43-44: Wraxall to Benfield, 3 February 1790

⁹² *BC* vol. 4 ff. 162-3: Wraxall to Benfield, 25 January 1790

⁹³ *BC* vol. 4 fo. 44: Wraxall to Benfield, 3 February 1790

⁹⁴ *BC* vol. 4 fo. 84: Wraxall to Benfield, 22 September 1789

make it.⁹⁵

Contemptible obscurity

There was a brief setback when Benfield and his agents apparently disagreed over what amount of pomp and circumstance was due to a man of his stature. The offending letter from Wraxall is missing, but in March Call wrote:

I was surpris'd to read a Letter Wraxall had just received, in which you seem to have totally misconstrued what he wrote you, or else that you intertain Ideas very different from what he, & I do, as to your Conduct, & manner of returning to the Society of this Country... It is strange that our Ideas of your return & manner of matriculating yourself again into your native Country, shod. be so different from yours, that you revolt at the mention of them, & seem to think that we mean to bury you in contemptible obscurity, and shut you up in an hole.⁹⁶

Wraxall attempted to clarify his meaning:

What have I said to you, which either touches your Honour, or can raise in you any just Repugnance to revisit England? I *have* said, & I *do* say, that “your Talents, Fortune, Situation, &ca. have made you many Enemies; that your Eclat, & Exertions in the Service of Ministry when you were here nine Years ago, (tho' I well know, that they were necessary & wise,) yet excited *public* Clamour & Outcry from Opposition... that an Idea of *your Capacity* and *Ambition* alarms little & envious Minds; & that, from the Result of all these Sentiments, it is wise & necessary, that you should commence quietly & gently, at your Arrival.”... What is it we ask of you to renounce, which it is so hard to part with? At most, *a little external Shew or Eclat*; surely not necessary to Elegance, Comfort, Enjoyment, or Happiness. You will gain infinitely by it, & you cannot suffer from the Renunciation... *My Plan* and Hope was this—That you should come over; live elegantly, but quietly; be introduc'd gradually into good Company; avoid all active Political, or Parliamentary Exertions; make Friends & acquaintance; & when the Town empties, by & by in July, I should have propos'd to you to go with Mrs. W. & Me to several of the watering Places, for a Couple of Months. There you would see a number of Elegant & accomplished Women, among whom you may select such a one, as your Judgment & Affections will equally approve. You will gradually domesticate in England, & find many sources of private Comfort, which now you cannot possibly see.⁹⁷

Either these arguments brought Benfield around, or he prevailed upon Call and Wraxall to allow him a more dramatic entrance, with more outward show. By June of 1790 he was settled again in England.

⁹⁵ *BC* vol. 4 fo. 157: Wraxall to Benfield, 25 January 1790

⁹⁶ *BC* vol. 1 fo. 15: Call to Benfield, 18 March 1790

⁹⁷ *BC* vol. 4 ff. 11-23: Wraxall to Benfield, 29 March 1790. It took a little longer than that, but this plan, or something like it, appears to have been successful: in 1793 Benfield was married to Mary Swinburne, the daughter of travel writer Henry Swinburne of Durham.

Boyd, Benfield, & Co.

Benfield's parliamentary career was undistinguished. Apparently he was more of a hindrance than a help to his patrons in government—other than a few inconsequential votes, his only actions as a member were to ask embarrassing questions about Indian affairs and the public debt—and in 1792 he was asked to vacate the seat arranged for him at Malmesbury. In 1793 he took one of the Shaftesbury seats his estates gave him control over, but made no active use of it.⁹⁸ That same year he entered into a partnership with the Paris-based banker William Boyd, forced by the Revolution to return to England. Boyd's firm had lost heavily in the Revolution, and he needed a London backer, a position for which Benfield, by now claiming a fortune of £560,000, was eminently qualified. Boyd, Benfield, & Co., as the partnership was known, quickly became one of the City's most successful loan contractors, trading on Benfield's connections with the Pitt government and Boyd's with the European commercial world.⁹⁹ In an echo of Benfield's Madras career, their greatest success was in war finance, the triumph being a 1794 loan of £18 million to the British government in exchange for guarantees of a further £6 million to be loaned to the Emperor of Austria.¹⁰⁰ In support of the latter Benfield argued:

if the Emperor does not get the supply, it is evident He must at all events withdraw from the War, and beg for a Peace if by that He can obtain it. If then it be the determination of the English Government to prosecute the War, which we must all see to be impracticable without the Emperor; it follows, that all the sums that might be raised for our own supplies, great as they are proposed, can be but so much thrown away, unless the Emperor's wants are also provided for... I foresee, that if the [proposal] of the Emperor be not embraced by the... Government, of pledging the Revenues of his own Countries for the supplies He stands in need of... it should be proved to Him and all the World that such a Loan is impracticable; then, one [choice] only remains, which is that of a subsidy from England to bear his Expences in the War.¹⁰¹

Pitt evidently agreed; the guarantee was given, and *The Times* called it 'the greatest money negotiation that ever took place in this or in any other country at one time.'¹⁰²

⁹⁸ *HP 1986*

⁹⁹ *HP 1986* (Benfield, Boyd)

¹⁰⁰ *HP 1986* (Boyd)

¹⁰¹ *BC* vol. 5, ff. 235-6: Benfield to unknown correspondent

¹⁰² *HP 1986* (Boyd)

V. DESTITUTE: 1796-1810

...dragging on a miserable existence, unable with safety to revisit England, destitute of pecuniary resources, and literally wanting all the comforts of life. In that state of dereliction he there expired, his funeral expences being defrayed by a subscription of the English residents in the French metropolis.

—Anon., ca. 1810, quoted in *History of Parliament 1790-1820*

By now Boyd, Benfield, & Co. were ‘dictators of the money market,’ the envy of the City. But Boyd was constantly scheming to recover his French assets. He supported peace missions in 1794, 1795, and 1796—in the first instance making a considerable profit through his inside knowledge that peace was in prospect, as public news of the negotiations caused the premium on the £18 million loan to rise. In 1796, however, Boyd’s optimism apparently got the better of him. Boyd, Benfield, & Co. bet heavily on Malmesbury’s peace mission by investing in the public funds. A market crash followed the failure of the mission, and the firm was effectively left destitute. In an attempt to recover their fortunes, Boyd and Benfield bid for a contract to remit £100,000 to the Cape, drawing on Benfield’s agents in India. In support of this loan and another for the naval establishment at Madras of £50,000, Benfield pledged some £296,000 in Indian assets—assets which it appears he did not, in fact, possess. Taking Benfield’s declaration at face value, the government awarded these contracts to the firm in November 1787.

But when the £100,000 bill was presented to Benfield’s Madras agents, it was refused. What ensued was ‘a protracted examination of the firm’s affairs,’ revealing conclusively that Boyd, Benfield, & Co. was bankrupt. The firm stopped payment in 1799; its two principals went bankrupt the following year. In 1801 Benfield’s estates were seized by the government and sold. When Parliament was dissolved, and the two men no longer enjoyed parliamentary immunity, they fled to France, where they had a falling out. Benfield remained in France for the rest of his life, in fear of his creditors; he died in Paris in April, 1810.¹⁰³

Benfield’s wife apparently eventually ‘recovered sufficient of his estate to live in

¹⁰³ *HP 1986* (Benfield, Boyd); *HP 1964* (Benfield)

comfort.¹⁰⁴ It was enough, it seems, to maintain her social position: in 1824 their daughter Caroline married the Prince Regent's godson, George Charles Grantley Fitzhardinge Berkeley. Berkeley, a sportsman, parliamentarian, and writer of historical romances, was noted for assaulting the editor of a magazine that printed an anonymous, negative review of his first published work, *Berkeley Castle*, and for fighting a duel with the review's author. According to the *DNB*, Berkeley 'prided himself to the last upon having learnt pugilism from Byron's instructor, Jackson, and retained until far on in middle life a coarser kind of buckish coxcombry.' His elder son died without issue in 1865; his younger son died unmarried in 1878. Berkeley himself died in 1881, and whatever remained of Paul Benfield's fortune passed into history.¹⁰⁵

¹⁰⁴ *HP* 1986

¹⁰⁵ *DNB*

CONCLUSION

[I]n considering what we should do now to learn more from the history of East India Companies, we must never forget that the men who directed and served them hardly knew what imperialism was. They knew what trade was.¹⁰⁶

—Holden Furber

Paul Benfield was not the last man to bring home a fortune from India. The nineteenth century would see fortunes as large as Benfield's, or larger, made and lost in the indigo and opium trades; and as long as the Company still chased the mirage of tax-revenue profits, there would be opportunities in public finance. But he was one of the last men in India to make a serious bid to transform private riches into public power. Benfield profited from a unique combination of historical circumstances: the Mughal Empire's central control over India was dissolving—helped along, to be sure, by increasing interference from European powers—but no European power had yet established a real administrative organisation to replace it. The situation potentially offered vast opportunities to the European merchant-adventurer.

Yet Benfield never reached the heights he might have in India. The brief time was already past that a man like Robert Clive could rise from a junior position with the Company to a level where the Emperor in Delhi might offer him personal control of a quarter of India. (Clive demurred, accepting the *diwani* of Bengal only on the Company's behalf. One can only speculate as to what choice Benfield might have made, in his shoes.) It was Benfield, almost as much as his contemporary William Hastings, who brought India into the British public eye, and made Britain take notice of the fact that as it was losing its empire in America it was acquiring another in Asia. In the long run it was that public attention that set limits on what a man like Benfield could achieve. Benfield might manoeuvre, in the 1780s, to be appointed Governor of Madras—even hoping, perhaps, in the long run, to be appointed Governor-General of India—but already there was little chance that he would succeed. Increased public scrutiny of Indian affairs quickly became increased public involvement in them. The Parliamentary oversight

¹⁰⁶ Furber 1966, 415

committees that took control of the Company's affairs after the passage of the India Act of 1784 had no interest in appointing more 'poachers turned gamekeepers' (to use Raymond Callahan's epithet for Benfield's adversary, Lord Pigot) to rule India; whatever complaints might be made about men who were not 'acquainted with the affairs of this Country,' they preferred men of unquestioned integrity, experienced military-political governors like Macartney, Campbell, and Cornwallis.¹⁰⁷ The freewheeling days of the Company adventurers were coming to an end.

Obviously, there is a great deal more to be said on the subject of Paul Benfield's career. A proper study would have to look at a great deal more than just Benfield's surviving personal correspondence: the public papers of the East India Company, the personal correspondence of other actors—particularly the colonial governors Benfield had such difficulty with, like Macartney, Campbell, and Cornwallis, but also other 'nabobs' like John and James Macpherson. Likely there is also a great deal more to be gleaned from Persian sources like the Nawab's diaries, beyond the period ending in 1776 covered by Gurney. For Benfield's later career, the dealings of Boyd, Benfield, & Co. with Pitt's government are presumably a matter of public record. And with so many literary or quasi-literary figures like Wraxall, Henry Swinburne, and Charles G.C.F. Berkeley connected with Benfield in one way or another, it seems improbable that there are not more documentary sources like Wraxall's memoirs to be examined.

But at the very least this study hopefully illuminates some of the relationships between private money, public finance, and political power in early colonial India, and on how these intersected with politics and 'interest' in Britain. In particular, it reveals some of the complexities underlying the apparent unanimity of the 'Indian interest,' and should help us to see the men who comprised it as individuals, with individual and often conflicting motivations, rather than members of a class. It shows, also, the extent to which the men who participated in the Company's transformation from mercantile firm to colonial power were unaware of the process as it was going on. To men like Benfield, the transformation was apparently so gradual as to pass almost unnoticed. It was not so much that Britain's empire in India was, as J.R. Seely wrote in 1781, 'acquired in a fit of absence of mind,' as that each step on the road from trade to dominion was small enough that those taking it could convince themselves that what they saw was only business as usual, or at worst a temporary aberration.¹⁰⁸ Only in hindsight would it become clear that the Company's role had changed irrevocably, and with it the basic nature of the British

¹⁰⁷ Callahan 40; *BC* vol. 2 ff. 47-8: Nawab to Macartney, 7 March 1782. 'I am led to imagine that were I to give your Lordship power over all the affairs of my people & Government in the same manner I have given you over the revenues of my Country,—it would not be deemed sufficient, as your Lordship is but newly arrived from Europe, and not being acquainted with the affairs of this Country.'

¹⁰⁸ J. R. Seely, *The Expansion of England: Two Courses of Lectures* (London 1891) quoted in Gough,

project in India. The new India that was coming into being, the British India whose foundation Paul Benfield had helped to finance, would have no place for men like him.

GLOSSARY

diwani

The office of tax revenue collection and administration of related aspects of justice in a province of the Mughal Empire.

dubash

Interpreter and business agent; for many Europeans in India, the dubash was effectively a business partner as well, providing them with a connection to India's well-developed financial and mercantile system.

darbar

The Nawab's audience chamber. Colloquially, the Nawab, or the Nawab's administration.

lakh

One hundred thousand; colloquially, any large number. Commonly used of rupees and pagodas. Occasionally given as 'lac' or 'lack.'

pagoda

A gold or silver coin worth about three or four rupees. A lakh of pagodas would have been worth approximately £30,000-£40,000.

rupee

The standard unit of Indian currency. There were several different rupees in circulation in the late 18th century, and exchange rates varied, but a reasonable rule of thumb is Rs.10=£1. (Another reasonable rule of thumb is to multiply all 18th-century pound-sterling figures by 100 to get a sense of how much money was involved—a lakh of rupees, ca. 1800, might therefore be thought of as roughly £1 million today.)

tankhah

A lease on the land-tax revenue of a province. Often transliterated as 'tunca.'

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