

## INDIA'S TRADE WITH CENTRAL ASIA VIA NEPAL

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On the basis of some references in *Mulasarvastivada Vinaya-samgraha*<sup>1</sup> and Kautilya's *Arthashastra*<sup>2</sup> Bal Chandra Sharma, a reputed historian of Nepal, has held that the beginning of India's commercial relation with Nepal and Tibet can be pushed back as early as fifth century B.C.<sup>3</sup> Chang K'ien, the Chinese general and explorer of Central Asia in the second century B.C., testified that there was a trade between North-eastern India and South-western China in Chinese silk cloth and Chinese bamboo flutes, among other things. These were brought into Eastern India and were carried through the entire length of North India to as far west as Afghanistan and Central Asia. Suniti Kumar Chatterjee states that Indo-Mongoloids were the intermediaries in this trade.<sup>4</sup> It may be conjectured that these Indo-Mongoloids included both the people of India and Nepal. From the accounts of Yuan Chwang, the Tang annals and other sources, continuous flow of commerce in the overland trade route from Bihar to Tibet and China through Nepal has also been conjectured.<sup>5</sup>

In 1583 Ralph Fitch noticed the trade between Bengal, Nepal, Bhutan and Tibet and the caravan of merchants coming from China, Tataria and Persia.<sup>6</sup> The detailed description of an interesting ledger of an Armenian merchant named Hovhannes Joughayetsi gives a pen picture of the commercial link between India, Nepal and Tibet in the closing decades of the seventeenth century.<sup>7</sup> The narration of Father Della Penna<sup>8</sup> and Father Ippolito Desideri<sup>9</sup> in the early eighteenth century also confirmed that intercourse between India and Tibet via Nepal was free and unrestricted. Flourishing trade was carried on between India and Tibet through the passes of Nepal. The Kashmiri merchants carried their goods by Ladakh to the Kuti passes to procure wool from there. From this point, their manufactured goods were sent partly to Tibet, partly to China by Sining and partly to Patna through Nepal. The Tibetan merchants brought woollen cloths, ponies, shawl goats, yaks, sheep, musk, salt, borax, gold, silver and paper to Kathmandu. The Lamas of Tibet also sent much bullion to the Nepal mints. The Indian merchants carried cotton cloth, cutlery, glassware, coral, pearls, spices, camphor, betel and hardware. These were sent to Tibet through the

passes of Nepal.<sup>10</sup> George Bogle in his letter dated 20 August 1774 written from Tassisudon informed Warren Hastings that the trade between India and Tibet was "carried on by the way of Patna and Nepal through the means of Moghuls and Kashmiris..."<sup>11</sup> Subsequently in his report on the "Trade of Tibet" he further stated that the merchants of Kashmir "like Jews in Europe or Armenians in the Turkish empire" scattered themselves over the Eastern Kingdoms of Asia and carried on extensive trade between its distant parts. They disposed of their commodities in Tibet or forwarded to their associates in Sining, a town on the Chinese border.<sup>12</sup> The commodities of Bengal were also conveyed to Tibet through Morung<sup>13</sup> and Sikkim. The *Gossains*<sup>14</sup> after their expulsion from Nepal usually frequented this route. Besides these, another road leading from Benares and Mirzapur passed through Mustang. The more valuable sorts of Bengal goods were sometimes exported into Tibet by this route.<sup>15</sup> Thus it is evident that the trade between India and Central Asia was carried on freely before the ascendancy of the Gurkhas in Nepal in 1769.<sup>16</sup> Since then, the trade sharply declined.

The East India Company, however, was intensely eager to revive this trade. The Kinloch expedition (1767)<sup>17</sup> and the Logan Mission (1769)<sup>18</sup> were despatched to Nepal with this end in view. Bogle in his general reports to Warren Hastings on his return from Tibet emphatically pointed out, "The opening of the road through Nepal and obtaining the abolition of the duties and exactions which have lately been imposed on trade in that country appears an object of great importance towards establishing a free communication between Bengal and Tibet."<sup>19</sup> Samuel Turner, the leader of the Second Trade Mission to Tibet in 1783, recommended the use of Kathmandu - Kuti route for this purpose. In 1779 Tashi Lama also wrote to the King of Nepal to open its trade-routes to encourage unrestricted traffic between India and Tibet. The Missions of Captain Kirkpatrick (1793)<sup>20</sup> and Maulavi Abdul Kadir (1795)<sup>21</sup> and the instructions to Captain Knox,<sup>22</sup> the first British Resident in Nepal (1801), amply bear out how deeply anxious the Government of India was to garner all possible data on the basis of which it could formulate its commercial policy towards Nepal and the adjoining areas of Central Asia. Brian Houghton Hodgson, the Resident in Nepal (Actg. Resident 1829-31; Resident 1833-43) had a fond dream "to convert Nepal from an interposing obstacle into a common mart where the merchants of Hindusthan might interchange their commodities with the traders of Inner Asia."<sup>23</sup> The competition for Central Asian Commerce, according to him, lay between the trade-route from Peking to St. Petersburg on the north and that from Peking to India via the Nepal

passes on the south. He advocated the expansion of the trade through the southern route.<sup>24</sup> As regards the potentiality of trade with Tibet through Nepal he categorically stated, "..... Tibet may well be believed capable of maintaining a large and valuable exchange of commodities with Great Britain, through the medium of our Indian subjects and the people of Nepal....."<sup>25</sup> With striking details and comparative analysis Hodgson pointed out that a Central Asian trade through Nepal was "capable of an easy, immediate and considerable extension."<sup>26</sup> So he urged, "Let the native merchants of Calcutta and Nepal, separately and in concert take up this commerce."<sup>27</sup>

## II

After the conclusion of the Anglo-Sikkimese Treaty of 1861, the attention of the Government of India was focussed on Sikkim as the main channel to carry out its Central Asian policy. A systematic attempt was made in 1864 to assess the volume and nature of trade with Sikkim, Tibet, Bhutan and Nepal for four years from 1860 to 1863.<sup>28</sup> The Bengal Government recommended that the East Bengal Railway Company should be allowed to extend their line from Kustia to the Teesta Valley. "Should this proposition be carried out there is no doubt of a very extensive and important trade springing up, especially with Tibet and Nepal."<sup>29</sup> In 1863, the Superintendent of Darjeeling suggested that a road through Sikkim to Tibet should be constructed to facilitate the establishment of an annual fair at Goke near Darjeeling.<sup>30</sup> In October 1869 Colonel Haughton, the Commissioner of Cooch Behar strongly urged the cultivation of friendship with the Lamas of Tibet.<sup>31</sup> In July 1870 he submitted a report on the subject of extension of trade with Tibet and China and suggested that first, the Government of China should be asked to remove all restrictions on the free passage of merchants and travellers and secondly the Rajah of Sikkim should be requested to procure from Tibet authentic information as to the duties on the imports and prohibition, if any, of the importation of any particular articles. The Government of India sanctioned these proposals.<sup>32</sup> In January 1871, the British Minister at Peking communicated that there was no possibility of obtaining through the Government of China the means of extending trade with Tibet. The Secretary of State, however, assured the Government of India that the question of opening trade route between Tibet and India would be raised in a future negotiation of a new treaty with China.<sup>33</sup>

In a separate report, Haughton enumerated the following routes through which the markets of Central Asia could be approached from India: (1) via Ladakh (2) via Nepal (3) via Darjeeling (4) via Buxa

and Western Dooars (5) via Assam and Towang (6) via Bhamo and Burma. The route most used was that through Assam and Towang. Haughton induced some Patna businessmen, who used the Nepal route, to establish an agency at Darjeeling. Like many others he too overestimated the potentiality of Darjeeling route and expected that by this measure the traffic of the Nepal route would be diverted to Darjeeling. This might cause, he apprehended, the jealousy of the Darbar at Kathmandu. The Lieutenant-Governor of Bengal, who later paid a visit of Darjeeling, maintained, however, that the Darbar would not view the extension of trade along the Darjeeling route with jealousy.<sup>34</sup>

In the next year, the Government of Bengal submitted that "the Sikkim routes should be examined, since even if the trade were not thrown open to us directly any radical improvement of the road must lead to a considerable increase of indirect traffic, and perhaps by bringing the Tibetans down to the plains pave the way for a more liberal policy in the future."<sup>35</sup>

On 25 April 1873 a deputation from the Society of Arts in England called on Duke of Argyle, the Secretary of State, and submitted a Memorial. The Memorial suggested *inter alia* the development of routes through Nepal and Bhutan, improvement of these in Sikkim by extending roads to the Tibetan frontier and completion of the railway connection between Darjeeling and Calcutta for promoting commerce between India and the trans-Himalayan countries. The Secretary of State and the Government of India also "repeatedly expressed the great interest which they take in the subject of trade with Tibet and Central Asia."<sup>36</sup>

In the cold season of 1873-74 Edgar, the Deputy Commissioner of Darjeeling was deputed to visit Sikkim and the Tibetan frontier. He was instructed to enquire into the prospects of trade with Tibet and of the advisability of a road through Sikkim to the Tibetan frontier. He made three specific suggestions. First, the Government of India should attempt to obtain from the Government of China a declaration that the latter was not opposed to free intercourse between Tibet and India. Secondly, it should express strong remonstrance against the exclusion of Indian tea from Tibet. Thirdly, a road with good bridges should be constructed from Teesta Valley to the Jelep pass.<sup>37</sup> In this despatch No. 32 of 8 April 1874 Earl of Derby, the Secretary of State, declared that from an imperial point of view much importance should be attached to the revival of trade between India and Tibet. T.F. Wade, the British Minister at Peking, with this end in view suggested the despatch of

“a mixed official and commercial mission.....without reference to the Court of Peking.....”<sup>38</sup> It transpired that the opposition of the Central Government of China to commercial intercourse with the foreigners was based on some general grounds. But the Government of Ssu-Chuen, the province co-terminus with Tibet, was particularly opposed to the opening of Tibet for trade with India.<sup>39</sup>

### III

Thus from 1861 the Government of India was seriously occupied with the problems connected with the opening of Tibet through Sikkim. The trade through Nepal, during these years, did not receive as much importance as it had in the last three decades of the eighteenth century and the first three decades of the nineteenth century. True it is that on a few occasions, some important officials both in London and Simla were highly stirred up with the expectation of exploring the immense potentiality of the Central Asian trade via Nepal. But, on the other hand, the men on the spot, namely, the local officers of the districts bordering on Nepal as well as the British Resident at Kathmandu were reluctant to share their optimism. To illustrate this point, a report of C. E. R. Girdlestone, the British Resident at Kathmandu (1872-88), is discussed below.<sup>40</sup>

The factors that impeded the trade with Central Asia via Nepal can be divided into two parts:- the rigid facts of geography (Girdlestone used the expression, “the circumstances of any given country”) and the variable facts of politics. In the first category may be included the difficulties of overland transport, simple habits of the people, inclemency of the weather during the greater part of the year and ruggedness of some of the passes. As to the difficult nature of the route to Tibet, Girdlestone pointed out, “.....the passes from the Teraie to Nipal and thence to Tibet are lower than those of Cashmere, Lahoul, and the Karakorum, but they are so severe that men, not animals, are necessarily the carriers of burdens.” It was possible to make easier routes along the course of rivers both in Nepal and in the neighbourhood of Tibet, “but in such case again there would be question of expense before a practical path could be laid out.”

In Tibet, the towns were few and far between. These had limited population. The villages were not numerous. The buildings with the exception of monasteries did not convey the idea of an affluent society. The Tibetans did not lack warm clothing. These were sold in Kathmandu at a much cheaper rate. The woollen stuffs found customers among the small minority of the upper classes. In the climate

of Tibet cotton cloth alone was not sufficient. So the Manchester goods were not in demand. "An exception perhaps might be made in favour of Himalayan tea, but in such case it would not be a new demand which would be effected, but merely a change of market."

In the category of the variable facts of politics may be included the climate of tension generated by the unhappy relations between Nepal and Tibet. The trade in European merchandize was carried on by the Newars. The number of their shops at Lhasa did not exceed thirty-two. In the important towns of Tibet, their business transaction was confined to interchange of only country produce. In spite of the Nepal-Tibet treaty of 1856 particular items of trade were at times viewed with disfavour. In 1873 a consignment of opium, in which the Nepal Darbar was interested, valued at Rs. 50,000 was stopped at the border by the Tibetans. The Newar traders also were subjected to personal violence and exactions and were not free from risk to life and property. Even temporary additions to the number of personal servants and guards of the Nepalese envoys was jealously watched by the Lamas and made the ground of formal remonstrance. The Darbar was unable to prevent all these.

The Society for the encouragement of arts, manufactures and commerce cherished an opinion that "it is essential that the Indian Government shall use every effort to obtain from Nepal free passage for merchants and goods to the Thibetan frontier in return for the full and free access enjoyed by Nipal to our territories." In reply to this contention, Girdlestone advanced the following arguments.

First, though Nepal had full and free access to India, she had to purchase its European imports subject to imperial duties.

Secondly, if by "free passage" the Society meant the abolition of intermediate duties in Nepal, it was asking for greater concession than that which Nepal enjoyed.

Thirdly, in 1859 the Governor General of India declared that the Government of India assumed no right to interfere with or to advise upon the commercial policy of Nepal.

Fourthly, the utmost that could be expected in modification of this declaration is that the Nepalese Government might forego the levy of the additional duties on imports from Kathmandu to the Tibetan border "in the hope that if trade increased it would be recouped by the increase in the customs receipts on the southern portion of the route".

Girdlestone firmly asserted, "But I have no hope that it would consent to abandon its claims to duties upto Kathmandu on goods intended for Thibet. . . ." He further argued, "The information at my command gives no ground for surmising that if the British Government made overtures for the improvement of trade they would be received favourably, or that if commercial relations were established there would be any more security for the comfort and prosperity of British subjects than there is now for Newars." "I know no reason why", he said, "unless Sir Jung Bahadoor's extreme remedy of breaking down their exclusiveness by force of arms be adopted, free trade should be established in Thibet, and were it established there would, in my opinion, be no great benefit to European firms because their goods would be too expensive for the bulk of the population."

The Government of India, on perusal of the report of Girdlestone came to the conclusion that the value of the trade with Tibet was over-estimated and the difficulties, both physical and political, that impeded its development were under-estimated. The Government also did not consider it desirable, so long as the Chinese refused to allow commercial intercourse with Tibet, to incur expenditure in constructing roads through Sikkim, as suggested by the Government of Bengal. Despatch of a mixed official and commercial mission to Tibet without reference to the Court of Peking, as suggested by the British Minister there, was also considered inexpedient.<sup>41</sup>

In 1879, the Secretary of State conveyed that the trade with Nepal and Tibet was of a "very small dimension", asserted that it was "capable of considerable development" and pressed for the consideration of any steps for the furtherance of this trade. The tariff policy and other restrictive measures of the Darbar, it was said, hampered the development of this trade.<sup>42</sup> Both the Resident at Nepal and the Government of Bengal had appraised two years ago that the trade was not capable of considerable development and in so far as the tariff was concerned, the sins of the Darbar had much been exaggerated.<sup>43</sup> The Government of the North Western Provinces and Oudh also had maintained that there was "very little room for a larger trade than now exists."

<sup>44</sup> Girdlestone, in reply to the despatch of the Secretary of State, reiterated that the trade with Tibet must always be insignificant on account of the long and tiresome journey along the land route and also due to sparse population of Tibet. He too advocated the use of Sikkim route as it had "fewest physical difficulties" and "shorter and better communication with a sea port (Calcutta) than the routes starting from

North-West Provinces." As to the trade via Nepal, he reported, "There is nothing to be gained in promoting trade through Nepal, not only the roads are so bad, but because we cannot hope, with our present understanding, to get a surrender of the transit duties which are an additional restriction on it."<sup>45</sup>

The Government of the North-West Provinces and Oudh, too, again reported that there was little hope of any immediate development of trade.<sup>46</sup> This conclusion was based on the data furnished by the district officers of Kumaun, Bareilly, Kheri, Bahraich, Gonda, Basti and Goruckpore. The district officer of Dehra Dun expressed "great doubt" whether, even supposing a great road was completed through the Nilang pass to enable ponies etc. to pass and duties levied by the Rajah of Tehri removed, the trade with Tibet would increase to any great extent.<sup>47</sup>

Discordant views were expressed at various levels and on different occasions regarding the potentiality of trade between India, Nepal and Tibet. So, it was thought desirable to have some common opinions as to the means of improving this traffic. Girdlestone proposed to E. Buck, Director, Department of Agriculture and Commerce, North Western Provinces and Oudh that there should be a conference to discuss this subject. The Bengal Government declined to be represented at such conference, which, it thought, would not be of much practical good.<sup>48</sup> The Government of North Western Provinces and Oudh also argued that such conference would be of no avail.<sup>49</sup> Buck agreed to be present at Fyzabad on 25 January 1880. Apart from Girdlestone and Buck, the following officers were present in the conference:—R. Speeding, Collector, Gorakhpur; R. De Montmorency, Deputy Commissioner, Bahraich; J. Woodburn, Deputy Commissioner, Fyzabad; J. Hooper, Assistant Commissioner, Gonda; E. Wood, Conservator, Oudh Forests and D. Pitcher, Assistant Commissioner, Lucknow. One of the main questions considered here was the effect of Nepalese transit duties on the through trade to Tibet.

The Fyzabad conference came to the conclusion that through traffic to Tibet on a large scale was neither probable nor practicable under existing circumstances. The Resident submitted in this conference that there was no practicable trade route through Nepal to Tibet from the North-Western Provinces. Even if it was possible to develop such a route, it would strike a part of Tibet "too sparsely populated to be of any value from a commercial point of view."<sup>50</sup> The question of

Tibetan trade was considered with reference to Kumaun as well. Within last two or three years, no imports of any importance had been brought to Kumaun except salt and a little gold. Borax trade had also failed. The part of Tibet which lay above Kumaun could not supply wool in sufficient quantities.

The potentiality of tea trade was also discussed with special emphasis. The proceedings of the conference laid down, "The question of supplying Indian tea for Central Asia was one which should at no time be neglected, and all means should be taken to afford it every possible opening."<sup>51</sup> The Resident undertook to procure samples of the tea in use in Eastern Tibet "with a view to ascertaining the practicability of manufacturing similar quantities in Kumaun".

On 13 July 1880 some of the important findings of the Fyzabad Conference were communicated to the Secretary of State by the Government of India.<sup>52</sup> This communication was conveyed in reply to the despatch of the former No. 13 (Statistics and Commerce) dated 13 January, 1879. Though this despatch enquired of the specific condition of Nepal trade, it contained implicit suggestions on the problem of the development of Tibetan trade also. In fact, the Fyzabad Conference took due notice of it and laid down some conclusions discussed above. The reply of the Government of India to the Secretary of State referred to many of the decisions of this Conference along with its own opinion but it omitted to mention a single word on the question of Central Asian trade via Nepal. This omission is significant. It is quite likely that the Government of India too at this stage did not seriously take into consideration the feasibility of the Tibetan trade via Nepal.

The question of supplying Indian tea for Central Asia was stressed by the Fyzabad conference. According to the decision of the conference the Resident on 12 July 1880 asked for specimens of the tea in general demand in the provinces of U, Tsang and Kham "with a view of enabling the tea-gardens in British India to manufacture tea in accordance with the taste of the Thibetans."<sup>53</sup> The Darbar informed the Resident that the samples of tea had been called for from Lhasa.<sup>54</sup> The Report of the Director of Agriculture and Commerce on the foreign trade of the North West Provinces and Oudh for 1881-82 noticed the total exclusion of Indian tea from the Nepalese market. "In order to retain the profits they derive from the article of consumption within their own territories," the Director pointed out, "the Chinese have directly forbidden the export of Indian tea into Thibet and succeeded by their

influence in excluding it from Nipal.”<sup>55</sup> The Resident reported that the tea generally was not considered as a good business by the Nepalese traders. The foreign traders at Kathmandu were only allowed to deal in certain specified articles. Tea was not included in the license of any one of these. He also referred to “the obstacles which the Chinese jealousy would interpose” to frustrate any attempt to introduce tea through Nepal into Tibet.<sup>56</sup> He did not think that there was a big opening for tea in or through Nepal.

The report of the external land trade of Bengal for 1881-82 mentioned that brick tea of Tibet was always available for purchase in Darjeeling being brought all the way from the Chinese frontier. The Finance Department of the Government of India also guessed that the imports from Nepal though classified in the trade returns as “India” tea was really Chinese brick tea.<sup>57</sup> These disturbing findings prompted the Government of the North West Provinces and Oudh to urge that “something should be done to relax the total exclusion of tea from the Nepalese market.”<sup>58</sup> The Government of India, however, did not consider “the present suitable time for addressing the Nepalese Government on the subject.”<sup>59</sup> Thus a very small plan aiming at the markets of Central Asia fell through.

#### IV

A small step failed. The proposal for a big leap was in the offing. A bunch of documents procured from the Nepal Residency and now in the possession of National Archives of India, New Delhi throw much light on this big leap. <sup>60</sup>

On June 25, 1889 F. Prestage, the Chairman of the Darjeeling Himalayan Railway Company, informed the Resident that the Directors of the said Company were seriously thinking of making proposals to the Nepal Government to extend the Darjeeling Himalayan Railway from about two and a half miles down the line from the terminus along the Ghoom ridge to Manibhanjan, or the base of Piontanka Tamarangor to Dhankate the confluence of Kosi and Arun on the east end of the Kathmandu Valley about 82 miles in length. In brief, the said line would ultimately be extended along the Singalila Range to the most suitable point to take off from the east end of the Kathmandu Valley. The said point was about three miles west of Tongloo.

In a further communication dated 1 October 1888, Prestage expressed his annoyance to the Resident that the Government of India were “very much adrift in trying to open a trade-route with Lhasa

at the point of bayonet by the Jelep La." "We should avoid the capital of Dalai Lama", he suggested, "and strike through Nepal to the pastures to the north-west of the Arun Valley".

Prestage contended that Lhasa itself was not a place of trade. It was "a stronghold of the most obstructive ecclesiastics in creation." They were in possession of the districts between Lhasa and the North East Frontier of India along the Jelep La route. This route could be opened up and maintained "at the point of bayonet" only, but "every shot fired by us" argued Prestage, "tends to retard rather than advance direct and free trade with them". Moreover, Lhasa was "as much under the influence of Pekin as ever." The armed resistance by the Tibetans against the British advance by the Jelep La made it clear that the British were not welcome by that route. Even the Bhutanese were giving "more than friendly aid" to the invading Tibetans. They were determined not to have their highways disturbed.

The distance of "Tingri Maidan" (the centre of the pasture and wool producing areas in Tibet) was only 262 miles from the terminus of Darjeeling Himalayan Railway at Darjeeling via Tamakote (the proposed terminus of the Nepal extension of the Darjeeling Himalayan Railway) and only 180 miles from Tamakote with almost a continuous descending lead by the Arun Valley from 12,500 to 2,900 ft. On the other hand, the distance from Tingri Maidan via Lhasa was 770 miles. The footways meander through Tibet and for the greater part of the distance are very high from the basement of the mountains. In Sikkim, too, there are continuous ascents and descents. Compared to these, the proposed railway promised some distinct advantages.

The importance of this Arun Valley route can hardly be overestimated. The most valuable trade was conducted through the Chinese Tartary and Tibet up and down the Arun Valley—"then via Dingri the road serving North West Tibet and the plateaus and pastures to the west of Shirgatze. By this road most valuable fleeces came from the west of Shirgatze and towards Cashmere." In fact, the direct route from the Central and Western Province of Tibet (the largest and best wool producing areas) to India passed through Nepal by the Arun Valley route.

Prestage suggested also that in the first instance a bridle track be made across the frontier into Nepal, by Ilam or by the best route into the Tambur Valley to Dhankota, an important market at the confluence

of San Kosi, Arun and Tambur rivers and the Arun Valley and Kathmandu roads. From this point the valuable products of the Kathmandu and Arun Valleys, Tibet and countries beyond that would be drawn and a very heavy and growing traffic would be secured.

He was convinced that the proposed railway extension would surely bestow a miscellany of advantages to both Nepal and India. In his reports dated, Darjeeling 14 August, 1888; dated, London, 14 August, 1889 and 2 July 1889 he enlisted the gains to both the countries which are culled below:--

#### Gains to Nepal.

1. Nepal would receive all the benefits of cheaper and quicker transport that a railway could offer.

2. In case of famine or scarcity, the Railway would directly pour into Nepal Valley the surplus foodgrains from the Rangpur and Dinajpore districts and other districts of North Bengal at cheap rates.

3. It would lead out the surplus produce to the nearest markets and lead in imports of all kinds. This would surely augment the productive capacity, comfort and prosperity of the people.

4. Almost all the hill slopes traversed by the proposed railway would be converted into highly productive tea gardens at the most suitable elevations 3000 feet to 5000 feet. It was estimated that the value of the land would be increased more than hundred fold. Assuming that only five miles on each side of the line were brought under cultivation, it would bring a permanent increase of revenue to the state of the large sum of Rs.3,60,000 per annum.

5. The railway would specially serve the rich fertile valley of the Myong and the highly cultivated valley of the Timbour. This would increase the prospect of permanent revenues of the state.

6. By the extension and the improved approach to the terminus of the Arun Valley, the very growing trade with Tibet would be permanently secured to Nepal. Moreover, a large and very growing trade in wool would add much to the prosperity of all the Trans-Himalayan states concerned with its transit.

7. The surplus labour in Nepal could be absorbed in profitable employments in construction, maintenance and working of the railway and also in the transport of heavy traffic which was likely to increase.

8. The railway works would further develop the already great capacity of the Nepalese people to as useful artificers and reliable workmen and enable them to command better pay.

9. "Chil" could be planted in the vacant suitable slopes along the railway at about 6,000 ft. altitude. This would give excellent charcoal for working the proposed railway, the D.H. Railway and also for drying tea in the Darjeeling district. This would develop into a growing important permanent source of revenue.

10. Cheer pine (the eastern chil) on the Myong ridges was abundant. The hill was also profusely clothed with oaks and other trees. So, the charcoal and wood would be available forthwith midway along the extension line.

#### Gains to India and England.

1. The gradients of the slopes of the Myong Valley would be easy to traverse on account of the availability of ample fuel mid-way on the line. So, the cost of hauling of the D.H. Railway would be low and the rates should also be so.

2. The cost of transport from the wool pastures of Tibet (13000 ft) to the proposed Terminus of the railway (3000 ft) would be only one-third of that by the Lhasa and Sikkim routes.

3. The total cost of laying down the wool in Calcutta by the Arun Valley route would surely assure good profit to all concerned.

4. The Government of India would be saved the enormous cost of improving the most unkind trade-route via Lhasa. Continuous and costly political complications might also thus be avoided.

5. The Nepalese people are most capable, intelligent and kindly. It would be a pleasure to be associated with them through this venture.

6. The expansion of trade between Ghoom station and Nepal was most encouraging. The increase of traffic in 6 years was shown to

be 40 per cent. It was cheering to note the perceptible increase of traffic on all roads leading to the frontier.

7. From Nepal, the Government of India would be able to recruit the Gurkha soldiers and also to draw the skilled and intelligent labour required more particularly for working railways in the plains.

8. It would not be necessary to keep troops at the distant outpost at Gnatong.

9. Calcutta in particular would benefit from the increase of valuable exports, particularly wool.

10. Subject to the stipulations of contract, the Darbar would be persuaded to grant, free of cost, the use of the waste land upon which the line would be constructed, to permit to fell useless timber en route within an area to be agreed to and also to allow the exclusive right to all timber grown on useless and denuded areas within an agreed distance from the railway. The gain thus accrued would be immense. First class timber for railway construction and maintenance purposes would be available at moderate cost. Match making and many other industries would be started. Tea-chests would no longer be imported from Japan, even into the Darjeeling district. All these would tend to keep money in the country and stiffen exchange.

11. The companies like "Bradford" and "Saltaire" of England would get much the superior staple wool. This would give them advantages over continental manufactures. <sup>61</sup>

The Secretary to the Government of India in a letter dated 20 September, 1889 informed Prestage that the Government of India had no objection to his making any exploration in Nepal. He was instructed to obtain the sanction of the Darbar and was asked to take no active steps without first consulting the British Resident.

The Resident informed Prestage on 9 October, 1889 that the proposal for an extension of the D.H. railway into Nepal "was laid before the Darbar but was met by a distinct refusal to entertain even a preliminary survey."

Prestage was informed by the resident on 1 March, 1890 that no concession from the Darbar could be expected "till some radical

change in their 'Exclusive' policy is made." On 4 November, 1892, the Secretary to the Government of Nepal informed him "the Darbar's inability to comply with your proposal for the construction of the Railway into this country." Thus the idea of a big leap to reach the heart of Central Asia ended in fiasco.

Towards the close of the nineteenth century, the doubtful lure of the Tibetan market gave way to other "Imperial exigencies." (an expression used by Brodrick on a later occasion). The enchanting land of snow remained "the modern Brynhilde, asleep on her mountain top"<sup>62</sup> and British Siegfried failed to awaken her in the nineteenth century. The keynote of the British policy towards Central Asia during this period may be stated in the following words: "We, on the other hand, can well afford to wait an opportunity, and need not risk the substantial gain of our Entente Cordiale with China by clutching too eagerly at the problematic chances of Tibetan markets."<sup>63</sup> In fact, as pointed out by the Director of Statistics, the British Commercial intercourse with Tibet upto 1900-01 was "still of the slightest."<sup>64</sup> Alastair Lamb also has surmised that "the figures of trade between India and Tibet before 1792 were no higher than those for latter part of the 19th century"<sup>65</sup>. The opening of the Jelep pass route in 1879 and the railway to Darjeeling in 1881 did not yield any spectacular result.<sup>66</sup> He has also demonstrated that the value of Tibetan trade was "not much higher" than that of the trade between Bengal and Bhutan. It pales into insignificance when compared with that for trade with Nepal.<sup>67</sup> "The trade of Bengal with Nepal was between 20 and 25 times as great as that with Tibet."<sup>68</sup> It is true that from the standpoint of the British Government the potentiality of the Sikkim route was magnified and that of Nepal route was minimised. But, strangely enough, the Nepal route had a decisively prominent role in the ebb and flow of the Central Asian trade. Though actual figures are lacking, Lamb underlines the fact that "..... Probably much more trade between India and Tibet went by Nepal than by any other route....."<sup>69</sup>

#### NOTES

Unless otherwise stated all MS. references are to records, Foreign Department, National Archives of India, New Delhi.

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4. S. K. Chatterjee, *Kirata-Jana-Krti*, Calcutta, 1951. p. 23.
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9. Filippo De Filippi (ed). *An Account of Tibet: The Travels of Ippolito Desideri of Pistoia, s. j. 1712-1727*, London, 1937 pp 317-318.
10. Markham, op. cit., liv.
11. Ibid., p. 48.
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39. Pol A. Feb-1875 No. 24 Wade to Northbrook dated 26 July 1874.
40. Pol A. Feb-1875. No. 30 Girdlestone to Wyne, the officiating Secretary to the Government of India in the Foreign Department. No. 18P dated 9 June 1874.
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58. Pol E. January 1883 No. 180 Reid, Offg Secretary to the Government of N. W. Provinces and Oudh to Grant, Secretary to the Government of India, Foreign Department No. 1929 dated 1 November 1882.
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61. In the second quarter of the Nineteenth Century, the Wool-trade had a decisive role in Western Himalayan politics. See N. K Sinha, *The Economic History of Bengal 1793-1848*, Vol. III, Calcutta, 1970, pp 48-50.
62. C. L. Datta, "Significance of Shawl-Wool Trade in Western Himalayan Politics", *Bengal Past and Present* Vol. LXXXIX 1970 pp 16-26, Even in the last quarter of the nineteenth century, the demand for Tibetan wool was irresistible. A letter from Babu Pratap Chandra Ghosh dated 30 December 1887 stated, "There, however, cannot be any question as to the quality of Tibet

wool generally. They are superior in fineness and length of staple to any foreign wool brought to India. But one must not forget that the value of the wool, provided it be fine in texture, is regulated wholly and entirely by the degree of its cleanliness. Tibet wool is the only superior wool which is used by the shawl makers, both in and out of India".

Moreover, from the Transactions of the Agri-Horticultural Society of India, it can be gleaned that its traffic from Nepal and through Nepal from Tibet was spoken of as capable of great expansion.

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