

## CHAPTER XXXIII

1859-60

### LORD PALMERSTON'S SECOND MINISTRY

**THE** new Ministry formed by Lord Palmerston in June, 1859, was a very strong one, representing as it did all sections of the Liberal party. The Duke had accepted the office of Privy Seal ; Sir Charles Wood was Secretary for India ; Mr. Gladstone Chancellor of the Exchequer ; Mr. Cardwell Irish Secretary ; and Lord Granville President of the Council.

The affairs of Italy had engrossed public attention since the beginning of the year 1859. Considerable excitement was aroused in Europe when it was known that, at a reception of Foreign Ambassadors on January 1st, the French Emperor had remarked to Baron von Hübner, the Austrian Ambassador :

‘ I regret that our relations with your Government are not so good as they have been hitherto.’

The feeling of apprehension was further increased by the unconciliatory nature of the speech made by Victor Emmanuel at the opening of the Sardinian Chambers on the 10th of January.

On January 12th, 1859, the Duke wrote to Lord Aberdeen :

‘ I need hardly ask you what you think of the Sardinian speech ! I imagine it to be unprecedented for one

Sovereign to speak of the subjects of another Sovereign, at peace with himself, as having cause to utter a "cry of anguish." This is, of course, a direct incentive to rebellion, and would justify a demand for explanation from all the other Italian Sovereigns.

' I feel all this to be true, and yet the peculiarity of the case accounts for (for it cannot justify) so strange a departure from the ordinary obligations of international conduct. The total and absolute want of any sort of amalgamation between the German rulers and the Italian people, notwithstanding so many centuries of possession, constitutes a state of things which is a perpetual source of disquietude and alarm.'

It soon became apparent that the intention of the French Emperor was to join the King of Sardinia in an attempt to free the Italian provinces of Lombardy and Venetia from Austrian rule. Events were precipitated by the conduct of Austria in demanding the disarmament of Sardinia, which resulted in a declaration of war on April 23rd, 1859. Hostilities commenced two days later, and were terminated, after a duration of three months, by the Peace of Villafranca, on July 11th.

After the publication of the Italian Blue-book, at the conclusion of the war, the Duke, under the name 'Investigator,' wrote two letters to the *Times* dealing with the subject, in which he criticised the conduct of affairs by Lord Derby's Government, which had been in office at the time of the outbreak of the war :

' SIR,

' July 25th, 1859.

' The Italian Blue-book has not been discussed in Parliament. Before it was published, the Minister who conducted the diplomatic correspondence on behalf of England had been removed from office. Thus, hostile criticism was disarmed before it could be

brought to bear. It is the common talk of the partisans of the late Government that if this Blue-book had been published sooner, the verdict of Parliament on the question of confidence would not have been the verdict actually pronounced. Many who are not partisans of the late Government have received a general impression that Lord Malmesbury\* has come well out of the correspondence, and that no very definite justification is afforded for the mistrust with which he was regarded by the public.

I am one of those who have derived from the correspondence a very different impression.

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‘Those whose sympathies lie mainly on the side of Austria are accustomed to attribute the war entirely to the conduct of the Sardinian Government. I speak here of the *conduct* of that Government as distinguished from its nature and constitution. It must be admitted by all parties that the mere existence of such a Government in Italy, with a free Press and a free constitution, was one of the main causes of the war. Without any direct action on the part of that Government beyond its own territory, it was necessarily a standing cause of excitement and agitation among the adjacent Italian populations which are subject to Austrian rule. But no one blames Sardinia for having been in this sense a cause, and a main cause, of the agitations which led to war. What she has been blamed for (I do not now say whether justly or unjustly) were her direct efforts to produce revolt in the Austrian and other States.

‘The speech of the King at the opening of his Parliament on the 3rd of January was the first public act of this nature which arrested the attention of Europe. But the expressions in that speech were vague. The “groans of Italy” might refer, not to the internal administration of any State, but to the system of

\* Minister for Foreign Affairs in Lord Derby’s Government.

foreign intervention which has been so long an admitted grievance, and which the King of Sardinia had a clear right to denounce. But no such limited interpretation could be put on another act of the Sardinian Government which soon after followed—I mean the framing of the memorandum of the 1st of March. That document openly assailed the existence of Austrian dominion in any part of Italy. It declared that no measures for the relief of Italy could be more than mere palliatives which left any part of the Peninsula under Austrian rule. It is impossible to exaggerate the gravity of such announcements by any Power, in respect to the legal dominion of another over its own hereditary possessions. In the circular addressed by the Austrian Government to its agents at other Courts, justifying itself for going to war with Sardinia, special reference is made to the issue of this memorandum by the Sardinian Minister, as of itself justifying an appeal to arms (Blue-book, p. 389). Similar language has been held in our own Parliament, and that, too, by men who in the next breath eulogized Lord Malmesbury for his exertions in the cause of peace. Yet one of those exertions was to elicit by direct request from the Sardinian Government this famous memorandum, and to give it, also by direct request, the special direction so obnoxious to Austria.

‘I have seen with astonishment that this fact has never been alluded to in Parliament, and has hardly been noticed in the Press.

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‘It was in compliance with the demand made upon her by the English Government that Sardinia drew up the famous memorandum of March, which Austria subsequently declared to be of itself a sufficient justification of war. Lord Malmesbury was not responsible or what that document contained, further than that common-sense might have led him to anticipate what its general character would be. But he is responsible

for such a document having been issued at all, and it is this which constituted the complaint against Sardinia. If she were to give her opinion at all on Austrian dominion in Italy, that opinion could not be different from that which was set forth in the memorandum with distinguished ability and force. But the issue of such a document at all, in reference to the legal dominion of another Power, was undoubtedly an act not justifiable by the ordinary rules which govern international relations. For this, I repeat, Lord Malmesbury is directly responsible, and it is difficult to understand how he could afterwards scold Sardinia for not having confined herself to her own affairs, and for having by interference with her neighbour "invoked the storm."

'This is one instance in which the best intentions have not saved Lord Malmesbury from a serious blunder, or England, under his guidance, from a serious responsibility.'

*To the 'Times' (July 26th, 1859).*

'I am not one of those who think that the mere fact of Austria having been the first to begin hostilities is sufficient of itself to throw on her the whole responsibility of the war. There is much to be said in favour of the position that Austria was justified in considering war to be inevitable, and in holding that she herself was not bound to wait until the preparations of her enemy were complete. But whoever else may hold this language, Lord Malmesbury cannot. In one of the most careful of the documents he has laid before Parliament, Lord Malmesbury has recorded it as the solemn judgment of his Government that this act rendered Austria responsible, not for the whole consequences of a conflict which, so far from being inevitable, was then actually on the *eve of being averted*. . . . No man ought to have known better than Lord Malmesbury that no possible change or modification of form could prevent the proposed measure of Austria

from being an irrecoverable declaration of war. He knew that Sardinia had been, and still was, unwilling to allow her own disarmament, even as a part of a general arrangement. He ought to have known that any attempt on the part of Austria "to take this question into her own hands" was the very thing that the war-party in Sardinia most desired to see. No hocus-pocus of any sort or kind, such as calling it "asking" rather than "summoning," could conceal the import of such an act from the sharp eyes of Count Cavour.'

Among the first questions to be considered by Lord Palmerston's Ministry were those which arose out of the Italian war and the unexpected Peace of Villafranca, which had been concluded between the Emperors of France and Austria on July 11th, 1859.

The Duke, who as Lord Privy Seal was free from such duties of administration as might have kept him in London, had spent the autumn at Inveraray, and was therefore not present at a series of Cabinet meetings at which the Italian question generally and the Emperor's suggestion of a congress were discussed; but he was kept well informed of the course of events by Mr. Gladstone and Lord Granville. Mr. Gladstone wrote to the Duke on August 31st, 1859:

'The Cabinet parted for the vacation, after you had left for Scotland, on the 17th. We had then no idea of any early proceeding of importance with respect to the Italian question. But on the 21st it seems that Lord John presented to the Queen a draft despatch with something like a new map of Italy. The Queen objected, and the Minister withdrew the draft at once—no very signal proof of the deliberation with which it had been prepared. He then substituted a proposal to communicate to the French Government an important despatch of July 25th, written in answer

to the French invitation that we received to state our views respecting a congress or conference. This despatch, it seems, went off with a closing sentence desiring Cowley not to make it known to the French Government until after the proceedings at Zurich should have been completed. This prohibition Lord John had specially mentioned to the Queen as suggested by the Cabinet and approved by him. The truth, most of us thought, was this : that the Cabinet had simply thought there should be a passage inserted in the despatch reserving our liberty to decide about a congress after the Zurich proceedings should have come to an end. But Lord J. had understood them to desire a prohibition, and had so put it, and so stated it to the Queen. This being so, she, on receiving his second proposal (at least the second ; we could not make out quite clearly whether there was not some other or others between), not unnaturally said : " This prohibition was deliberately adopted by you all and approved by me ; I cannot reverse my approval unless the Cabinet is consulted and reverses too."

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' It was agreed to summon a Cabinet to consider this affair. There was a general opinion when we met that the despatch might very properly be communicated, for the prohibition was never intended to enforce secrecy, but merely to reserve our freedom about a conference entire ; and, besides, we then thought affairs at Zurich would be over in a few days, whereas they were now threatening to extend almost to months. But meantime Lord John had brought down, in lieu of the proposal he had made to the Queen, a new draft with a good deal of fresh matter. . . .

' We all agreed against the new draft. Lord John was then very desirous to know what he was to say to France after Zurich, if she proposed a conference, as he wished to go for five weeks at least to Abergeldie, distant 550 miles ; whereto we answered that in such case there should be a Cabinet. . . .

'The conduct pursued has been hasty, inconsiderate, and eminently juvenile; one is led to fear that it may have left behind disagreeable recollections. Sir G. Grey, we trust, will prove highly emollient.'

The Duke replied to this letter on September 3rd, 1859:

'I have only time to-night, having just got your letter, to say that it, with another from Granville giving very much the same account, has filled me with great anxiety, only in some degree relieved by finding that you take the view you do, which I cannot doubt, from the facts you and G. concur in relating, is the correct one.

'I have been amazed lately to observe that (either) the decision of the Cabinet in respect to drafts is not given effect to, or it is misunderstood, and that what is said seems to leave the vaguest possible impression on Lord John's mind. Then, we are kept in entire ignorance of what is going on until the last moment. Why should not the state of the negotiations be laid before us, by printing the despatches up to the latest possible dates?

'As far as I can make out from the newspapers, all goes well in Italy—better, probably, than it would do if we interfered too actively. It seems to me that the course of events is leading naturally to the results which are most to be desired. I object altogether to our constructing new maps of Italy. Our doing so will encourage others to do the same—others whose maps will be constructed on a different principle.

'I look much to you to keep the peace, because your position in reference to Italy will render it very difficult for Lord John to persist in any line you may disapprove. But I do greatly fear that with so much new impulsiveness and so little desire to take his colleagues along with him, there will be some unhealable breach soon.



‘ I agree with you in my recollection that the Cabinet did not impose secrecy as a condition in reference to the despatch of July 25, which, as far as I recollect, was one sufficiently “non-committal,” as the Yankees call it, to have been communicated at once. It was merely reserving to ourselves our decision as to a congress, but rather implying that in certain events we had no insuperable objections.’

*To Mr. Gladstone (September 9th, 1859).*

‘ Your letter the other day was very interesting as regards what had been going on, but you said little as to your own view or opinion of what is going on in Italy. I see no European objection whatever to a kingdom embracing Sardinia and all Central Italy. Do you? I conclude that nothing short of force will now suffice to make either the Tuscans or the Legations give up their desire, and I would fain hope that our most timely protest, determined on at the last Cabinet I attended, will have served to decide the course of France against the employment of force, or will, at least, have so increased the difficulties of her allowing it as to render it practically impossible.’

*From Mr. Gladstone (September 12th, 1859).*

‘ As to Italy and the F.O., the sentiments both of your former letter and of this one are mine—not that you have stolen, but that I adopt and countersign. About F.O. I am fearful, from former recollections, that what has happened will happen again. About the Duchies and even the Legations my hopes now, as well as all through (unless at Villafranca) have been, to use Longfellow’s words, overmastering my fears.’

England declared for a policy of non-intervention, and the Duchies, notwithstanding the Peace of Villafranca, refused to take back their rulers, and unanimously voted for annexation to the new kingdom

which was forming itself in Northern Italy under the King of Sardinia.

The British Cabinet was divided in its sympathies, and on the question of intervention there was a difference of opinion. Lord Palmerston and Lord John Russell were credited with having formed public opinion in this country in favour of Italy, notwithstanding the opposition which they had to meet in their own Cabinet. The Duke advocated the doctrine of non-intervention, and, as the event showed, that was the wisest course. Towards the end of 1859, speaking at a banquet given in Edinburgh on October 26th, in honour of Lord Brougham, the Duke said :

‘I will only say that I trust we shall be able to maintain the interests and the honour of the country : that, on the one hand, we may be preserved from the great error of undue interference, when neither these interests nor that honour is concerned ; and that, on the other hand, we shall be preserved from that other error—the policy of selfish isolation, which would deprive us of our just influence in the counsels of the world ; and, lastly, that when that influence is called for, and when it can be exercised with propriety, it will be given in favour of those principles of justice, of humanity, and of freedom, which are the mainsprings of all our blessings.’

An important consequence of the Italian War was the annexation by France of Nice and Savoy, which were claimed by the Emperor, practically as a reward for his active assistance to the Italian cause. These provinces, the transfer of which had been agreed upon at the Secret Treaty of Plombières, in 1859, were finally ceded to France by the Treaty of Turin, March 24th, 1860. Lord John Russell protested, but without avail, against this transaction, which had a profound

effect upon public opinion. A warlike feeling was aroused in Great Britain, where the possibility of invasion called forth a Fortification Scheme and revived the Volunteer System.

While Lord Derby's Administration was still in office, a difficulty with China had arisen, out of the somewhat too rigid instructions given to our Envoy, Mr. Frederick Bruce, by the Foreign Secretary, Lord Malmesbury. Mr. Bruce had been sent to Peking at the same time as the French Envoy, to ratify the conditions of the treaty negotiated the previous year by Lord Elgin, at the conclusion of the preceding war with China. It had been arranged that the Envoys should ascend the Peiho River, as far as Tientsin, in a British man-of-war. This was designed to impress the Chinese with the power of the European allies; but the Chinese, unfortunately, were not impressed in the way desired, and believed that they had a right to indicate the route by which the Envoys should approach the capital city.

Admiral Hope, who had been instructed to support the Envoys, demanded that obstructions, which had been placed in the Peiho River by the Chinese, should be removed. This demand was refused; an attempt to force a passage was repulsed disastrously, and Britain had another little war upon her hands.

Opinions at home differed regarding the situation. The Cabinet could not approve of the instructions issued by the late Government, and disliked even more the way in which those instructions had been carried out; but it was impossible to repudiate the Envoy, and it was necessary to vindicate the honour of Western civilization.

The Duke sought information on the subject from Lord Elgin, who replied on September 29th, 1859 :

'That we should have suffered ourselves to be beaten by Chinamen is indeed one of the saddest of occurrences, but I do not think we are yet in a position to answer all the questions you put as to what may have been the intentions of the Chinese Government in respect to the ratification of the treaty. After what happened last year, I suppose that they were anxious to show that they could cut off access to their capital by way of the Peiho River. The Admiral told my brother that he could with perfect ease remove the obstructions. It is a bad business.'

The Duke thought that Mr. Bruce had 'acted foolishly, and the Admiral with stupid bravery.' He wrote to Lord Granville :

'INVERARAY,

'September, 1859.

'MY DEAR GRANVILLE,

'We were very sorry to hear of Lady Granville's illness and of your sudden call on that account to Carlsbad. Pray write me a line to say how she is ; address here.

'I have been kept from attending any of the late Cabinets, but I have heard of them in tolerable detail from Gladstone. Not trusting very much to German posts, I hold my peace. Johnny has made a very prudent speech—what the Yankees call a non-committal speech—at Aberdeen. In respect to the Chinese, I am all against submitting to any nonsense such as they seem to have practised on the Yankee Minister, who was sent up to Peking caged in a van, like one of Wombwell's wild beasts. Better to have none at all than submit to this. It is supreme nonsense to talk as if we were bound to the Chinese by the same rules which regulate international relations in Europe.

Gladstone has lately been writing a review of Tennyson's new poem.\* But he finds time for doing everything. I have been writing—you would never

\* 'Tennyson's Poems' (*Quarterly Review*, No. 212, October, 1859).

guess on what subject—"Navigation of the Air"! But I am attending also a little to sublunary affairs.

'Tell me who are at Carlsbad. Are you in the *King of England*? I think I shall be back there some of these days.

'My Duchess goes on perfectly well. I trust we shall have a good account of your wife, and with kindest regards to her,

'I am, yours ever,

'ARGYLL.'

Mr. Gladstone wrote to the Duke on September 18th, 1859, giving some account of a meeting of the Cabinet :

'In the Cabinet yesterday we had a satisfactory discussion. There was not the slightest indication anywhere to treat the present question, which is entirely new, according to the traditions of the last—I say "traditions," because opinions are not legitimately transferable from one to the other. There was a unanimous disposition to send a powerful force, and, on the other hand, a great deal of doubt about Bruce's proceedings. I wish I could feel sure that he was up to his very difficult work. It was determined to get an opinion as to the principles of law on which he acted, and it remains in reserve to what extent and in what form satisfaction, as well as obtaining ratifications, are to be made the objects of the force.

'Lord Palmerston, with his taste for discussing military measures, opened a little the question what they might be, but himself proposed the adjournment of decisions (beyond directions for sending force and what I have stated), and behaved with much tact and fairness.'

To Mr. Gladstone the Duke replied on September 23rd, 1859 :

'I see a Cabinet is called for to-morrow. China, I suppose. We must, I suppose, fight those rascals. But at the same time I don't think our proceedings

will stand the test of international law, as applicable between civilized States. But it would be madness to be bound on our side by that code with a barbarous people, to whom it is unknown, and, if known, would not be followed.'

The war did not last long enough seriously to disorganize the national finance. Lord Elgin was sent out, accompanied by Baron Gros, the French Plenipotentiary, to secure the ratification of the treaty he had negotiated, and the allied forces took possession of Peking. A new treaty was concluded, by which Tientsin became a 'Treaty port,' and the right of having representatives at Peking was conceded to France and Great Britain.

Mr. Gladstone conveyed the news of the ratification of the treaty to the Duke on December 15th, 1860 :

'It is with joy that I snatch a moment to tell you Lord John has just brought in to us, after the Cabinet had ceased to sit, a telegram come this day from St. Petersburg. It gives news from Peking to November 9th (our mail was only to October 14th). Peace had been concluded, and the ratifications exchanged on October 26th. The allied army left Peking November 9th. This really seems to be sure ; let us thank God for His goodness. We had just before determined to take another million in consequence of the winter occupation ! This is gone ; and never did I *get* a million with greater pleasure than I *surrender* the chance of this one.'

To this letter the Duke replied :

'Your note was the first announcement we had of the Chinese Peace, and I cordially rejoiced with you on the news. But the accounts of those horrible murders and barbarities have made my blood rather boil against the Chinese authorities, and I wish to hear that some

of the villains who perpetrated these crimes have been made due examples of.

‘What a curious account of the kindness of the Chinese criminal prisoners ! I suppose there is a great difference of character between the native Chinese and the ruling Tartar race.’

Towards the close of the year 1859 the Cabinet was engaged in the consideration of another Reform Bill. Lord John Russell, who had particularly associated himself with the interests of Reform, reinforced the arguments of the Duke of Argyll and others, who had long urged the importance of such a measure, and a Cabinet Committee was formed to inquire into the effects of a reduction of the borough franchise. As a member of this Committee, the Duke was in frequent correspondence with his colleagues. To Sir George Grey he wrote on November 10th, 1859 :

‘I think it clear that no step taken now can be a resting-place, even for a few years, which leaves wholly untouched the existing distribution of seats. Those who propose a Bill of this kind do so avowedly on the ground that by means of a lower franchise they will succeed better in securing a sweeping disfranchisement of existing constituencies. I don’t feel quite sure that they would succeed in this so easily as they expect, because the small constituencies would be somewhat strengthened. Still, I think it would be a great evil to bring in a Bill which is avowedly one dealing with half the question only.

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‘If we could, I should be disposed to go much further in the redistribution of seats. I am convinced that such a redistribution might be made on a much larger scale with immense advantage to the character of the representative body. . . . But I fear that Parliament is not prepared for any extensive schemes of this kind.’

On November 16th, 1859, the Duke wrote to Lord Granville, who was then at Carlsbad :

‘ We had a first meeting of our Committee on Reform yesterday. Lewis\* has taken the sensible plan of having a Bill put in print—at least, an outline Bill, which makes discussion more definite ; and I think we shall probably do pretty well, although there are some strange symptoms of uncertainty, not to say infirmity, of purpose in the Richmond direction. The character of the present Parliament makes any good plan doubly difficult.’

The Duke appreciated the difficulties in the way, not only of framing a good measure, but of passing any measure ; and, as the event proved, his fears were justified. He was active in promoting the Reform proposals in the Cabinet, and his correspondence at the time showed how thoroughly he worked out the subject.

The Bill when brought before the House proved to be a moderate and simple scheme of Reform, proposing to lower the county franchise to £10, the borough franchise to £6, and to make a redistribution of seats.

The introduction of the Bill on March 1st by Lord John Russell excited little interest.

The second reading was moved on March 19th, when Disraeli condemned the measure, which continued to be debated languidly for a month or two. Finally, on June 11th, Lord John Russell announced that the Bill was to be withdrawn, but stated at the same time his intention of dealing with the franchise at the earliest possible period.

Mr. Gladstone's Budget of 1860 was a very important one, comprising as it did the repeal of the paper duties and the removal of taxes on several articles of

\* Sir G. Cornwall Lewis was Home Secretary.



food. The financial arrangements for the year included a proposal for a commercial treaty with France, which had been the subject of negotiation for some months previously. The Duke was strongly in favour of this project, as he considered that a commercial arrangement would add to the mutual interests of the nations and diminish the chances of war.

'I should be inclined,' he wrote to Mr. Gladstone (September 9th, 1859), 'to hope a good deal from any measure which largely increased the commercial dealings between France and England'; to which Mr. Gladstone replied (September 12th) that the letter had come in good time, for he had just had a visit from Mr. Cobden on the same subject, and added :

'We have had a long walk and harmonious talk, and he stays for the evening. Well, I confess I greatly cling to the idea that something may and should be done next year when the annuities fall in.'

Mr. Cobden's visit to Hawarden resulted in his proceeding, with the approval of Lord Palmerston, to France, where he had a meeting with the eminent French economists and Free Traders, Michel Chevalier, M. Fould, and M. Rouher. He was also commanded to St. Cloud, and in an interview with the Emperor was successful in convincing him that such a treaty would be beneficial to France and an ornament to his reign.

On December 24th, 1859, Mr. Gladstone wrote to the Duke :

'Cobden has really made way in France. This, you know, is a secret in the closest sense. If he succeeds, what a service he will have performed! Would you object to his being made a Duke for it? You see the itch for nonsense is incurable.'

The mere rumour of the proposed international arrangement surprised people of the most various political opinions, chiefly on the ground of its inconsistency with our general policy towards France. The Duke wrote to Mr. Gladstone on February 3rd, 1860 :

‘ There is a story going about town which has been repeated to me—“ that Gladstone now expresses unbounded confidence in the Emperor, even to acting stoker in his train ”—a weak invention of the enemy, but showing the direction of attack, and indicating the danger, in the present state of the public mind, of defending the treaty in any degree on a defence of the Emperor.

‘ I hold the two questions to be wholly irrespective of each other. The treaty is good in itself, whether the intentions of the Emperor be bad or good. It tends, in course of time, to found the relations of the two countries on the felt interests of their respective populations ; and the more precarious are the present relations between the Governments, the more anxious we should be to found those relations on a more solid and durable basis.

‘ Therefore I hold Graham’s antithesis to be nonsense. He says : “ The treaty implies confidence ; your estimates and preparations imply suspicion.”

‘ The treaty, in my view, is perfectly consistent with any amount of distrust in the present condition of things. It does not necessarily imply confidence in the Emperor, and I think we shall run considerable risk if we do not steer entirely clear of this line of argument.

‘ I don’t mean to deny that the fact of the Emperor signing such a treaty, and exposing himself to considerable risk in France, does give me some confidence that he means peace ; but I would not rest a feather’s weight of argument upon this as a defence of the treaty.

‘ Have you read a remarkable article on the treaty in the *Revue Contemporaine* ? Violently hostile, it makes some very important statements as to the pro-

tectionism of the Corps Legislatif, and, consequently, of the danger the Emperor would have run if he had not avoided their hostility by adopting the treaty form.'

On February 10th, 1860, Mr. Gladstone introduced his Budget, in a speech of great eloquence. The Duke had had frequent interviews with the Chancellor of the Exchequer on the subject, and his opinion, expressed long before the Budget was presented, was that it would add greatly to the reputation of its author. A day or two after the great Budget speech had been delivered, Lord Carlisle wrote to the Duke :

' How right you were about the Budget ! I felt sure that you were. I think the whole thing a great glory, and now, perhaps, I have a foolish want of any mis-giving. How I envy those who heard G. ! I was not so wrong when I told you he must be the next Premier, perhaps after Johnny.'

The Duke's opinion of the Budget is conveyed in a letter to Mr. Gladstone :

' You managed your task with infinite skill last night, as all testified who heard you. I hope you are none the worse. Already I hear of members saying they would prefer to keep the paper duty and get off the penny income-tax.\* But, as a whole, I think the Budget will be carried. At the same time, the paper duty did not tell in the House much. I don't think that in the House it is the most popular remission, despite the vote.'

No one could have been more hearty in his congratulations than the Duke was, and no one was more zealous in support of the whole project. The Budget and the treaty were subjected to severe criticism in both

\* In the Budget it was proposed to add 1d. to the income-tax.

Houses, and in the House of Lords the burden of their defence fell mainly on the Duke, who spared no effort to make himself master of all the details.

In the debates that followed the Duke stood by Mr. Gladstone throughout the thick of the fight. Speaking on the Budget, he said :

‘ I am not willing to speak with bated breath either here or elsewhere of the financial policy of the Government, which I believe to be sound in principle. It proceeds, not on matter of experiment, but on the result of actual experience. Measures precisely similar to those which we are now recommending have contributed, in past years, to the comfort and contentment of the people, to the simplicity and productiveness of the financial system, to the creation of new rewards in every branch of industry, and, by adding to the wealth of England, they have likewise increased her military power. We are therefore prepared to recommend these measures to the adoption of the House, though we do not at present ask for the expression of an opinion upon them.’

Replying to Lord Cranworth's attack on the commercial treaty with France, the Duke said :

‘ There are many prejudices against the Budget which are connected solely with misapprehensions in respect to that treaty. There is, especially, one great misunderstanding as to what has been called the political aspect of the French treaty. In the earlier debates of this session we were accused of sometimes denying and at other times admitting that the treaty had a political bearing. The simple truth is that, though it had some political bearing, yet that was not of the kind or nature which some noble Lords supposed. I say distinctly and emphatically that in drawing up that treaty there was no intention to express any opinion, nor even any feeling, in regard to the foreign policy

either of the existing Government of England or of the existing Government of France. It is true, indeed, that the private opinion of the remarkable man who now presides over the French Empire is in favour of Free Trade, but beyond that, I say the opinions of the French Government have nothing to do with the objects of the treaty. The object of the treaty, in so far as it was political at all, was simply to increase the commercial relations between the people of England and the people of France, without the slightest reference to the political relations between their respective Governments, or to the foreign policy of either the one country or of the other.

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‘ Whatever may be the result of our policy as regards the two Governments, we earnestly trust it will be the foundation of more amicable relations and feelings between the two populations. . . .

‘ It was one of the objects of my right honourable friend, the Chancellor of the Exchequer, to gain a revenue, not merely by the imposition of new taxes, but also by effecting a saving in the establishments of the country. Now, I have been informed by the officers who preside over the Customs Department that, of the duties which necessitate the employment of a skilled and expensive class of officers, the silk duty stands far above all others. And this for obvious reasons—because a large class of skilled officers have to be employed in protecting the silk revenue by watching other fabrics into which silk enters, but of which it does not constitute the sole material. It is desirable to get rid of that class of officers, but their services cannot be dispensed with unless the silk duties are repealed. I mention that as only one instance of the manner in which these taxes have been selected. . . .

‘ I come to a point of great importance with reference to the question of direct *versus* indirect taxation. It is a very common error to suppose that because there

are many items in our Customs tariff, they have the effect of dispersing the revenue over a great number of articles, and of thus broadening the basis on which our indirect taxation rests. I hold in my hand the amended tariff of Mr. Gladstone's Budget. It has greatly alarmed some noble Lords. There are only forty-eight articles altogether retained in it. That fact, I believe, makes the hair of many of my noble friends stand on end. "What a revolutionary measure!" they say. "How it endangers the whole system of our indirect taxation! But have those noble Lords considered from how many of the existing articles the great bulk of our revenue is raised? I have inquired into this matter, and the result, I confess, surprised me. I took the whole Customs revenue for the year before last, 1858. There were then about 420 articles on the tariff, yielding a revenue of £23,299,570, and I found that the whole of that vast sum, with the exception of only £850,000, was raised from eleven articles alone! Is it, then, very revolutionary to sweep from a long list of articles some 370 which produce on an average very little more than £2,000 apiece, and yet add in no inconsiderable proportion to the total cost of collection? Now, how has Mr. Gladstone treated the eleven articles which, as I have shown, contribute all but a fractional part of your entire Customs revenue? He has abolished only two of them, and these among the smallest—butter and silk; while at the same time he has made one not unimportant addition to the number. Among the various reductions made in recent years, that which appears most to have failed in respect to the replacement of revenue was the reduction of the duty on coffee. Several reasons have been assigned for this, but the principal one is that coffee has become adulterated to a very large extent with chicory. Now, so careful has Mr. Gladstone been, not only to strike off unproductive duties, but to select for retention those which really pay, and to build up others which appeared to decay from causes capable of being removed, that

he has endeavoured to aid the revenue from coffee by imposing a new duty on chicory, calculated to yield from £90,000 to £100,000 a year—an amount, as the House will see, that will fully compensate for the disappearance from the tariff of many dozens of trumpery articles hitherto included in it. I mention this case, my Lords, as an instance of the care and the knowledge displayed by Mr. Gladstone in his revision of the tariff—a care and knowledge which stands in marked contrast with the vague fears and loose assertions with which my right honourable friend has been assailed.’

The central attack of the Opposition on the Budget was directed against the proposed repeal of the paper duties. This proposal, in accordance with the procedure of the time, was made the subject of a separate Bill, which passed the House of Commons, but with dwindling majorities. When the measure was sent to the Upper House, Lord Monteagle immediately gave notice that he would move its rejection; and on the motion of the second reading by Lord Granville on the 21st May, the Bill was rejected, after a long debate, by a majority of eighty-nine. The Duke made an able speech in its defence, from which an extract is given:

‘I am not going to deny the legal power or right of this House to refuse any Bill which may be sent up for your assent. Unlike, perhaps, most members of this House, I have never had the honour of belonging to any other assembly, and my own feelings are as warmly interested in maintaining the powers and privileges of this House as those of any other member can be. I fully admit you have the legal power and the legal right to refuse your assent to any Bill that seeks it. But surely legal power and legal right are wholly different from constitutional practice. It is vain to deny that many, perhaps most, of those who will support the amendment to-night are aiming at

the condemnation of a policy of which this is but a single and almost the last remaining step. The repeal of the paper duty stands on precisely the same grounds as the repeal of the soap tax, the repeal of the glass duty, and of the duty on bricks. I contend, therefore, that you are aiming at the condemnation of a policy which has been eminently successful, and which on repeated occasions has received your own assent. But there are objections applicable to the paper duties which did not apply to the other taxes to which I have alluded. Unlike almost any other tax, the paper duty has been twice condemned by the House of Commons. It has been condemned by an abstract resolution, and afterwards by a Bill passing through all its stages. Surely this is a very strong reason why, in the exercise of a wise discretion (to put it on the lowest ground), your Lordships should not exercise your strictly legal right. But there are grounds somewhat higher. I fully admit that there is no technical distinction between rejecting a Bill imposing a tax and a Bill repealing a tax. But every noble Lord must feel that it does make a very serious substantial difference in respect to an unusual exercise of power whether it be exercised in relief or in the imposition of a burden on the people. The very gist of my objection to such a course is that the danger of it does not lie on technical grounds ; it lies on substantial grounds. In opposing the repeal of this duty you are going to the very heart and root of the constitutional powers of the other House of Parliament. You are not invading their technical privileges ; you are not transgressing your own technical privileges ; but in truth and in substance you are striking at the very root of the constitutional usage which has hitherto regulated the relations between the two Houses. It is not that this is a money Bill merely. We have rejected many Bills which involved taxation. But there is a plain distinction between a mere money Bill and a Bill of supply. There are money Bills of every kind and degree, from



those partaking of the nature of a "tack"—against which this House has always protested as an invasion of your own privileges—to others which, though involving taxation, involve also questions of general policy. I believe if you examine the precedents brought forward to-night by the noble and learned Lord, it will be found that, although they were all money Bills, not one of them was, in the proper sense of the word, a Bill of supply. I happened last week to see the same list. I went with some care over each of them, and I believe I am correct in saying that not one of them was in the nature of a supply Bill.

'The noble Lord made rather light of another circumstance, which, though I fully admit it has no technical force in this House, constitutes surely a very strong moral obligation. It is true that, as far as the Government is concerned, they did not set the penny additional income-tax as against the repeal of the paper duties; but it does so happen that in the House of Commons a distinct motion was made on this subject by a distinguished member of the Opposition, and an important division was taken on that occasion. It was then decided that the additional penny of income-tax should be imposed rather than that the repeal of the paper duties should be abandoned. But if the House of Commons had foreseen the decision your Lordships are now called upon to pronounce, they might have taken another course from that which they did take, not doubting that the usual practice of Parliament would be observed. I do not say that is a technical objection to your proceeding, yet surely it is but fair, when the House of Commons came to a distinct and decided vote against one tax as compared with another, we should consider it as an additional obligation to decide the question before us with very strict reference to the constitutional practice of the two Houses.

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'The noble and learned Lord who spoke at the commencement of the evening indicated that the

popularity of the financial proposals of the Government was now somewhat on the wane. In answer to that statement I am perfectly prepared to admit that there has, naturally enough, for some weeks past, been a cessation of those songs of triumph which were chanted throughout all the commercial cities of the country when the scheme of the Government was first propounded, and which resulted from the almost universal appreciation of its value. If any change in public opinion with respect to it has since taken place, I can ascribe that change only to misinformation as to certain failures which, it is industriously circulated, though I believe without any foundation, are likely to arise in connection with the commercial treaty with France. My own belief, however, is that no such change has in reality been brought about, and that if there be any apparent difference in the sentiments now entertained by the public as contrasted with those which at the outset prevailed, in regard to the proposals of the Government, that difference is to be attributed to the fact that the people at large were confident that the passing of the Budget was a thing perfectly secure. They were animated by that confidence because they placed reliance on that constitutional usage through which we are now invited to break, and because they were actuated by a spirit of faith in the proceedings of the Legislature, which I am afraid we shall, if we reject the Bill, be doing much to turn into a spirit of distrust. I may add, in reply to the remarks of the noble and learned Lord opposite, to which I have just alluded, that during the last week or two time has been afforded to individual interests, some of which are injured by every great scheme of reform, to work their way to the surface, and to exhibit that apparent change in the current of popular opinion in relation to proposals of the Government to which he has drawn our attention.'

The rejection of the Paper Duties Bill by the House of Lords was received with mingled feelings. The repeal of

the duty was by no means a popular measure, but the action of the House of Lords raised the important constitutional question of the control of the House of Commons over money Bills. The rejection of a proposal to repeal was, Mr. Gladstone was ready to demonstrate, equivalent to a reimposition. He protested against the rejection of the Bill, in a speech in which he foreshadowed the discomfiture of the House of Lords at no distant date. This he accomplished in the next session, by consolidating all money Bills into one measure, and thus ingeniously offering the House the alternative of accepting or rejecting the whole Budget.

It was not only in this instance that the Duke afforded Mr. Gladstone powerful assistance in matters of finance. There were long debates between Lord Palmerston and Mr. Gladstone on the subject of the increasing expenditure, and, in particular, expenditure on armaments. Regarding the question of national defence, the Duke endeavoured to bring about a compromise between Mr. Gladstone and the Prime Minister, though not altogether with success ; but his influence was of service in keeping the Chancellor of the Exchequer from resignation on more occasions than one.

A Royal Commission, appointed in 1859, had reported the following year that extensive works, involving large expenditure, were necessary for the protection of our arsenals, and it was proposed that the expenditure, some nine millions, should be met by a loan to be repaid in twenty years. Mr. Gladstone objected both to the proposed fortifications and to the manner of meeting the cost.

During the whole session the Duke accepted the rôle of peacemaker. He had many opportunities of discussing the matter, as he and Mr. Gladstone frequently met at Cliveden. In the Duke's diary he mentions some

of the attempts he made to influence Mr. Gladstone on these points :

'Walked with Gladstone . . . trying to persuade him to some yielding.'

'Wrote to Palmerston about a compromise on fortifications.'

'Drove with Gladstone towards home, trying to persuade him to yield on the fortification question.'

When Mr. Gladstone threatened to resign, the Duke wrote to protest strongly (June 19th, 1860) :

'MY DEAR GLADSTONE,

'I hope to be able to attend the next Cabinet—a prospect which, under existing circumstances, I do not look forward to with pleasure.

'The more I think of the whole matter, the more keenly anxious I am that your individual secession from the Government should be avoided. I do not think I speak merely selfishly when I say this, although it would undoubtedly deprive me of far the largest part of my own interest and pleasure in the Government. But I feel much more strongly its injuriousness, not so much to yourself individually, but to your position and usefulness in public life. I ventured to say to you at this place last year how strongly I felt that your powers were to a great extent thrown away and lost when you were out of office, and I never can tell you how invaluable I have always felt them to be when harnessed in the public service.

'The moral, of course, I wish to impress is the duty, if not to yourself, at least to others, to make every concession which you feel to be at all within reach, to effect a compromise on this question.

'I have again written to Palmerston in the same sense. He replied to the one I showed you, that fortifying two only of our great dockyards was like bolting two

doors and leaving half a dozen others open : to which I have replied that the cases are not analogous, inasmuch as the dockyards are not "doors" of invasion, but points of attack in themselves—that there were 500 other doors of invasion better for that purpose than the dockyards ; but that, as the fortification of each dockyard is a complete operation in itself, it cannot be said that the immediate fortification of Plymouth and Portsmouth falls short of the complete attainment of a most important object, diminishing the remaining risks, and limiting them to points comparatively unimportant ; that with respect to Chatham, etc., the plan is confessedly but an incomplete one as regards all the approaches to the capital, and not one in respect to which we could say, "The plan, the whole plan, and nothing but the plan."

' But to make any such plan of compromise possible, I do hope you will come down with very definite proposals, and include Plymouth as well as Portsmouth. In fact, I suspect Plymouth is now far more open than Portsmouth. You also once told me that you did not entertain the same objection to the purchase of land by loan that you entertain to defraying the cost of works by loan. But if you ride a high horse, objecting to the whole principle of making the great dockyards into strong places, I am satisfied you will not be supported by public feeling ; at least, I own that I cannot see my way to any objection to such fortifications, which would not tell against a slow expenditure from votes, as strongly as against similar works executed more rapidly.

' Pray excuse my bothering you with such a screed, and attribute it to my anxiety that you should not again be lost to that position in the Government which I regard as peculiarly your own, and which I consider it as a public calamity that you should leave.

' Ever yours,

' ARGYLL.'

In the end, a sort of compromise was arrived at in the matter of the fortifications, under which the cost was to be met by annuities extending over thirty years, and the House sanctioned an immediate expenditure of two millions in one year.

The success of the Budget was imperilled by the great expense of the Chinese War, which threatened entirely to disorganize the finance of the year. The opponents of the Chancellor of the Exchequer openly rejoiced at his discomfiture, and even Mr. Gladstone himself wrote to the Duke in a fit of depression, as if the whole scheme of reduction had been a failure. The Duke, with a truer perception of the proportion of things, replied on September 8th, 1860 :

‘ I was very glad to hear from you, and much interested in your retrospect of the session ; but I think you judge yourself with unnecessary severity on several points.

‘ In the first place, I do not think that either the expense of the China War or the expense of the fortification scheme, even if both of these had been fully foreseen, ought to have stopped your proposed remission of taxation. These remissions were founded on a principle whose operation has now been fully tested and ascertained, that operation being remunerative in respect to revenue ; and if the two millions which fell in from the long annuities afforded an opportunity of carrying to completion a financial policy which has proved to be so beneficial to the revenue, I cannot see why that opportunity should have been allowed to pass because two extraordinary and temporary causes of expenditure lay immediately ahead of us. I still think that even if you had fully foreseen both these causes, your course was right.’

The war eventually proved less expensive than had been anticipated ; the Chinese had to pay an indem-

nity, and the Government had the substantial satisfaction of applying the excise duty on paper (renewed for one year only) to meet the expenses of the war.

On December 3rd, 1860, the Duke delivered his opening address as President of the Royal Society of Edinburgh. Four years later Professor Owen wrote to congratulate him on his closing Presidential Address to this Society, quoting in his letter some sentences of the Duke's on that occasion which he had especially admired :

‘ BRITISH MUSEUM,

‘ 23rd December, 1864.

‘ MY DEAR DUKE,

‘ Your experience of the official demands for the winding-up works of the year at this session in such an organization as ours will make excuse for the shortness of my acknowledgments of the important “ Address ” with which you favoured me by an early copy. I read it carefully and comfortably by my fireside last night, and felt under great obligations, as all equal students of Nature will feel, to the clear and deep thinking writer. As happens to such writing in maturity of power, sentences fall that become “ apothegms ” :

‘ “ Words which should be the servants of thought are too often its masters.”

‘ “ There are no fictions in Nature—no jokes.”

‘ “ Everything that is done in Nature seems to be done, as it were, by *knowing how to do it.*”

‘ But I must refrain from jotting down much that your address suggests, and conclude by confessing that the only adequate end conceivable by me of the business of this planet is the evolution of powers and conditions available for the purposes of their Creator in another and higher sphere of vital and intellectual forces. One true soul, like one seed of corn that grows and one egg of spawn that develops, is a rare exception—for “ narrow is the gate.” But it pleases the Great First Cause so to operate, and to our minds very slowly,

gradually, we may say, patiently. Whether, however, the "failures" have the fate reserved for them by Pusey may be another question.

'A happy Christmas to the circle at Rosneath is the wish of your Grace's

' Always truly,  
' RICHARD OWEN.'