

INDIA'S WAR FINANCE
AND
POST-WAR PROBLEM.

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INDIA'S WAR FINANCE

AND

POST-WAR PROBLEMS.



BY

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THE MEMORY OF

MAHADEO GOVIND RANADE

at whose feet I had the privilege of sitting in the humble
capacity of a reader and from whom I received
inspiration and guidance for the study of
public questions and the service of
the mother country.

PREFACE.

The social fabric has been shaken to its very foundations more or less in all nations by the impact upon it of conditions and ideas generated by the war, and now that hostilities have ceased, reconstruction and readjustment are in progress every where. India contributed generously to the conclusion of the struggle to a successful issue and the effects of the war upon her have been of a far-reaching character. Her systems of expenditure and taxation, currency and exchange, banking and trade; were put to a severe strain on account of the sacrifices she made for the victory of the cause for which the Empire and its Allies fought; and the need of reconstruction in her social, economic and political institutions has come to be urgently felt. It is the object of the following pages to describe how India served in the war by rendering assistance to maintain the conduct of the struggle at a high level of efficiency, how her finance and currency were constantly adjusted with that supreme end in view and how in the light of the experience of the past five years, certain reforms have become imperatively necessary in her financial and economic organization.

At the desire of the editor of the *Servant of India*, I planned a series of articles reviewing the financial administration of Sir William Meyer on the eve his retirement from office of Finance Member. As I wrote, I found that the

subject grew on me and that it was not possible to do justice to it in the limited scope that was allowed by a few newspaper articles. I, therefore, decided to extend the plan and to deal more comprehensively with the different aspects of the financial and cognate problems which required discussion, and the result is the book now presented to the public. An attempt is made in the following pages to give the student and the general reader a clear idea of the ways in which India's methods of finance, currency, exchange and banking were adopted to the requirements of the war and to show what improvements are needed in them in order to place this country on the path of healthy economic development particularly in the new era which is dawning upon the world.

Fergusson College, Poona.
31st January, 1919.

} V. G. KALE.

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