

The Impact of Great Depression on the Social Life of Tamils, 1929-1937

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The World-wide impact of Great Depression of 1939's was on a scale of unprecedented severity. The collapse of export markets, fall in the prices of agricultural and commercial products, and decrease in government revenue from customs, excise, stamps and registration were the marked feature of this global phenomenon. In India the trade and fiscal policies pursued by the colonial state added to the incidence of the Depression and aggravated the situation. This paper attempts a brief account of the onslaught of the Great Depression on the Tamil districts of Madras Presidency, the intervention of the colonial government in Madras to counteract the Depression and finally the Depression's fallout on the people and their response to the consequences of the Depression.

The great Depression of 1929 affected almost all countries to a greater or less degree according to the nature of the economic system which each of them possessed. India was also affected by this global phenomenon. The defensive measures initiated by each country to safeguard its internal economic system led to unprecedented decline in world economic activity.¹ In India British Colonialism added to the Depression and aggravated the socio-economic conditions. As the economic losses suffered by each nation had been terrible, the academics continued to evince interest in the study of Great Depression. But the study has always been the preserve of economists² as the historians passed over it as a non-event. In India contemporary studies were undertaken only by the economists K.T.Shah, P.J.Thomas and B.V.Narayanaswamy Naidu.³ Unlike in the U.S.A. where there was continuing interest in the study of Depression⁴ there was no effort in India to have a fresh look at the onslaught of the Great Depression.

Recently, a national account of the Depression has been made available by the historian D.Rothermund.⁵ But hardly any worthwhile regional study has been attempted so far and, therefore, a provincial account of the Depression is still awaited. Christopher

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¹ Arndt, *Economic Lessons of the Nineteen Thirties* (London, 1944).

² Galbraith, J. K., *The Great Crash* (Australia, 1969); Tom Shachtman, *The Day America Crashed* (New York, 1975); Charles Kindleberger, *Manias, Panics and Crashes* (New York, 1970).

³ Shah, K. T., *World Depression* (Madras, 1933); P.J. Thomas, *Papers on Currency and Depression, Papers on Rural Debt and Papers on International Trade* published in the Madras University Economic Series (Madras, 1933); B.V. Narayanaswamy Naidu's *The Madras Agriculturists Relief Act: A Study* (Annamalai Nagar, 1939); *Report of the Economist for Enquiry into Rural Indebtedness* (Madras, 1946), *The Co-operative Movement in the Madras Presidency* (Annamalai Nagar, 1946).

⁴ John A. Garraty, *The Great Depression* (Florida, 1986).

⁵ *India in the Great Depression* (New Delhi, 1992).