

INDIA IN THE WORLD  
CRISIS ( 1929-34)

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C O N T E N T S.

INTRODUCTION.

Chapter I.

A DESCRIPTION OF THE

pages 10-101

GENERAL DEPRESSION.

Scope of the Chapter --- three well-defined periods in the post-war economic history of the world.

Section A: The Back-ground of the Depression.

1919-25 : a period of recovery --- 1925-29 : a record of progress --- the special position of England --- was the subsequent collapse due to mal-adjustments? --- factors responsible for the progress critically examined --- certain other features of the economic situation discussed --- the position before the crash --- development of boom conditions in U.S.A. --- their effect on world conditions --- the French gold demand.

Section B: The Surgey of the Economic Depression.

The break in Wall Street --- a universal and precipitous fall in prices --- its effects on production --- debtor agricultural countries seriously affected --- German economic system after 1929 --- the special position of U.S.A. --- the spread of desolation --- the failure of Credit-Anstalt and its repercussions --- the crisis in Germany --- England "Off" gold --- effect of English action on conditions (i) at home and (ii) abroad --- the world in the spring of 1932 --- a slow revival since then.

Appendix.

Chapter II. INDIAN ECONOMIC CONDITIONS IN THE PRE-DEPRESSION  
PERIOD. *Pages 102-313*

Introduction.

Section A: Agriculture.

The importance of agriculture --- the state of agriculture considered under (a) the size of the holdings, (b) the yield per hectare and (c) the income per head of agriculturist --- the causes of backwardness --- Indian agriculture 1913-29: (i) food crops, (ii) commercial crops --- the problem of prices --- disparity between agrarian and general prices --- effects of currency policy --- indices of deterioration --- conclusion.

Section B: Industries.

The place of organised industries in the local economy --- the plan followed --- (i) The Cotton Textile Industry of India --- the distribution of the industry .. the development of the industry (1914-29) --- the causes of the depression --- a general review --- (ii) The Jute Industry of India --- development of the industry (1914-29) considered under three periods --- between (a) 1913-14 to 1918-19 (b) 1919-20 to 1921-22 --- (c) 1923-24 to 1929-30 --- the trend of prices of finished products --- summary --- (iii) The Iron and Steel Industry --- The Tate company; **its** progress --- production statistics --- conclusion --- (iv) The Sugar Industry of India --- the importance of the industry --- short notes on the various methods of extraction --- world position of the industry 1921-29 --- Production of (a) Gur, (b) Khandsaris, (c) Refineries and (d) Central Factories ---

statistics of a few other industries --- Factors responsible for progress between 1914-29 --- causes of the slow rate of development explained --- need for rapid industrial expansion.

#### Section C: Foreign Trade.

The importance of foreign trade --- growth of foreign trade and its relation to prosperity --- nature of our foreign trade --- direction of our trade --- India's foreign trade in post-war years --- 1919-20 to 1922-23 : a period of set-back --- 1923-24 to 1929-30: a period of recovery and progress --- the causes of progress --- a comparative view --- increases in population and trade compared --- nature of our foreign trade in post-war years --- direction of our foreign trade during post-war years --- conclusion.

#### Section D: Currency and Banking policy and the Price level.

The objective of currency policy --- the requisites --- conditions in India --- pre-war currency policy upto 1914 --- The Great War (1914-1919) --- Babington-Smith Committee to Hilton-Young Commission --- the Hilton-Young Commission and after -- steps taken to maintain exchange --- their effects on internal economic conditions --- difficulties exaggerated by (i) the divorce between currency and credit and (ii) inadequate banking facilities --- summary.

#### Section E: Public Finance.

Characteristics of Indian Public finance --- post-war financial arrangements --- income and expenditure of the Central Government between 1921-22 to 1929-30 --- growth of Central revenues analysed --- chief items of Central expenditure ---

history of Central finances falls into two periods (i) period of deficit finance ending 1923-24 --- (ii) period of relative prosperity : 1924-25 to 1929-30 --- Income and expenditure of the Provincial Governments --- differences within the provinces --- causes and their results --- sources of provincial revenue inelastic --- but expenditure expansive --- history of provincial finance also falls into two periods (i) upto 1923-24 : period of economy and retrenchment (ii) between 1924-25 and 1929-30 : some progress achieved --- economic consequences of post-war financial policy ; inequality in the distribution of taxation --- The public debt position : 1914 to 1929 --- summary --- situation at the end of 1929-30.

Conclusion

Chapter III INDIA IN THE WORLD CRISIS (1929-34)

Pages 314 - 425

Introduction.

Section A: Agriculture.

Prices of Indian Agricultural commodities 1929-32 --- production maintained --- a drastic reduction in gross money income --- cost of production and the net income of the farmer --- national economy seriously affected --- effect on the producers of (a) food-crops and (b) commercial crops --- the problem of indebtedness --- conclusion.

Section B: Industries.

The plan followed --- (1) The Cotton Textile Industry of India 1929-32 --- increase in production (a) yarn and (b) piece-goods; changes in the quality of production --- factors responsible for the progress (ii) the Jute Mill industry of India 1929-32 --- statistics of production --- the causes of

deterioration --- some other considerations --- (iii) The Tata Iron and Steel Co. --- statistics of production --- improvement in efficiency --- the financial position of the industry --- the causes of progress --- (iv) the Sugar Industry of India --- production of gur --- khandsaris --- the refineries --- central factories --- statistics of some other industries --- the minor industries of India --- factors responsible for development.

#### Section C: Foreign Trade.

Value and quantum --- the causes of the shrinkage of (i) imports and (ii) exports --- the consequences --- changes in the nature of our foreign trade --- changes in the direction of our trade --- summary.

#### Section D: Currency and Exchange.

Developments grouped under two broad divisions --- period (i) October 1929 to September 1931 --- Indian exchange affected by (a) an over-valued rupee; (b) the world economic slump and (c) political difficulties --- indices of over-valuation --- excessive contractions of currency --- behaviour of the price-structure --- movement in foreign trade --- costly loans --- stringent monetary conditions --- period (ii) September 1931 to end of 1932-33 --- exchange difficulties eased --- summary.

#### Section E: Public Finance.

Disorganization in Central finances --- disorganization in Provincial finances --- Governments out for budget equilibrium --- motives underlying Governmental policy --- steps taken to achieve the end --- consequences on the life and activities of the people --- conclusion.

Indian economic conditions at the close of 1934.

Chapter IV. PLANS AND POLICIES. *pages 426-502*

Section A: Measures taken to combat the Depression.

Introduction --- Government the main instrument of economic policy --- Government of India recognised their responsibility --- considerations uppermost in Government mind --- the basis of Government policy --- action taken by Government to combat the depression --- (i) assistance given to agriculture --- (ii) assistance given to industries --- (iii) aids to exports and (iv) favourable monetary and fiscal conditions --- criticism of Government policy during the depression --- measures taken by the people --- summary.

Section B: Possible Courses of Action.

Adjustment between costs and receipts : the main objective --- three methods to this end separately considered --- (i) increasing the efficiency of production --- (ii) deflation --- and (iii) inflation --- solution to be found in an admixture of (i), (ii) and (iii) --- the question of a currency standard discussed --- arguments against a change in ratio exhaustively examined --- devaluation was needed; schemes of capital development --- national economic planning --- conclusion.

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