

Implementation Of War Fund Schemes During The First World War In The Madras Presidency

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Abstract

The intensification of war demands in 1917 introduced many firsts in India's financial history. Government announced the 'gift' of 100 million pounds towards Britain's war expenses and launched the first of two Indian War Loans to meet this sum on that year. This cast the colonial regime in the role of debtor to a subject population over which it had to reproduce its standing and authority. War loan propaganda could never be too strident, lest Indians conclude that Britain was bankrupt and losing the war. Peasants viewed the war loan as just another oppressive exaction. However, in appealing to the figure of the 'small investor', war loan propaganda opened up a space for the conversation with the people from Indian middle classes. During those process, it added fuel to the demand for home rule.

Keywords: Madras city, First World War, Madras War Loan, Madras War Fund Stamps, Madras War Fund

Introduction

Major changes had happened during the First World War. It created impact upon the social and economic condition of the Madras city. The great unexpected event, occurred on the eve of First World War was Bombardment by German Cruiser. It created little damage over the Madras Port, Burma Oil Company and other surrounding areas; but it created very big panic among the people. Many people runaway from the city. Simultaneously the prices of food stuffs increased which severely affected the ordinary people. But Government could not take any adequate measures to control the rise of price. The War greatly affected the financial situation of Madras Government. This paper attempts to highlight many War fund schemes like Madras War Loan, Madras War Fund stamps, Madras War Fund, etc introduced by the Government during the first world war in the Madras city.

Bombardment of Madras

The major incident on the night of 22 September 1914 was the damage caused by the shells of the German Cruiser Emden in Madras Port. It was the first and the last novel attack by the Axis Power in India. Though caused a slight damage; it created so much of panic and threat among the people. The active measures taken by the Government of India to strengthening the port and encourage the people by assuring them that prevented anymore attack further. The German Cruiser Emden approached Madras under the false name of the English cruiser New Castle, and also with the English flag. She gave the Port authorities to understand by means of signals that there were no one remained in the sea and that streamer could play without fear.¹

They were surprised and startled however, when at 9.30 p.m. on the night of September 22, the blinding glare of a search-light revealed the presence of the Emden of the harbor, slowly steamed past the sea-front of the town. She opened fire with her four inch guns, doing much damage before it was discovered that she was being made object of a return fire from a land battery at Cassimadu, when it immediately put out her search light and sailed away south-wards.²

Damages Made by Emden

The German Cruiser Emden through shells five to six times upon the Madras Harbor and the projectiles from which found many bullet in the buildings of the Port Trust Yard, the Boat House of the Madras

sailing dub and the facade of the new National Bank of India. Her first two shots found the Chupra, a B.I.S.N. steamer which was lying under the sea of the eastern groyne of the Harbour. The third shot hits the house of Mr. Elis, the Engineer of the Burma Oil Company installation. For then commenced a vigorous bombardment by the Emden which quickly set fire to the Burma Oil Company Oil tanks and those were hit their contents burst into flames, the ruddy glare from thousands of gallons of burning petroleum leaping skywards added to the weird. The oil tanks burnt fiercely all night and for a long time the next day as the illustration were enclosed at the last page. It created little amount of damage over the Madras Port and fifteen persons had been killed by Emden's shells and some wounded persons were being treated in the General Hospital.³

Trade has been completely stopped in the Bay of Bengal by the mischief of the Emden. But it was not possible for it to continue mischief for a long time. The Government of India sent a British man-of-war, a cruiser with the Japanese vessel called Chikkuma for the safety of Madras and two more cruiser had been sent to the pursuit of the Emden. The authorities stated that she is mere headless trunk having no power to do any mischief.⁴

Rumours and Panic

From the time, the oppressive German Cruiser bombarded in the city, most of the cowardly inhabitants moved out of Madras on account of fear. The number of those who left was so great that they did not find accommodation in trains. They feared that Madras was to be bombarded again. A rumour was afloat in Madras that another German cruiser was firing on the side of Tiruvottiyur; but this rumour was altogether unfounded.⁵ The public were being alarmed by many false rumours that a large number of people were leaving the city. In spite of this, the inhabitants left the city. Moreover, in the places to which they went the prices of foodstuffs rose high. The people were trying to convert their jewels and their properties into cash with a view to run away from there.⁶

Activities of Newspapers

The newspapers were giving following suggestion to the government to take some immediate measures to curtail the spreading of rumours and to encourage the people. The Government proclamation was issued in all the languages the people were easily calmed because of the order of Government carried greater weight and force, and copies of such proclamation should be distributed broad-caste even to the children. The authorities directed their attention to the city immediately. If the commissioners did not make their rounds even at this time and did not try to calm the people what can be done!. It is a great mistake for them to remain at home. A few days ago the commissioners had made their rounds by which the restlessness had subsided to a great extent. Officials and non-officials acted like wise for the mentioned issue. The Government of Madras proclaimed by beat of tom-tom throughout the town that there is no fear in the city and confirmed that the government strengthened the port and sent both the Japanese and British cruiser to demolish the enemy's cruiser. After the assurance of the government the people came back to the city and slowly recovered from the bombardment panic.⁷

Rise of Price in Madras City

Havoc and devastation at the scene of war-struggle had affected India by causing rise in prices. The price rise affected the ordinary people in a crucial way. The rise of the prices in India during the War caused heavy inflation. The causes of the inflation were listed as;⁸

1. Increase in the circulation of rupees and notes probably much greater than the amount of gold withdrawn from circulation.
2. The indirect effect of the War loans. It was well-known that the absorption of gold into circulation in India.

The people were disconsolate due to the rise in prices in food stuffs and clothes. They wanted that the government should take immediate measures to control the price hike. But the Government did not take considerable measures to check the rise in prices. The inhabitants considerably felt the effect of the rise in prices. In January 1915 the Government announced that there has been no appreciable variation in the prices of food grains though there have been some small fluctuations, due to local and seasonal causes. Several districts reported small rise in the price of sugar. On 16 February 1915 there have been little changes in prices. The food grains commonly consumed in the Madras Presidency have been affected by the War and were slightly cheaper than those grains were in July and for some unexplained reason the price of chillies were also doubled.⁹

On 2 March 1916, the Government reported about the rise in the price of salt, that there were general complaints of a heavy increase in the price of salt. This increase had little to do with the War; but that was the result of short production in the last two years in which the season has been had, combined with the holding up of stocks under the apprehension of a rise in duty.¹⁰ On 29 September 1916 the Government stated that during the past fortnight there had been further local rises in the price of cotton, decreased in the selling rate of indigo, and noteworthy fall of fifteen percent under non-confident to Madras city. The rise in prices constantly raised upto the end of the War. The Madras Government passed a Bill for the control of the price of cloth; but various objections were raised in the Legislative Council.¹¹

Reflection of Government Report

The Government issued the report that there had not been any appreciable rise in Madras in the prices of important foodstuffs used by the people. Towards this report, the newspapers wrote that "the Government of Madras at Otacamund should feel satisfied that there has been no such rise, which the Indian people are referred to in the Government communiqué, and what are the important food stuffs, mentioned there in? What does the Government mean by saying that there has been no appreciable rise? Are not sugar, kerosene oil, dhal, coffee, tea, etc., articles used by the people? It is not a fact that even a small rise in prices caused great hardship to the poor people? What is meant by the government saying that prices have not risen in Madras?. It urged the Governor to come down from the hills and make a personal enquiry which had been done in Bombay, Calcutta and other places. It was only then that the people satisfied.¹²

The articles of food were sold at famine rates. The people hoped that the president of the Corporation of Madras would direct his attention to this and dissuade the merchants from enhancing the prices of country and local articles. The people also requested the Government to depute an officer specifically for the purpose. For the purpose of controlling the rise in price of paddy and other foodstuffs, the Government of India ordered that no wheat or the wheat flour should be exported from India from 31 March to 31 December 1915. The people of Madras also wanted such an order regarding paddy. It became more beneficial to the poor people. As India grew more it was being exported to foreign countries. It was alleged that India had been exporting famine for the past five or six years.¹³

In the year 1917, even the price of ordinary vegetables had gone up sugar, oil, ghee and rice too mounted up at 'motor speed'. There several public opinions in Madras that the authorities had taken no effort to fix the prices of clothes and foodstuffs. The looters took upon themselves the duty of the Government and expressing regret at the want of adequate police and military forces in the city for quelling the disturbance. It was felt that the Government should bestow as much attention to the people of the country as they did in collecting men and money to the War.¹⁴

There was a loud cry everywhere in Madras about the inordinate rise in the prices of foodstuffs and clothes. Such high price would only result in starving and dying of people through such epidemics as malaria, plague and cholera and they believed that the Government would not cause any further delay in the matter and would take steps to relieve the distresses of the people as those had been done in Bombay.¹⁵

The people wanted the Government to do transporting food matters similar to railways in sending troops and provision to the War front. Similar facilities should be available for carrying goods from one part of the country to another. The Government had not yet realized that it faced the difficulty in getting railway accommodation for goods that the high prices of articles, which in turn led to lootings. This situation continued till the end of the War. After that the prices came down to the normal level.¹⁶

Introduction of War Fund Schemes

Since the outbreak of the War voluntary subscription have been solicited in the Madras Presidency through various relief funds - the Imperial Relief Fund, Madras War Fund, War Fund Stamps, War Loan and War Fund Medals and Certificates, started by the Viceroy and the Governor of Madras. The latter pointed out that as the brave soldiers were fighting for the defence of our country, it became the duty of Government to help the aged parents, the widows and the children of those who were killed in the War and those that may be crippled for life and hoped that the people would subscribe liberally towards the funds.¹⁷

The Madras Presidency has been the most liberal in its contribution to the War funds. Meetings were convened in every town for raising funds and to collect the subscription fund even braving the rainy

seasons. It manifested the intensity of the loyalty of the people in strengthening the arms of the English. By subsistence more and more women and children were engaged in collecting the subscription.¹⁸

Imperial Relief Fund

The Madras Presidency under Governor Pentland started the collection under the Imperial Relief Fund during the year 1915-16. It amounted to Rs.1,24,880 and out of this money about seventy five percent was duly remitted to the central committee, and twenty five percent was retained by the provincial committee for the relief of distress arising locally from the War. Other funds were also organised by the Madras Mail and other organizations.¹⁹

Madras War Fund

The Madras War Fund was started on 11 August 1914 to extend their help to the British and Indian troops at the War front. The Madras War Fund was instituted under its auspices. 338 trained horses were purchased in India and safely landed at Southampton whereas thirty motor cyclists were sent to the War - front to dispatch riders and the hospitalship 'Madras' was equipped and maintained.²⁰

The Hospital Ship "Madras"

Lady Pentland, the wife of Governor evinced her keenest interest in the fitting out of the hospitalship called 'Madras'. The staff, both medical and surgical, had been selected more carefully. The hospitalship 'Madras' left the Madras harbour at 10 p.m. on 17 November 1914, on her mission of mercy to the seat of War. The 'Madras' was to be of immense service in helping the sick and the wounded in the great War.²¹

Lady Depot and War Fund

The War Fund had been maintained throughout by voluntary subscription which upto to 30 June 1915 had totaled Rs.27lakhs exclusive of Rs.69,000 as monthly income of the hospitalship. Upto 31 March 1916 the subscriptions to the Madras War Fund totalled Rs.39,27,472. To supplement the work of the fund a Ladies Depot was formed with seventy three local centres throughout the Presidency. In 1916 the activities of the Madras War Fund were continued and expanded. It has up dated, equipped and maintained. Both the Hospitalship 'Madras' and the River Hospital ship 'Sikkim' has been purchased and presented to the nation. The total amount raised by the various branches of the Madras War Fund from the beginning of the War to the end of March 1917 amounted to nearly fifty five lakhs.²²

A second exhibition of Indian arts and industries, opened by the Viceroy in December at Madras, attracted a very large number of exhibits, brought in a notable contribution to the War Fund. Since 1 June 1918 the Madras War Fund continued its activities in various directions. It assumed new responsibilities and the demand on its resources on the activities of the Ladies Depot centers throughout the Presidency remained considerable upto the end of June 1919. By 30 June 1918 most of the liabilities of the fund had been discharged and the work of the various Ladies Depot centres throughout the Presidency ceased to function.²³

Madras War Fund Stamps

The Governor of Madras as President announced about the introduction of the Madras War Fund stamps. Those were offered for sale and were very beautiful. He recommended the people in general to purchase them as which had been done in Bombay where more than a lakh of rupees has been realised in this way. The War Fund Stamps were available at the principal shops and the office of the Honorary Secretary and Government House in Madras. The book of thirty-two stamps was priced to one rupee.²⁴

War Loan

For increasing the burden of the people the Madras Government introduced War Loan in 1917. The speech of Viceroy regarding the War Loan considering the facilities afforded to the people in the matter of subscriptions and it was understood that even poor can subscribe towards this loan which would help to gain success and bring the War to a termination. The Madras Presidency occupied the fourth place in the list of contribution to the War Loan. The amount of War Loan was very limited. Compared with other Presidencies it did not reach eight lakhs of rupees, while every other provinces had contributed far more.²⁵

A special meeting to inaugurate the Second War Loan campaign was held in Madras in April 1918. As the principal speaker, Sir Nillian Meyer solicited the people to subscribe more to the War Loan.

Inspite of many War Loan meetings throughout the Province, it cannot be said that the campaign did not awaken any enthusiasm. The total amount of Second War Loan subscription was Rs.22,03,400 from the Madras city until 29 June 1918. The total subscription collected from the Presidency amounted to Rs.55,53,500.²⁶

War Fund Medals and Certificates

The Indian Government, the Madras Governments and the Native Rulers have done and helped the British Government in the War through the introduction of "War Fund Medals and War Fund Certificates", with the name of each country and the value of the certificate or medal inscriber there in the former being, awarded to those who subscribed from one to five rupees and the letter in the following manner:²⁷

1. to those who contributed six to ten rupees nickel medal,
2. to those who contributed eleven to twenty rupees silver medal,
3. to those who contributed twenty one to thirty rupees silver medal of double size of the rupees,
4. to those who contribute thirty one to forty rupees gold medal (half sovereign) and
5. to those who contributed forty one to fifty rupees gold medal(one sovereign).

Conclusion

This method of raising funds became more effective than the issuing of War Fund Stamps. For improving the financial situation of the war-torn people, the Government introduced the above listed War Fund Schemes. They were increased the burden of zamindars, traders and the poor people. The Madras Presidency got the third position in the list of contribution of the War Funds. Thus people were highly affected in their economic side during the period of World Wars.

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