INDIA-PAKISTAN

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SUMMARY

The strategic importance of India lies in its geographical position, its vast size and population, and its economic productivity. It dominates both the Persian Gulf approaches to the Near East oil fields and the sea lane from Europe to the Orient. It has an area of more than a million and a half square miles and has a population of some 400 million persons. It ranks first or second in world production of jute, cotton, tea, mica, manganese, monazite, and beryl. It is a major source of iron ore, coal, and bauxite.

Political control of virtually all of the subcontinent is vested in the Dominions of India and Pakistan, which came into being upon the withdrawal of British rule over India on 15 August 1947. With the exception of the great principality of Hyderabad, all of the Princely States (once directly under the British Crown) have now acceded to one or the other of the dominions. Both India and Pakistan, at present ruled by provisional governments, profess adherence to Western concepts of democracy and civil liberty, and their constitutions are expected to provide for responsible representative government on a federal basis.

Neither dominion, however, has as yet attained political stability. Because the division of British India followed communal lines, the Moslem League has unchallenged political leadership in Pakistan, and the predominantly Hindu Congress Party (though potentially fissiparous) dominates the political scene in India. Nevertheless, the underlying Hindu-Moslem tension and the bitterness which attended the creation of an independent Moslem state still remain, aggravated by the widespread communal massacres which followed partition and by the sharp inter-dominion rivalry over such Princely States as Junagadh and Kashmir. Additional sources of disorder are: (a) the belligerently anti-Moslem Sikhs, who lost part of their Punjab homeland to Pakistan; (b) the Pathan tribesmen of Pakistan's North West Frontier Province; and (c) the small Communist Party, which has a controlling position in the Indian labor movement.

The dominions are also unstable economically. Under the British, India had an assured market for its principal exports and had built up a growing industry, but it suffered from overpopulation and recurrent famine. The division of India into two independent states and the disorders and mass migrations which followed have brought new problems. The Dominion of India inherited most of the mineral-producing facilities and factories but became dependent on Pakistan for part of the food and cotton and most of the jute needed to keep its industry running. The smaller Dominion of Pakistan, although more than able to feed itself, is industrially weak and at present does not even possess facilities for processing its jute and cotton. In addition, Pakistan has been handicapped by the loss of commercial skills and capital resulting from the exodus of the Hindu business community. The governments of both dominions have

Note: The information in this paper is as of May 1948.

The intelligence organizations of the Departments of State, Army, Navy, and the Air Force have concurred in this report.
suffered loss of revenues at a time when financial demands on them are high.

India and Pakistan have not yet developed firm foreign policies, but they will probably follow distinctive paths. Moslem Pakistan has supported the Arab states in the UN, is strongly anti-Communist, and (despite its opposition to "imperialism") appears less bitter about the UK's record in India than does its sister dominion. The Dominion of India is a vigorous opponent of "colonialism," aspires to leadership among the non-white peoples of the Orient, and at first welcomed Soviet support on colonial issues. There is reason to believe, however, that it would cooperate with the US in the event of a war with the USSR despite its present official policy of neutrality. Both dominions have criticized US-UK action in the UN over the Kashmir dispute.

Militarily, lack of equipment and training makes India and Pakistan weak. Their combined forces are incapable of resisting assault by a first-class power. Even an inter-dominion war would be hard for them to sustain for any length of time.

Future developments depend primarily on the outcome of the continuing hostility between India and Pakistan, particularly over the Kashmir issue. Actual war between the two dominions remains a possibility. Its outbreak would probably lead to victory for India, but the accompanying disorders might entail the breakdown of all central authority.

The present political and social unrest and the possibility of inter-dominion war threaten US interests because of the potential loss to the US of bases and critical materials and the favorable opportunities for Communist activity they involve.
SECTION I

POLITICAL SITUATION

1. GENESIS OF THE PRESENT POLITICAL SITUATION.

The great Asian peninsula known as India has never attained true political unity. At present, following the withdrawal of British control in August 1947, its two main subdivisions are the independent Dominions of India and Pakistan, but it also contains the independent border kingdoms of Nepal and Bhutan, some tiny seaport areas under Portuguese or French authority, and the large principality of Hyderabad, the only one of the myriad of autonomous and semi-autonomous Indian Princely States which has not yet acceded to one or the other of the two dominions.*

Behind India's political divisions is a complicated pattern of social disunity. Its more than 400 million inhabitants include eight distinct racial types and speak more than 200 different vernaculars. They are divided by cleavages, religious in origin but in effect social, which cut across political and geographical boundaries to a point where the adherents of a particular faith belong primarily to a society limited to their co-religionists and regard as alien the members of any other religious community. The Hindu community, the largest of these religious groups, is further divided into a multiplicity of castes and sub-castes which have but little mutual intercourse. The Moslem community, the second largest religious group, has existed since about A.D. 800, when a series of Moslem invasions began which eventually established the rule of the Moslem Mogul dynasty over the greater part of India, reduced the preponderant Hindu population to a secondary position except in the extreme south, and resulted in the conversion to Islam of much of the old population. Regionalism is another divisive factor.**

Such political cohesion as has obtained in India was until recently imposed from above—by individual princes or chieftains or by the British. Not until the end of the 19th century did the forces of nationalism begin to develop, and while nationalist feeling finally attained sufficient strength to compel the withdrawal of British rule, its cohesive power was not sufficient to prevent the division of British India on religious lines into two dominions. Even now, after the division, the two dominions are honey-combed with religious minority communities; whether the nationalist concept has penetrated sufficiently to permit the establishment of strong and stable governments in the two dominions remains to be proved.

India's modern history began in 1600, when Queen Elizabeth granted a charter to the trading association later known as the East India Company to establish the British connection with the area. For 150 years the East India Company was primarily concerned with protecting its trading interests and made no effort to supplant the power

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* According to recent reports, the insignificant state of Pip Lola in Central India also has "neglected" to accede.
** See Appendix B.
of the Mogul emperors at Delhi or of the local potentates elsewhere. However, after the Battle of Plassey in 1757 (in which Company troops defeated an attack by the French-supported native ruler of Bengal) the Company found itself compelled to take over the governing of Bengal in toto, and thereupon it embarked on a relentless policy of territorial expansion. Simultaneously the British Parliament tended increasingly to interfere in the Company's Indian affairs.

In 1857 the Company's native troops revolted and, aided by large segments of the population, tried to massacre or expel all Europeans in India. The "Great Mutiny" was suppressed, but in 1858 the British Parliament transferred to the Crown all of the Company's governmental responsibilities in India.

This transfer of authority to the Crown perpetuated the division of India (except for Nepal, Bhutan, and the inconsequential French and Portuguese holdings) into two political categories. Territory which had been directly ruled by the East India Company became British India, which was thenceforth governed by Parliament through the various Government of India Acts. The remainder of India, made up of more than 560 separate states known as Princely India, was joined to the UK by the feudal allegiance which its rulers owed to the British Crown, and indirectly controlled through residents and agents appointed from the Indian Civil Service. Its inhabitants were subject to the laws of neither British India nor the British Parliament.*

The survival of the Princely States, a result initially of the East India Company's practice of forming alliances with friendly and cooperative chiefs, was favored by the support that many of the princes gave the British at the time of the Mutiny. Afterward, British policy supported the divide et impera theory (first expounded officially by Lord Canning, India's first Viceroy) that the UK could best maintain its position in India by keeping in power a number of native rulers amenable to the Imperial will. As a result, while the people of British India were gradually permitted greater participation in government, internal administration in Princely India remained the function of the native rulers and has been, for the most part, entirely personal and autocratic.

Before 1921, Crown control of British India was absolute in every important branch of the government—central, provincial, and local. The administrative machinery was dominated by the Indian Civil Service, at that time almost exclusively British. While this organization maintained an exemplary standard of honesty and justice, it developed a bureaucratic tradition and an attitude of racial superiority. Its administration was capable and efficient but far from sympathetic toward the Indian population.

Demands for liberalization of the government, particularly during World War I, resulted in the so-called Montagu-Chelmsford Reforms, contained in the India Act of 1919 and implemented when that Act became operative in 1921. Designed to introduce gradual self-government to British India, they provided for partially responsible government (known as dyarchy) in the provinces, and more representative (but not responsible) government at the center.

* In 1947 British India comprised 865,446 square miles and had a population of approximately 300 million. Princely India contained 716,964 square miles and approximately 100 million inhabitants.
Constitutional reform was materially advanced by the India Act of 1935, which established fully responsible self-government in the eleven provinces of British India. The act also provided for a federation of India, which was to include both the provinces and the Princely States, and contemplated partial responsible government at the center of the dyarchical basis which had previously existed in the provinces. The portion of the constitution affecting the provinces became effective on 1 April 1937, but, though efforts were made to achieve the Indian Federation, especially by Lord Linlithgow (Viceroy and Governor-General, 1936-43), they were blocked by disputes between the British and the principal Indian political party (the Indian National Congress) as to the terms by which the Princely States would be allowed to enter the federation, as well as by growing misgivings by the states themselves regarding the ultimate implications of the federal scheme for them. On 11 September 1939 the Governor-General announced that the British would defer further steps to implement the plan until the end of the war, and when the question of India's government was considered in 1946, the differences between Hindu and Moslem leaders and the growing demand for full independence prevented any consideration of the 1935 plan. Thus until creation of the two new dominions on 15 August 1947, British India continued to be governed in part by the Act of 1919 and in part by the 1935 constitution.

The UK's difficulties over the Indian constitution during the three decades following World War I reflected the development of a sense of nationalism in India which rendered the gradual acquisition of self-government, as proposed by the British, increasingly unsatisfactory to ever-growing segments of the Indian population. The organization which most successfully fostered this relatively new concept was the Indian National Congress, commonly called the Congress Party or the Congress. At first moderate in its demands, it passed in 1927 a resolution defining complete independence as the aim of the movement. By the end of World War II its strength throughout the country, combined with Britain's weakness at home, had become such that prompt British withdrawal from India was clearly inevitable.

The Congress Party advocated a strong centralized government under majority rule. Until June 1947, when it realized that such a government was not immediately attainable, it insisted upon a single and united India which would include both the provinces and the states. Although it aspired to represent all groups in India and numbered many prominent Moslems as members, the Congress became in effect the Hindu party of India. As the one effective non-Moslem political organization, it also received the support of most of the minor political and religious groups.

The Congress Party's near-monopoly of Indian nationalism was challenged, particularly in the decade preceding British withdrawal, by the rise in strength of the reorganized Moslem League, which came to represent the great mass of Moslem opinion in India. In demanding India's independence, the League further maintained that the Moslems, outnumbered three to one by the Hindus, should not be subjected to Hindu domination. In 1940 the League officially adopted the principle that the Moslem majority areas of India should be free to form an independent Moslem state.
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The British decision to grant India's demands for independence was announced by Prime Minister Attlee on 15 March 1946, and a British Cabinet Mission (composed of Lord Pethick Lawrence, Secretary of State for India; Sir Stafford Cripps, President of the Board of Trade; and Mr. A. V. Alexander, First Lord of the Admiralty) was immediately sent to India to implement the decision.

On its arrival in New Delhi, the Mission was faced with the diametrically opposed demands and threats of the two major political parties. The Congress Party vehemently opposed any arrangement that entailed the division of India and claimed that the existing communal strife would continue only so long as the British remained in India. On the other hand, the Moslem League refused to consider any plan for a unified central government, which the League claimed would place the Indian Moslems at the mercy of the Hindu majority. The League became more and more insistent upon the creation of an independent Moslem state made up of the Moslem majority areas of the northwest and northeast and threatened armed resistance if Moslem wishes were disregarded.

After lengthy discussions with all of India's major political leaders, the British on 16 May 1946 proposed a plan for the transfer of power (the Cabinet Mission's and Viceroy's Award) which was meant to satisfy both the Congress and the Moslem League. Although it did not provide an independent Moslem state, the plan specified certain safeguards for the Moslems and called for the grouping of British India's provinces in three semi-autonomous sections, with the two predominantly Moslem sectors in the northwest and northeast separated from the remaining, predominantly Hindu territory. British paramountcy over the states was to end, and the proposed Union of India was to include both the provinces of British India and the Princely States on a federal basis, with central government functions limited to foreign affairs, defense, communication, and the necessary fund-raising for these activities. The plan provided for a Constituent Assembly, made up of provincial and states delegates, to frame the new Union of India's constitution and for a fully representative interim government to function prior to completion of the Constituent Assembly's work. It emphasized that the proposed Union would be entirely free to decide whether or not to remain within the British Commonwealth.

This plan, containing what the Moslem League called "the germ of Pakistan," was at first acceptable to the Moslems, but the Congress delayed acceptance and (despite a pretense to the contrary) apparently wanted to evade fulfillment of the plan's conditions. Thus, though at one time or another both the League and the Congress signified acceptance of the plan in full or in part, they never agreed on it simultaneously. Despite the best efforts of the Viceroy (Lord Wavell), announcement of the plan served only to intensify the disagreement between the two parties. Throughout the populace, communal disorders broke out which threatened to develop into country-wide civil war.

By March 1947 it was evident that a compromise acceptable to both major parties—a necessary prerequisite to a stable Union of India government—was unobtainable. Lord Wavell was recalled and Lord Louis Mountbatten was named Viceroy on 24 March 1947. The new Viceroy made a last attempt to obtain an agreement on the basis of
the original plan, then announced on 3 June a new solution which recognized reconciliation of the two groups as impossible. The British discussed the new plan with both factions but made it clear that in any case they would relinquish authority on 15 August 1947.

The new plan—the one under which India finally obtained freedom—was in the main a supplement to the original scheme which had been proposed more than a year previously; its principal new provision was that British India be divided into two separate political entities, Hindustan and Pakistan. As before, these two new states would at first be given dominion status to facilitate the immediate establishment of self-government, but they would be free to decide whether or not they remained within the British Commonwealth. As for the Princely States, British overlordship (paramountcy) would definitely end. They could individually accede to either of the two dominions as their governments chose, on whatever grounds were mutually agreeable, but except as constituent parts of either dominion would no longer remain in the British Commonwealth.

A Constituent Assembly remained part of the modified plan, but each of the provincial legislatures would decide whether its representatives would continue therein or join a second Constituent Assembly. The original Constituent Assembly would draft a constitution and provide an interim government for an independent Dominion of India (Hindustan). The second Constituent Assembly would serve similarly for an independent Dominion of Pakistan.

Special consideration was given to the religious division which existed geographically within three of the provinces. The Hindu majority districts of the Punjab and Bengal (both predominantly Moslem provinces) were allowed to join the Dominion of India. In Assam, the Moslem majority district of Sylhet was similarly allowed to secede to join Pakistan. Thus the original Constituent Assembly for the Dominion of India was made up of representatives of Bombay, Bihar, Orissa, the Central Provinces, the United Provinces, Madras, Assam (minus the District of Sylhet), and the new provinces of West Bengal and East Punjab. (To the Dominion of India were allotted also the several small Commissioner’s provinces of British India, including the Andaman and Nicobar Islands.) Participating in the new Constituent Assembly for Pakistan were Sind, the North West Frontier Province, and the new provinces of West Punjab and East Bengal. The Moslem-majority district of Sylhet, having seceded from Assam, became part of East Bengal, on which it bordered.

Baluchistan, just west of India proper, was also included in the settlement. The British part, almost entirely Moslem, was permitted to join Pakistan. The princely Baluchistan States, also almost entirely Moslem, later acceded to Pakistan.

The actual establishment of the two new dominions focused attention on the decision confronting the Princely States and on the widely divergent attitudes of the Congress Party and the Moslem League toward them. The Congress had long condemned the princely order as despotic and anachronistic and, through Congress factions within the States, had strenuously though unsuccessfully endeavored to force responsible, democratic government on their rulers. Upon the withdrawal of the British,
the Congress insisted that all states join one of the new dominions, and Pandit Nehru, the Congress leader and Prime Minister of India, even went so far as to announce that India would consider foreign recognition of any state as an unfriendly act. Congress also insisted that accessions should represent the will of the people. The Moslem League, on the other hand, never indicated hostility to the princely governments. Mohammed Ali Jinnah, the Moslem League leader, declared officially as Governor-General of Pakistan that its government considered any state free to establish itself as an independent country if it did not wish to accede to either dominion and added that Pakistan would gladly form an alliance with any state which might decide to maintain its independence. Pakistan has, however, put pressure for accession on some states.

Fears that a large number of states would refuse to accede to either dominion and thus bring about a Balkanization of India were soon dispelled, however, with most states acceding to either India or Pakistan even before the transfer of power on 15 August. In general, accessions have followed the lines suggested by both the religious loyalties of the princes and geography: states with Hindu rulers, or so situated geographically as to fall naturally within the sphere of the Dominion of India, have acceded to that dominion, while the Moslem-ruled states adjacent to Pakistan have acceded to the latter. This usually meant that states with predominantly Hindu populations acceded to India and Moslem-majority states acceded to Pakistan.

That the great majority of rulers were willing to accede to the new Dominion of India, despite the traditional hostility of its dominant political party, resulted in part from realization by the princes that, shorn of British support, most of them were open to economic and military sanctions which would compel their eventual accession in India on far from favorable terms. Another factor was the unusual attitude of compromise manifested toward the princes by the Congress Party, which apparently realized that earlier failure to agree to certain minimum concessions to the Moslem League, as provided in the British Cabinet Mission’s Plan, had resulted in the creation of Pakistan. Accordingly, India usually permitted acceding states to retain control of local affairs, surrendering to the central government only their powers over external affairs, defense (but not internal security), and communications.* The rulers, on their part, informally indicated a willingness to hasten constitutional reforms within the realm and promised that one-half of their states’ representatives to the Constituent Assembly be elected by popular vote.

States acceding to Pakistan similarly retained autonomy in local matters, relinquishing only the external powers which had been held by the Crown under the principle of paramountcy.

Thus the status of acceding states differed little from their former position under British rule, although the powers of many princes were later curtailed by India. Hyderabad, the most powerful of the states, is the only one which has still refused to accede to either dominion. Surrounded by Indian territory, Hyderabad's Moslem Nizam

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* In recent months the Dominion of India has completely absorbed a great many minor Princely States which had acceded to it although allowing the princes concerned to retain their titles and honors.
has postponed a decision by means of a one-year "standstill agreement" with India which in effect authorizes continuance of the status quo. Enjoying self-government but neither international recognition nor economic self-sufficiency, Hyderabad has an undefined status somewhere between true independence and autonomy.*

2. Present Governmental Structure.

Constitutions for the two new Dominions of India and Pakistan have not yet been completed by their respective Constituent Assemblies, and their governments are therefore still in the formative stage. As members of the British Commonwealth of Nations, each has a governor-general appointed by the British Crown as titular head of state, with administration entrusted to a prime minister and cabinet which—it is expected—eventually will be responsible to a dominion legislature. (Jinnah, as governor-general of Pakistan, is in effect the actual rather than merely the titular head of state.) At present the two Constituent Assemblies, made up of delegates elected by the provincial legislatures, serve as interim legislatures as well as constitution-drafting bodies, but (except as modified by them) the laws in effect immediately prior to the British withdrawal will continue in force until the new constitutions become effective. In the interim, too, the judiciary remains unchanged.

The basic structure of the two dominions, inherited from the former British Government of India, is of the federal type. The nine provinces forming the Dominion of India and the four provinces of Pakistan have a status similar to that of a state in the US, although they possess somewhat greater autonomy. The titular head of each province is a governor appointed by the dominion governor-general upon advice of the federal cabinet, but the provincial government is administered by a ministry responsible to the local legislature, which is elected by means of a greatly restricted franchise.

Each dominion includes two other types of territories besides the provinces: Princely States, and small areas called Commissioners' provinces or agencies, which were formerly administered more or less directly by the British central government. The acceding Princely States are included in but are not integral parts of the dominions. India has modified the status of most of the states which acceded to it, but their internal administration continues to rest in part with their own rulers. The Commissioners' provinces and agencies, on the other hand, continue under the direct control of the federal governments.

Civil liberties as understood in the US are officially recognized within both dominions and in all probability will continue to exist under the governments now being created. As presently planned, the constitution of India will contain a bill of rights guaranteeing to all citizens equal treatment before the law and insuring a wide degree of personal liberty. The Constituent Assembly of Pakistan has thus far done little more than to indicate that the constitution which it will draft will be based on Moslem traditions and Moslem law as set forth in the Koran. It can be expected, however, to include legal provisions for non-Moslems and foreigners.

* See page I-16.
3. Political Parties and Current Issues.

The political pattern in India and Pakistan, like the constitutional framework, is still in a transitional stage. Both dominions at present are virtually one-party states, with the Indian National Congress the dominant party in the Dominion of India and the Moslem League without a significant rival in Pakistan. Both parties were active throughout India during the years preceding independence, but since partition the Congress Party has done little more in Pakistan than to encourage Hindus to migrate to India. The Moslem League's recently established independent organization for India (the Indian Union Moslem League) will endeavor to protect Moslem interests in India. The few small minor parties are still organized on an all-India basis but are strongest in the Dominion of India.

With both dominions still concerned with establishment of stable regimes, the continued friction over the existence and strengthening of an independent Pakistan, which ranges Pakistan against the Dominion of India and the Moslem League against the other Indian parties, is the only major issue. Internal political differences have not developed into major issues in either dominion, and even the Communists at first agreed to cooperate in getting the new governments on their feet. The political issues and alignments which may emerge in the future may best be anticipated by consideration of the present parties individually.

a. The Indian National Congress (Congress Party).

Since its formation in 1885, the Congress has been the most powerful voice of Indian nationalism. Its main objective, of course, has been to secure the complete independence of India from the British. It has also, however, consistently advocated a united India (including the Princely States and Moslem-majority districts) and still hopes for the eventual consolidation of India and Pakistan. Favoring a highly centralized type of government based on majority rule, the Congress Party calls for an over-all nationalism which cuts across differences based on religious or racial affiliation or on socio-economic views. It feels that the religious and economic rights of minority groups can be adequately protected by the state and subscribes to Western concepts of civil liberties. Its economic program favors further industrial development of India, to be accomplished in part by private enterprise, but largely through state ownership of transportation and through state promotion of new industries. It believes in the usefulness of trade-unionism and fosters social legislation. While it condemns totalitarian ideology, there is increasing evidence of fascist tendencies within the party, especially in South India, and of a disposition toward arbitrary action.

Despite its emphasis on a pan-Indian nationalism, the Congress is predominantly Hindu and has been led mainly by caste Hindus of the professional class. The most notable of these leaders was Mahatma Gandhi, the elder statesman of Indian nationalism, who was assassinated by a Hindu fanatic 30 January 1948. Gandhi's efforts were mainly responsible for the conversion of the Congress from an organization of the intelligentsia to the guiding force in a movement of the people, and his prestige helped account for the paramount political influence which the party wields over most Hindus. Although he had held no party office since 1934 and technically was no longer even a
party member, Gandhi represented a spiritual force of immeasurable strength in the party and was characterized by Pandit Nehru as in effect its permanent super-president. The Congress Party's great weakness stems from the widely divergent social and political ideologies it contains. The members of many of the minority parties described below are usually also members of the Congress, and they thus can influence Congress policy from within. As for general Congress Party policy, Gandhi's moralistic advocacy of a handicraft economics has been supplanted by acceptance of the machine age under the socialistically inclined Nehru. Despite its mass support and its genuinely liberal attitude toward social legislation, however, the Congress Party's leadership remains generally conservative. The Indian industrialists are extremely influential in its councils, and the party boss, Sardar Patel, is considered their spokesman. No longer brought together by common opposition to British rule, the conservative and radical wings of the party will probably split openly in the not-too-distant future, and the minority may be forced to form a separate party.* Furthermore, the sectional and caste rivalries existing within the organization materially strengthen its fissiparous tendencies.

b. The Moslem League.

Founded in 1906 to protect Moslem interests against the threat of Hindu domination involved in increasing native participation in government, the Moslem League has emerged, under the vigorous leadership of Mohammed Ali Jinnah, as a first-rate political power. During most of its existence the League was a middle- and upper-class organization which advocated more representative rule for India, with special safeguards to assure participation of Moslems in the government and the retention of Moslem communal rights. However, after the notable victory of the Congress Party's candidates (including some Moslems) in the 1936 elections, the Moslem League worked hard and successfully to arouse the religious and communal feelings of the Moslem masses, charging that the Congress Party displayed a strong pro-Hindu bias. By 1938 the League's attitude had become more anti-Congress than anti-British, and by 1940 its autonomist leanings had developed to the point where it repudiated any version of a united India and demanded that the Moslem-majority areas of the northwest and northeast be granted complete political independence. The League's doctrine that the Moslems of India constituted a separate nation rather than a minority to be accorded a special position in a united India was termed the principle of Pakistan; it resulted, as has been noted, in the establishment of the Moslem dominion under that name.

The attainment of Pakistan has so monopolized the Moslem League's attention that its social and economic views have not been formulated in detail. There are indications, however, that a moderately conservative economic and social policy, probably including some form of "etatism," will be adopted. The League has wide popular support and now includes the vast majority of politically conscious Indian Moslems, with the large Moslem landowners prominent in the party councils. Since the Moslem

* Since the drafting of this report, Patel has been seriously ill and the Socialists have departed from the Congress. These events may postpone a party split.
community is largely agricultural, and since the membership generally appears to accept unquestioningly the leadership of Jinnah, the party possesses far greater unity than does the Congress.

c. **The Hindu Mahasabha.**

The Hindu Mahasabha was founded in the early 1900's but was not organized on an all-India basis until 1928. It is a highly conservative and militant Hindu organization which has always strongly opposed any concession to the Moslems, has firmly supported the caste system, and has emphasized the glories of Hindu power in the past. It currently opposes the non-communal attitude of the Congress, which it describes as both unrealistic and dishonest, and is bitterly opposed to the Moslem League's policy of partition. It has also opposed Gandhi's theory of non-violence and, as early as 1938, was demanding universal military training, largely as a means to offset the preponderance of Moslems then in the Indian Army. Many of its members are also members of the Congress, and their philosophy, however contrary to Congress Party declarations, has undoubtedly influenced the Congress’ practices in India, although the Mahasabha fell into official disfavor after Gandhi's assassination. Because of its bitter anti-Moslem attitude, the Hindu Mahasabha presumably will be unable to operate openly in Pakistan.

d. **The Scheduled Castes Federation.**

The Scheduled Castes Federation, claiming to represent the 50,000,000 “untouchables” of India and Pakistan, is led by Dr. B. R. Ambedkar, an Indian “untouchable” who is a graduate of Columbia University. Actually, because of the profound ignorance, inarticulateness, and apathy generally prevailing among the Scheduled Castes, only a small percentage of their number actively supports the Federation. In the past the Federation has opposed the Congress, on the grounds that the latter was dominated by caste Hindus and aimed to perpetuate the disabilities of the depressed classes. This allegation persisted despite Gandhi's well publicized efforts on behalf of the “untouchables” and despite the fact that the Congress-dominated India Constituent Assembly formally outlawed untouchability on 27 April 1947, in a resolution which stated that “untouchability in any form is abolished and the imposition of any disability on that account shall be an offense.” Politically, the Federation favors a united India with a strong central government but with minority rights and representation adequately protected by law. Its activities center on the social and economic advancement of India’s depressed classes. It is radical in the social field but not in the economic field. Both the Congress and the Moslem League have recently indicated a desire to secure the support of the depressed classes, and the first cabinet of each dominion includes a minister chosen from the Scheduled Castes.

e. **National Liberal Federation.**

The National Liberal Federation, an association of scholarly individuals, is extremely small in membership but owing to the calibre of its members has considerable prestige. Its main purpose is to promote reason in government and to diminish communal strife. As all of its members are believed to reside in the Dominion of India, its activities will presumably be limited to that dominion.
f. The Socialist Party.

The Socialist Party, led by Jai Prakash Narain, was until recently a militant left-wing element of the India National Congress, and was formerly known as the Congress Socialist Party. The elimination of the word “Congress” from the party name appears to have resulted originally both from Congress Party allegations that the Socialists were trying to exploit their connection with it and from a belief by the Socialists that they might thus strengthen their appeal to non-Congress elements in the population, especially in Pakistan. Narain continued to maintain, however, that the Socialist Party remained a part of the Indian National Congress, and it was with obvious reluctance that the Socialists announced in March 1948 their decision to establish themselves as a completely independent party. This decision has been occasioned both by a decree of the Congress that subsidiary parties may no longer be affiliated with it, and by a realization on the part of the Socialists that they could not, as they had hoped, gain control of the Congress in the near future.

Strongly leftist in economic philosophy, the Socialists vigorously oppose the Communists as being agents of a foreign power, and—though approving Prime Minister Nehru’s proclamation of Indian neutrality vis-à-vis the USSR and the Western bloc—they have characterized the spread of Communism as a major danger to world peace. Narain probably envisages a close relationship among India, the labor governments in Great Britain and other dominions, and the US as an effective means of combating Soviet aggression.

g. The Communist Party of India.

The Communist Party of India (whose general secretary for the past twelve years, P. C. Joshi, was replaced in March 1948 by B. T. Ranadive) is a comparatively small but highly disciplined party capable of causing considerable disruption. It possesses the most efficient body of labor agitators and strike engineers in the country. A few of its experienced leaders have been trained in Moscow.

The party claims to have about 90,000 members. Its greater strength is, of course, in the Dominion of India, where the number of industrial workers is larger, but peasant groups in the Pakistan provinces of East Bengal and West Punjab have also come under its influence. The poorly organized labor unions in Pakistan are also inclined toward Communist ideology. The present announced membership of the party is almost triple the number claimed in 1945 and about nine times that claimed in 1943, but there is little evidence of a marked expansion in trained cadres. The bulk of the trained members are found in Madras, Bombay, West Bengal, and East Bengal, but the Punjab branch of the party is also important because it includes a comparatively large number of Soviet-trained members who have worked in other parts of the world under the auspices of the Ghard Party. The mass migrations in the Punjab, however, have disrupted party organization there.

While the party claims “unquestioned leadership of the majority of the organized working class in the big industrial centers,” party candidates were badly defeated by Congress nominees in many labor constituencies at the start of 1946, and the party appeared to have lost ground throughout the trade-union field. It recovered sharply,
however, by exploiting the strike wave which swept through industry during the first eight months of 1946; in June of that year it almost brought about a nation-wide railway strike, and it did obtain a walkout on the South Indian Railway. The Communist Party is strongly entrenched in the labor hierarchy: when the general council of the All-India Trade Union Congress—India's principal trade-union organization—met in November 1946, 42 of its 56 members were Communists.

The Communists have also successfully penetrated the Kissan Sabhas (or peasant organizations). Membership in these organizations is probably about 100,000-200,000 rather than the three-quarters of a million the Communists claim.

Although prior to the establishment of a Soviet Embassy in New Delhi in December 1947, no evidence existed of direct contact with Moscow, the Communists followed the Soviet line meticulously in international affairs, using the Communist Party of Great Britain as a channel and possibly receiving occasional instructions by way of Afghanistan or Tibet. Direct contact is now provided by the Soviet Embassy, and the Ambassador is known to have established clandestine relations with Communist leaders in India immediately after his arrival.

The Communist Party's current program seeks to increase sentiment against the US and the UK and to extend its influence with labor and peasant groups. Presumably to strengthen good will among the Indian people, it at first indicated that it would cooperate with the new Governments of India and Pakistan in the problems confronting them. With the recent appointment of Ranade as general secretary, however, the policy of the party is believed to have undergone a revolutionary change, which has already resulted in activities cited by Prime Minister Nehru as dangerous to India's security services. It is anticipated that the party, which claims to have recognized as a mistake its efforts to "differentiate between the various national bourgeois leaders as progressive, reactionary, and neutral," will now launch its attacks against all members of the government and will not support Nehru or spare him from criticism as it has done in the past.

The Communists face the open hostility of the Congress Party as well as that of the Moslem League, despite the fact that they have infiltrated into the Congress and have occasionally influenced its policy. The conservative right wing of the Congress naturally opposes them, while even extreme left-wing elements are suspicious of their pro-USSR bias and specifically consider them traitors to the national cause for their failure to participate in the attempted expulsion of the British in August 1942.

h. The Socialist Republican Party of India.

The most extreme form of nationalistic radicalism to emerge in modern India was that of Subhas Chandra Bose, a Bengali Hindu who was elected president of the Congress Party in 1938 and 1939 and then—after being forced by the conservatives to resign—formed the Forward Bloc as a rallying point for the radicals. Never possessing strong popular support, the Bloc was composed mainly of Bengalis bound together by little more than attachment to Bose or dissatisfaction with the Congress Party leadership; Bose himself, after heading the "Free India Government" set up by the Japanese and (as head of the Indian National Army) participating in the Japanese thrust into
Manipur in 1944, is believed to have died in a Japanese plane accident. The Socialist Republican Party, founded in mid-1947, avowedly follows the Forward Bloc's policies and is led by its late leader's brother, Sarat Chandra Bose. (The Forward Bloc itself, although never formally disbanded, is not active, and its name is chiefly important as a rallying cry.) The Socialist Republican Party's principal aims are the creation of a united India free of all foreign influences; the termination of autocratic rule in the Princely States; and the organization of India into federated socialist republics set up on the basis of language. Despite his considerable following in Bengal, Bose's influence elsewhere is dubious, and his party is important chiefly as a potential nucleus for extremists, particularly in the event of a campaign against the moneyed, landowning class. Since his political philosophy is revolutionary, Bose—although a nationalist—may play along with the Communist Party.

4. Minority and Other Special Groups.

a. The Sikhs.

A militant sect that first dissented from Brahmanical Hinduism in the 15th century under the impact of Islam, the Sikhs constitute a compact, highly volatile minority of real importance in current Indian politics, despite their numerical insignificance in terms of over-all Indian population.* Most of the six million Sikhs in India are concentrated around the principal India-Pakistan frontier—four million of them in the Punjab and approximately one and one-half million of them in nearby Princely States. What is more, they possess an intense and belligerent group loyalty and are noted for the courage and fierceness of their warriors.

Sikh political aspirations have been expressed principally through the Panthic Akali or Sikh League, which was originally an organization for religious reform. However, there are also some Congress Party supporters and radical elements among the Sikhs. Like most of the other groups in India, the Sikhs have favored freedom from foreign domination; what has distinguished them, however, is their fierce and virtually unanimous determination that the Moslem League should not dominate them or their homeland. During British rule, this feeling resulted in general support of the Congress Party's program (though relatively few Sikhs belonged to it) and in wholehearted support of the Congress' efforts to stave off establishment of an independent Pakistan. Since then, Sikh anti-Moslem sentiment has led to some of the most violent disturbances which have grown out of the new pattern of Indian government.

With the division of India and the partition of the Punjab, about half of the four million Punjab Sikhs found themselves on the Pakistan side of the frontier, along with many of the Sikh holy places. Their group reaction was immediate. Thousands of Moslems were massacred in Amritsar, and thereafter communal killings on both sides of the border, by both Sikhs and Moslems, developed to such an extent that millions of persons were forced to flee from one dominion to the other. (On the Sikhs' part, the depredations appear to have been well organized, presumably by the Panthic Akali

* The Sikhs, however, make up the fourth largest community in India, being slightly fewer in number than the politically inconsequential Indian Christians.
with assistance from the rulers of several of the Sikh Princely States, and were apparently unopposed by Minister of Home Affairs Patel.)

There is reason to believe that many Sikhs ultimately hope for the creation of an autonomous Sikh state in the central Punjab. Such a territory would include the several Sikh Princely States and the districts of East and West Punjab, which the Sikhs regard as their homeland. This solution is unlikely. Pakistan would violently oppose the cession of vitally important lands to a Sikh state, as would also India. Thus, unsatisfied Sikh aspirations appear to constitute a long-run problem for both dominions, not only because of the direct effects of Sikh outbreaks but also because of the spark such outbreaks would provide to inflammable Hindu-Moslem relations.

b. The Pathans.

The North West Frontier Province contains for Pakistan another continuing minority problem: that of the Pathans. A wild and sturdy hill folk of the Moslem faith, the Pathans number about three million and reside in the arid, mountainous districts along the Pakistan-Afghan frontier. They are closely related to the million and a half Afghan tribesmen who live on the other side of the border. The fierce independence of these people is indicated by the fact that neither the British nor the earlier Sikh rulers of northwest India were ever able to establish strong direct administration over their lands. The Pathans are essentially nomadic tribesmen with a questionable allegiance to any government. Agitation for an independent "Pathanistan" has recently arisen, fostered by elements in Afghanistan and by anti-Moslem League leaders of the North West Frontier Province, but—except when they are stirred up by religious fervor—the tribesmen's fundamental interest lies in being permitted to occupy their lands free of interference and to secure a livelihood. Pakistan's problem is, on the one hand, to provide sufficient restraint to prevent raids into the settled districts without undue interference in tribal life, and, on the other, to provide a means of livelihood—by subsidy or otherwise—whereby the tribesmen are not economically pressed into making raids upon the more prosperous areas to the east and south. Failing this, increasing restlessness among the tribes would develop, tribal depredations would be committed further and further afield, and finally all semblance of stability in northwest Pakistan would disappear.

c. The Indian Princes.

The Dominion of India gained by accession well over 500 principalities, the rulers of which at first retained their local authority. Under the able direction of Sardar Patel (who holds among other portfolios that of States Affairs) the Dominion of India is fast reducing this formerly large number of ruling princes and chieftains to about 25. This has been accomplished through the amalgamation of many petty states into new and larger states under constitutions providing governments responsible to the people of the areas involved, and in some instances (notably in Orissa) through the incorporation of small states into an adjacent province. While the vast majority of the princes and chieftains have thus been relieved of their ruling powers, their personal honors and substantial private incomes have been left to them.
The princes appear to feel that they have been treated somewhat more generously than might have been expected, in view of the inevitability of reform, and hence little opposition to the program has been manifest. They all realize, however, that to the extent which circumstances permit the Government of India will abolish even that remnant of the Princely Order which thus far has retained its powers, and the more powerful and ambitious of the survivors can be expected to cooperate with the Government of India only on the basis of expediency.

To the extent that the relative power of the Government of India increases, the princes in question will be amenable to direction from New Delhi. If the Government's authority should begin to disintegrate, however, some of the princes will undoubtedly take steps to further that disintegration. In the event of war or other crises, none of the princes would immediately manifest disloyalty to the government. However, many of them would see advantages in a collapse of central authority; if such a collapse appeared probable, the more powerful princes could be expected to attempt to augment their personal power instead of bolstering the central government, even to the extent of using military force to acquire new and larger domains.

Pakistan, on the other hand, does not possess any such potential threat to its integrity. With the possible exception of the Khan of Kalat, who acceded to Pakistan largely as a result of pressure from Pakistan, exereted through his subjects and vassals, the acceding princes view the Government of Pakistan as the protector of their privileges and powers and can be expected in return to give that government their firm support.

d. Labor.

The Indian labor movement is still in its infancy; the largest group of labor unions—the All-India Trade Union Congress—possesses only about half a million members. In transportation and communications and in the important textile industry, however, the unions have considerable power, which is wielded, for the most part, by the Communists. Both the Indian National Congress and the Socialist Party are strenuously endeavoring to supplant the Communists in the trade-union movement and to that end are supporting, with only moderate success, rival labor groups known as the Indian National Trade Union Congress and the India Labor Congress, respectively.

5. Stability of the Present Regimes.

Each dominated by a single party, neither India nor Pakistan faces a serious internal threat to its political stability at present. A real danger to both does exist, however, in their continuing mutual hostility. Based on the deep-seated communal differences which separate Moslems from Hindus and Sikhs, and accentuated by the bitter communal feeling occasioned by the creation of an independent Pakistan, and the widespread riots which followed, this hostility has been especially evident in inter-dominion rivalry over certain Princely States.

The strategically important and predominantly Moslem State of Kashmir is the notable example of this rivalry. In late September 1947, a Moslem revolt broke out in the Poonch district and resulted in the formation of the Azad Kashmir Government
(under the leadership of Mohammed Ibrahim Khan). This government declared its intention of acceding to Pakistan. Although the Maharajah's troops attempted to quell the revolt, popular demand for accession to Pakistan within Poonch and neighboring districts continued to grow. In October when it seemed probable that the Hindu Maharajah of Kashmir might accede to India, well armed Pathans and other Moslem tribesmen swarmed out of Pakistan into western Kashmir in support of the Azad group. The Maharajah hastily acceded to India and requested Indian aid, which was furnished immediately in the form of Indian troops. With India and Pakistan backing rival parties in the state, continuing armed conflict has resulted. The Kashmir case was placed before the UN Security Council in January 1948. After months of discussion the SC decided to establish a Kashmir Commission to investigate the dispute. There is no indication that a solution acceptable to both sides will be achieved in the near future.*

Another point of issue is Jumagadh State, on the Kathiawar peninsula, which originally acceded to Pakistan but, after the subsequent flight of its ruler, came under the control of India. Junagadh is not important enough to tempt Pakistan to go to war, but India's ultimate acquisition of this state in what Pakistan considers to have been a highly improper and illegal manner will continue to rankle with the Pakistan Government.

Hyderabad's one-year "standstill agreement" with India, negotiated in November 1947, was intended to postpone the issue of accession. However, India's determination to obtain Hyderabad's accession (and Congress Party agitation in Hyderabad) continues, while the state's Moslem government, which bitterly opposes accession, has looked toward Pakistan as a potential champion. Hyderabad's Razakar extremists have raided Indian territory and assaulted Hindu travelers inside Hyderabad. India in turn has applied economic blockade against the land-locked state and has hinted at armed intervention. Both governments have issued sharp accusations and recriminations, with the result that negotiations have broken down and the relationship between the two governments has deteriorated. Thus the Hyderabad case might come to rival the Kashmir situation in urgency and might be brought before the UN.

While war between the dominions has threatened almost since their establishment, there are powerful deterrents from the point of view of both governments. First among these is the realization that, regardless of the outcome, a war would have extremely serious social and economic consequences to both and, in view of the increasing disregard for law and order since the departure of the British, might result in anarchy throughout the subcontinent. A second factor of importance is the apparent realization by Pakistan, which considers itself the more aggrieved party, that India now possesses a decided military superiority. A third factor of consequence is the sensitivity of both governments to world opinion and the realization that an internecine war would result in great loss of prestige abroad by the Indian peoples.

Despite full appreciation by both sides of the disadvantages of war, the possibility that open conflict will develop between the two dominions cannot be entirely discounted.

* See also Section III-4.
Either India's need for prompt, successful termination of its military activities in Kashmir or depredations by tribesmen into Indian territory might result in Indian Army attacks against concentrations of tribesmen in Pakistan, almost certainly entailing retaliatory action by the Pakistan Army. There exists also the possibility of new flare-ups between the Hindu and Moslem communities living side by side throughout both dominions, or of Sikh incursions in force into West Punjab, in retaliation for what they will long consider as the theft of much of their homeland. Communal warfare could thereby develop, despite the governments' best efforts, into full-scale conflict.

The division of India into two sovereign states has raised economic and financial problems which also might lead to crises of the first magnitude, particularly if aggravated by economic sanctions by one dominion against the other. The predominantly more agricultural Pakistan, while capable of feeding its own population, will be weak in government finances until it develops its tax-collection system. In addition Pakistan badly needs coal and cloth from India, while India needs food and other items of agricultural produce from Pakistan. Ill will and suspicion on the part of the two governments continue to hamper the exchange of these items and thus to aggravate the resentment already existing.

A contributing but less important factor making for political instability is the nationalistic desire to throw off all vestiges of dependence on the British. This feeling has resulted, especially in the Dominion of India, in the premature dismissal of most British officials and a consequent weakening of administration.

Assuming that Pakistan survives the dangers presented by its economic and financial problems and by the possibility of war with India, its present ruling group may be expected to remain in power for a long time. The leadership of Jinnah and his lieutenants is at present unchallenged: there is no significant opposition group to focus criticism on the government or to take power itself. Furthermore, although the retirement or death of the 72-year-old Jinnah would be a severe blow to the government, Moslem League leaders (most of them from the well-to-do landowning class) appear to agree generally on both political and economic issues, thus assuring a continuity of policy.

India presents a different picture because of cleavages both within the Congress Party and within the dominion at large. The liberalism of Prime Minister Nehru seriously weakens the personal support which, as India's leading statesman, he would otherwise receive from the conservative and capitalistic elements within the Congress, headed by party boss Patel. (Patel is Deputy Prime Minister and holder of the important office of Minister of Home Affairs.) Similarly, Nehru's non-communal attitude antagonizes the large and influential element (with which Patel is also sympathetic) which believes that India should be governed in a manner primarily advantageous to the Hindus. With Gandhi's support of Nehru now removed, reactionary elements in the party might utilize a crisis brought about by reverses in Kashmir, communal disorder, or economic distress to oust Nehru from the premiership. Acquisition of complete control of the government by those elements would, of course, result in the heightened hostility of all left-wing groups and would increase the government's diffi-
cuity in maintaining law and order throughout the country. At the same time, the increased official emphasis on Hinduism which would result from Nehru's displacement by Patel or by any other representative of the reactionary groups would damage Hindu-Moslem relations on both the inter-dominion and local communal levels.

Conversely, those sympathetic to Nehru's liberalism, both in and out of the Congress Party, also constitute a potential source of opposition to his administration, because of the influence wielded in it by Patel and other conservatives. However, none of the Indian factions can make a direct appeal to the people until the first elections are held under the new constitution (which from present indications will not be operative for another year). Until then the cabinet is responsible only to the Constituent Assembly chosen in the summer of 1947. Hence, unless some cataclysm such as war results in the breakdown of all authority, any change in India's government before the new constitution becomes operative will be within the framework of the Congress Party as now constituted, with Congress control of the country continuing. The problem of winning new elections, when it arises, can be expected to induce a shift from the present composition of the Congress and the Indian Government, with conservative influences displayed by those of the growing left wing. The death of Patel, who is now in ill health, would make such a change especially likely.
SECTION II
ECONOMIC SITUATION

1. **Genesis of the Present Economic Situation.**

In spite of their more than 1,500,000 square miles of territory and the possibilities for the creation of wealth contained in their varied natural resources and fertile lands, India and Pakistan are in most respects extremely poor countries. Ravaged by periodic famines taking a total of millions of lives, the two dominions face the fundamental problem of raising the standard of living of their people, most of whom live in abject poverty. Until this is accomplished, there is scant possibility of their assuming positions of power in the world.

Developed as a colonial area, though never technically a colony, the Indian Empire remained largely a producer of raw materials, with textile and iron and steel manufacture the only industries developed on a scale comparable to that of the western world. In the division of India into the Dominions of India and Pakistan, the Dominion of India obtained almost all areas in which industrial development of any sort had taken place and almost all of the subcontinent's mineral resources.

The dominant feature of the two dominions' economy is agriculture, upon which approximately 75 percent of the population depend directly for a livelihood. Two factors conspicuously affect this economy: (1) the monsoon rains (upon whose timeliness and adequacy the yield of agricultural products depends); and (2) the persistent demand of the outside world for India's raw produce. When the rains fail, as they do occasionally, the periodic famines develop which have plagued India throughout its history. In general, however, there is a surplus of most items of produce other than food, and a ready market always exists for India's jute, cotton, oil seeds, hides, and other raw materials. In return, the subcontinent absorbs large quantities of oil, machinery, certain metals, and many types of manufactured goods. A considerable quantity of food, mostly rice, must be imported, for even in the years of good harvest there is not sufficient grain produced to feed the Indian population. With partition, Pakistan has emerged as a surplus food area, with the deficit of the Dominion of India increased accordingly.

To what extent the new governments will endeavor to exercise economic control is as yet undetermined. The old Government of India exercised widespread control in many fields, and there is every reason to believe that the new governments likewise will undertake to direct the respective economies of the two countries, with the state controlling such vital industries as transportation and communications. The need for outside capital (especially in Pakistan) can be expected, however, to assure the continuation and encouragement of private enterprise in many fields. In both dominions such control as may be adopted will be occasioned by governmental realization of the economic backwardness of the country and by the belief that economic advancement can best be assured through state control and direction. Socialistic ideology will
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play a greater part in the Dominion of India than in Pakistan, and should the leftist political groups there gain control, an advanced form of socialism may be invoked. In Pakistan, the objective is expected to be purely that of increasing the strength and well-being of the country generally, and the means adopted may be similar to Turkey's policy of "etatism." In the Dominion of India the procedure followed will probably be the result of popular demand; in Pakistan, it will be that deemed best by the chosen leaders of the country.

2. Description of the Present Economic System.

a. Agriculture.

The total area of cultivable lands in India and Pakistan is about 358 million acres exclusive of forest area, which accounts for about 250 million acres. The great bulk of the agricultural effort is carried out in small plots of ground cultivated by peasant farmers, constituting about 80 percent of the population. Each farm tends to be a self-sufficient unit, with but a comparatively small proportion of the cultivated area utilized for the so-called cash crops such as jute, cotton, and tobacco. Crop yield is extremely low, principally because of the cultivators' financial inability to use sufficient fertilizer or to employ modern agricultural implements. Thus an acre of land in India normally produces only about two-fifths of the cotton, one-half of the rice, and three-fourths of the wheat produced by an acre in the US.

(1) Food Crops.

(a) Rice.

Although rice is the crop cultivated most extensively on the subcontinent, occupying about 28 percent of the total cultivated area, production has never been sufficient to feed the population satisfactorily. Annual prewar importations varied from one and one-half to two and one-fourth million tons, or on the average about 9 percent of total rice utilization. These importations were secured for the most part from Burma, Siam, and French Indochina.

With a population ratio to the Dominion of India of roughly 1 to 4, the area that is now Pakistan produced in 1944-45 approximately 32 percent of the total rice crop of British India. Pakistan will normally have a considerable surplus available for export.

(b) Wheat.

Wheat accounts for about 10 percent of the total area under cultivation in India and Pakistan combined. Production has normally been sufficient to meet the subcontinent's needs with a small exportable surplus in good years. Nearly 42 percent of the total British India production for the year 1944-45 was produced in the area that is now Pakistan; hence Pakistan's exportable surplus of this grain will normally be large.

(c) Minor Cereals.

Statistics for the production of most of the minor cereals are not available. Pakistan is, however, also a large producer of these food items. Its production of corn is roughly 22 percent of the total.
(d) **Sugar.**

Sheltered behind adequate tariff protection, the Indian sugar industry made phenomenal progress in the years immediately preceding World War II. The self-sufficiency with regard to sugar thus obtained has not been maintained, however. Current demand is considerably in excess of production, which in 1946-47 amounted to 921,177 tons for India and Pakistan combined. While Pakistan produces about one-eighth of the sugar cane, only 19,487 tons were refined in Pakistan. Thirty thousand tons of Cuban sugar were imported into India during 1947.

(e) **Oilseeds.**

Oilseed production in British India covered 23 million acres, furnishing an important article of export and certain essential items for the Indian diet. Pakistan’s production of oilseeds amounts to only about 6 percent of the whole.

(f) **Tea.**

While not a food product in the true sense of the word, tea was British India’s largest so-called item of food export and is the subcontinent’s most important plantation crop. All-India production approximates 580 million pounds, of which about 440 million pounds are available for export. Pakistan’s surplus is estimated at about 30 million pounds.

(2) **Non-Food Crops.**

Of the non-food crops, those important to the economies of Pakistan and India are cotton, jute, and tobacco. The subcontinent also produces a small amount of rubber.

(a) **Cotton.**

India as a whole has been the world’s second largest producer of cotton, with annual prewar production averaging about 6.4 million bales.* The area that is now Pakistan produces about 35 percent, and, in addition, the best varieties of Indian cotton are grown almost exclusively there. In spite of the considerable quantity of over one-inch staple cotton available in Pakistan, India as a whole has a deficiency in the long-staple varieties and imports annually about 500,000 bales, mostly from Egypt. It also imports some cotton from the Sudan and East Africa.

(b) **Jute.**

The subcontinent of India is the source of from 97 to 99 percent of the world’s supply of jute, which constituted British India’s largest export. Average prewar annual production approximated 8.2 million bales. Of this total, Pakistan produces about 73 percent.

(c) **Tobacco.**

British India annually produced about half a million tons of dried tobacco leaf, almost all of which was manufactured and consumed locally. Pakistan’s production amounts to about 30 percent of the whole.

(d) **Rubber.**

India produces small quantities of crude rubber in the Malabar districts of Madras and in Assam. Normal annual production is 16,000 tons, consider-

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*A bale amounts to 400 pounds net weight.
ably less than normal minimum requirements. Pakistan produces no rubber. Both dominions have, however, a convenient source of supply in Ceylon.

b. Natural Resources.

The subcontinent's natural resources consist not only of the ability of its land to produce huge and varied crops, its large forest areas, and, in some localities, water power of great potential, but also of large and valuable mineral deposits. As mentioned previously, however, these deposits are located almost entirely in the Dominion of India.

(1) Mineral Resources (India).

The Dominion of India enjoys a comparatively strong position with regard to mineral resources. These resources can be divided into the following four categories:

(a) Minerals of which India's supply is far beyond foreseeable needs—iron ore, titanium ore, and mica.

(b) Minerals of which the exportable surplus forms an important factor—manganese ore, magnite (kyanite), steatite, talc, silica, gypsum, beryl, monazite (the thorium-producing ore of Travancore), zircon, corundum, and cement materials.

(c) Minerals in which India appears at present to be self-sustaining—coal, aluminum ore, gold, mineral pigments, and phosphates.

(d) Minerals for which India has to depend largely or entirely on foreign imports—copper ore, silver, nickel, cobalt, petroleum, sulphur, lead, zinc, tin, fluorite, mercury, tungsten, vanadium, molybdenum, platinum, graphite, asphalt, potash, and chromite. (Chromite and sulphur are available in Pakistan.)

Iron Ore. India is the second largest producer of iron ore in the British Empire, being exceeded only by the UK. About 3 million tons are mined annually in India. Mining operations center chiefly in the Singhbum district of West Bengal and in nearby states, although small quantities are also mined in Mysore. The reserves of iron ore in India are probably the largest in the world and are said to be superior in quality to those of any other country. In the Singhbum district alone the reserves of iron ore with an iron content in excess of 60 percent are estimated at not less than 3 billion tons and may amount to as much as 20 billion tons. In Bastar State the resources are estimated at 724 million tons of high-quality ore. There are also important deposits in neighboring districts of the Central Provinces, one of which in the Rajhana Hills is estimated to contain two and one-half million tons of ore with a 67½ percent iron content.

Coal. The largest mineral product of India is coal, the annual output of which amounts to approximately 25 million tons. Although India has exported considerable coal in the past, the known reserves are not sufficient to warrant the production of more coal than is actually needed to fill India's own demands. The coal resources of Bengal and Bihar have been estimated at 60 billion tons, of which 20 billion are considered workable, and reserves in the Central Provinces and Berar have been established at 17 billion tons, of which 5.15 billion are considered workable. In addition there are coal reserves ranging from 60 to 80 million tons in the Langrin plateau of Assam, and 70 million tons in Nongstoin. Reserves of coal suitable for the manufacture of metallurgical coke have been established at only 500 million tons, of
which approximately one-half will be lost in the process of mining under existing conditions. These reserves are being consumed at an annual rate of 15 million tons and are used largely for purposes other than the manufacture of coke. Should the reserves of coal suitable for the manufacture of coke be developed exclusively for that purpose, they would last for many years, even though the production of iron and steel were greatly increased. The coking coal of India, although suitable for smelting purposes, is not of the best quality, having a substantial ash residue. Of the annual coal production of India, approximately two million tons are annually exported.

**Titanium.** Titanium occurs in India in the form of a double oxide of iron and titanium known as ilmenite. Before World War II, most of the world's supply of ilmenite came from Travancore, where it occurs in the sea and along the coast. The ilmenite sands of Travancore vary somewhat in metallic content and cover a large area which extends some distance beyond the actual beach and several miles along the coast. Production in 1940 amounted to 236,152 long tons and exports totaled 200,490 tons.

**Mica.** India is the world's largest producer of block and sheet mica, and is dominant in the production of mica splittings. The entire output of the Indian mines is exported. Production in 1943-44 exceeded 16 million pounds and in the record year of 1937 amounted to 33½ million pounds.

**Manganese Ore.** India customarily accounts for about 30 percent of the world's output of manganese ore (the USSR is the largest producer, India the second largest). Nearly 1 million tons have been mined in a single year. The iron and steel industry of India consumes normally about 60,000 tons. The chief mining areas are the Balaghat, Bhandara, and Nagpur districts of the Central Provinces; others include Sandar (one of the Madras States), Keonjhar and Bonai among the Eastern States, Singhbum in Bihar, and the north Kanara and Panch Mahalo districts of Bombay and Mysore. Reserves are believed to amount to 87 million tons.

**Bauxite.** There are substantial deposits of bauxite in India; reserves are estimated at about 250 million tons and are located principally in Bihar, the Central Provinces, and Bombay. There are also small deposits in Madras. The better grades of bauxite have an average alumina content of 55 percent. One of the deposits in the provinces of Bombay contains 750,000 tons of bauxite with an average alumina content of 49 percent.

**Monazite, Ilmenite, Rutile, and Zircon.** India is the principal source of monazite and has provided the bulk of the world's production. Monazite occurs in the beach sands on the coasts of Travancore and Madras, along with ilmenite, rutile, and zircon. Since monazite is the principal source of thorium, its strategic value has greatly increased since the introduction of atomic fission for military purposes. It is also a source of cerium and other rare metals which are essential to the production of certain optical glasses and lighter flints. All export of monazite, as in the case of other metals found in Travancore, is subject to control by the Travancore Government.
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Beryl. India is one of the two principal sources of supply for beryl (Brazil is the other). The deposits are mainly in Rajputana. Beryl is used in the production of beryllium alloys which have the remarkable characteristics of being non-corrosive, non-sparking, non-magnetic, and highly resistant to fatigue. These alloys were used extensively during the last war in the manufacture of aeronautical instruments.

Corundum. This mineral, ranking next to the diamond in hardness and of use in the abrasive industry, is mined in Madras, where the output is consumed by local abrasive manufacturers. Deposits also exist in Rewa State and in Mysore.

Kyanite. This aluminum silicate is used in the manufacture of certain high-temperature refractories. Deposits occur in Bihar and Orissa and to a less extent in Assam, Mysore, and central and northern India. India is the principal foreign source of the US supply of kyanite; present indications are that there will be no decrease in the US demand for Indian kyanite.

Chromite. There are deposits of chromite (the oxide of chromium and iron) in Bihar, the Eastern States, Bombay, and Mysore. Before partition, these deposits produced only about 5,000 tons annually. Indian consumption at that time amounted to about 12,000 tons. Large deposits exist, however, in nearby Pakistan.

Petroleum. Of the two exploited fields in former British India, the largest is the Digboi field located in Assam in what is now the Dominion of India. The approximately 1,850,000 barrels produced annually in this field and the approximately 300,000 barrels produced annually in what is now Pakistan constitute only about 10 percent of British India's former requirements. Imports before the war were obtained from Burma, the Netherlands Indies, and Iran, and substantial quantities of lubricating oil were obtained from the US.

(2) Mineral Resources (Pakistan).

Pakistan has emerged as a country almost devoid of known mineral resources. It produces small quantities of coal and petroleum and has an excess only of chromite and sulphur. According to the Geological Survey of India, its known deposits consist only of coal, sulphur, and petroleum.

Coal. Pakistan produces annually less than 200,000 tons of coal, and known but unworked deposits within the country are so difficult to exploit that their operation is not feasible at this time. Hence, Pakistan must look to the Dominion of India for most of its coal needs.

Petroleum. The only oil field which it has thus far been feasible to exploit in Pakistan is one located at Attock in West Punjab, which produces only about 600,000 barrels annually.

Chromite. Pakistan possesses large chromite deposits in Baluchistan. Annual production is in excess of 20 thousand tons and could be greatly increased. As Pakistan possesses no metallurgical industries, the entire output is available for export.

Sulphur. Sulphur deposits exist in Baluchistan. Annual production of sulphur ore amounts to about 12,000 tons.
c. Industries.

As earlier mentioned, such industrial development as took place in British India occurred almost exclusively in what is now the Dominion of India. There manufacturing enterprises have in recent years multiplied and spread, and every year are affecting to an increasing degree the lives of the people. The greatest impetus to India's industrial initiative came as a result of World War II. During this period many new and varied enterprises were added to the staple industries, which were rapidly expanded to meet the ever-growing war demand. Strong nationalist sentiment in favor of economic self-sufficiency and a tariff policy supporting that sentiment may be expected to result in further development of India's manufacturing industries. In relation to its size and population, however, industrial development is slight in India as well as in Pakistan.

The following table, which lists all the manufacturing industries of any size in each dominion at the time of partition, indicates the extent of industrial development within the two countries:

<table>
<thead>
<tr>
<th></th>
<th>INDIA</th>
<th></th>
<th>PAKISTAN</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of factories</td>
<td>Percentage</td>
<td>No. of factories</td>
<td>Percentage</td>
</tr>
<tr>
<td>Cotton Mills</td>
<td>857</td>
<td>99</td>
<td>15</td>
<td>1</td>
</tr>
<tr>
<td>Jute Mills</td>
<td>111</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sugar Mills</td>
<td>176</td>
<td>92</td>
<td>15</td>
<td>8</td>
</tr>
<tr>
<td>Iron &amp; Steel Mills</td>
<td>36</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cement Works</td>
<td>57</td>
<td>88</td>
<td>8</td>
<td>12</td>
</tr>
<tr>
<td>Paper Mills</td>
<td>19</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glass Works</td>
<td>112</td>
<td>96</td>
<td>5</td>
<td>4</td>
</tr>
</tbody>
</table>

The iron and steel industry, the cotton textile industry, and the jute industry may be considered the most important.

(1) Iron and Steel.

India has an efficiently operated steel industry and possesses within its borders all of the raw materials essential for the manufacture of steel. In 1939, it produced 1,757,000 tons of pig iron, of which 893,000 tons were used locally in the production of steel. Steel production for the same year amounted to 742,000 tons. During the war, iron and steel production nearly doubled, with exports of pig iron reduced to approximately one-third of the prewar quantity. The Tata Iron and Steel Company, located about 150 miles west of Calcutta at Jamshedpur, accounts for about 75 percent of the total steel production of India, and is the largest single steel plant in the British Empire. The Steel Corporation of Bengal has the second largest plant in India and accounts for about 17 percent of the country's production. The Government Metal and Steel Factory at Ishapore is the third largest steel plant but during the war produced only high-quality steel for armament. The fourth largest steel plant is the Mysore Iron and Steel Works, which annually produces 25,000 tons of light structural
shapes and bars. There are also small mills which operate partially or wholly on scrap and which produce light shapes and bars chiefly for the bazaar trade. There is currently a serious shortage of scrap iron.

(2) Cotton Textiles.

Before the war about half of the cotton produced in India was used by local textile mills and the remainder exported, principally to Japan. Annual output amounted to about six billion yards of cloth. The industry is centered in the province of Bombay, which accounts for approximately two-thirds of the total production. The two principal centers of production in the province are the cities of Bombay and Ahmabad. In addition to the six billion yards of cloth produced in the mills, another two billion yards are normally produced by hand looms throughout the country. At the present time production is insufficient to meet local requirements.

(3) Jute.

About half of the Indian jute crop is processed in India for shipment abroad. While East Bengal in Pakistan produces 73 percent of the raw jute, all of the jute mills, employing about one-quarter million workers, are located in the Calcutta area of India. For the most part even the raw jute must be compressed at or near Calcutta for shipment abroad. It is Pakistan's avowed intention to install compresses and to build mills of its own near Chittagong in order to secure for itself, and to deny India, the profit. Until compressing machinery can be secured and the new mills built, however, interdependence prevails between the jute interests of East and West Bengal. The determination of the former to end this relationship as expeditiously as possible, with the maximum rather than the minimum dislocation to the West Bengal interests, constitutes a serious source of friction between the two dominions.

d. Finance.

(1) India.

India emerged from World War II in what was believed to be an extremely satisfactory financial condition, largely because of its acquisition of about £1,600,000,000 in sterling credits, to its normally favorable balance of trade, and to its traditional ability to balance its budget satisfactorily. Developments since the war, however, indicate that India's financial position is considerably less favorable than had been believed. It is now evident that the sterling balances will be available for conversion in only very small installments, and that their utilization even for the procurement of goods from the UK must be extremely limited. India's ability to purchase needed capital goods abroad has therefore been seriously curtailed, unless resort is made to foreign loans. Furthermore, necessarily heavy expenditures for food and decreasing production of raw materials at home have already created a substantial adverse balance of trade and a dollar shortage. Labor unrest is having an increasingly adverse effect on India's manufacturing enterprises. In addition, the separation of Pakistan from the remainder of India has created a serious economic dislocation which materially reduces revenue and internal production. The borrowing capacity of the Government of India, however, still remains high in both the foreign and domestic fields.
The danger to the finances of the Government of India rests in the possibility of a serious economic depression which might result from increasing labor troubles, transportation difficulties, and disorder generally throughout the country. Its sources of revenue, in order of importance, are customs, personal income taxes, corporation taxes, and excise duties.

(2) Pakistan.

The immediate financial situation of Pakistan is considerably more precarious than that of India. With its wealth mainly concentrated in landed estates, with almost no industries, and with relatively fewer imports than India, Pakistan must obtain its revenues largely from agricultural sources and from export duties on jute and possibly other items of agricultural produce. Since partition, the disorganization resulting from communal disorders and also the flight of millions of Sikhs and Hindus (who thereby deprived Pakistan of their capital and their services) have both reduced the sources of revenue and made the collection of taxes extremely difficult. Before partition, Government of India revenues from areas now constituting Pakistan amounted to about 20 percent of the total. This revenue, supplemented by export taxes, would normally meet the government's requirements. Under existing conditions, however, it is unlikely that Pakistan can obtain as much revenue as its territory formerly provided British India.

e. International Trade.

(1) India.

In view of the steady demand abroad for its raw produce and the low standard of living of its population, for which only food and cloth constitute essential items, India normally has had a substantial favorable balance of trade. This situation could be changed by either of two factors: (1) the existence of chaotic conditions increasing the need for foreign grain and reducing the production of exportable raw produce; and (2) the importation of large quantities of capital goods for industrial development of the country, as planned by the Congress Party and Indian nationalists generally. Government of India authorities believe that such expenditures can be financed by the UK, the US, or one of the international monetary agencies.

India's external trade is world-wide, and hence India is not economically dependent upon any one country, nor is any one country economically dependent on it.

(2) Pakistan.

Possessing normally large agricultural surpluses, including food, and (because of the primitive manner of life of its inhabitants) requiring few imports in large quantity other than cloth and coal, Pakistan is assured of a highly favorable balance of trade under ordinary conditions. However, serious economic dislocation and political disorganization make it impossible to estimate the extent of Pakistan's international trade in the immediate future.

Although the economies of Pakistan and India complement each other in many important respects, making mutual interchange of goods on a large scale between the two both possible and desirable, current antagonism between the governments and peoples of the two countries is such that comprehensive economic coopera-
tion may not soon develop. Since markets for its produce exist throughout the world and since its requirements can ordinarily be procured from sources other than India, Pakistan is not economically dependent upon any particular country.

3. **Economic Stability.**

The economic strength of India and of Pakistan is similar: both can normally export large quantities of raw materials for which there is a world-wide demand. In both instances they are weakened by industrial under-development, especially marked in Pakistan, which requires the importation of most manufactured articles and, in the case of Pakistan, of almost all minerals including coal. However, so primitive is the manner of life of the vast majority of the population in both countries that most imports could be curtailed without immediately affecting seriously more than a small percentage of the people.

Nevertheless, the economic position of neither dominion is healthy at the present time, and each may require assistance from foreign sources, presumably the US. Bad harvests have accentuated the chronic food shortage of the Dominion of India, necessitating the expenditure of huge sums abroad for grain. A shortage of dollars is seriously restricting the importation of most articles on which import duty is paid and is therefore cutting down government revenues. Communist-encouraged labor unrest and undiscipline, transportation difficulties, and business dislocation resulting from partition threaten India with a serious industrial and commercial depression, which would further decrease corporation and individual incomes and in turn reduce government tax revenues. Increasing social unrest among the population generally, resulting from the prevailing low standard of living and the widespread dissemination of radical theories, threatens to result in political disorder unless the well-being of the people generally can be increased. An improvement in the standard of living appears attainable only through large-scale capital expenditure by the government as well as by private enterprise, and substantial loans from abroad may be required for such a purpose.

Because of depletion of income in many parts of Pakistan and the government's current problems in collecting taxes, Pakistan is experiencing difficulty in paying its troops and civil servants, in maintaining transportation and other essential services, and in successfully settling the millions of refugees from India upon the vital farm lands of West Punjab. Without adequate financial facilities it may need foreign loans in the present crisis. Furthermore, capital improvements on a large scale are necessary to permit the degree of prosperity in the country essential to assure stability and to permit the government to meet its heavy military responsibilities along the northwest frontier.
SECTION III
FOREIGN AFFAIRS

India and Pakistan, having attained independent nationhood only on 15 August 1947, have, of course, no tradition of foreign policy other than that inherited from British India. The foreign policy now to be followed by the two dominions has scarcely been formulated, and hence any discussion on the subject is necessarily speculative. There are indications, however, which permit speculation and which suggest that the foreign policy of the two nations will not be identical.

1. PAKISTAN.
   a. General.

   It is apparent that Pakistan, a predominantly Moslem country whose constitution is to be based on Koranic law, will look more to the West than will India, and will feel a greater affinity for the Moslem states of the Middle East than for the purely Asiatic peoples to the south and east. It should be borne in mind, however, that pan-Islamic sentiment has not been strong among the Indian Moslems, and hence independence of action can be expected of Pakistan in its relations with other Moslem countries. Pakistan’s strong statements against the partition of Palestine as proposed by the UN, and even such action as Pakistan may take in the matter in cooperation with the Arab states, are believed to result more from a desire to curry favor with the Moslem world than from any deep feeling for the Palestine Arabs.

   British influence in Pakistan, where the continued employment of many British officials is probable, can be expected to prevail to a much greater extent than in India because antipathy toward the British has never been so great among the Indian Moslems as among the Hindus.

   Hostile to Communism, aware of the vulnerability of its northwest frontier, feeling no great unfriendliness toward the UK, and viewing the US as a power from which much help (economic and otherwise) may be obtained, Pakistan can be expected to adopt a cooperative attitude toward both the US and the UK, and in the event of involvement in a world conflict to align itself with the US and UK against the USSR.

   Racial consciousness is, however, prevalent among the Pakistanis as well as among the Indians, and hence where European domination of other Asiatic peoples appears to be the principal issue, Pakistan’s support for the Asiatic can be anticipated.

   b. Relations with Afghanistan.

   Pakistan’s relations with its neighbor, Afghanistan, presents it with an immediate problem in the field of foreign affairs. As earlier mentioned, the Pathan tribesmen of the North West Frontier Province hold but a doubtful allegiance to the

* Pakistan’s belated establishment of diplomatic relations with the USSR in May 1948 probably stemmed from disgruntlement over the US position on Kashmir and was intended to indicate that the US should not take Pakistan for granted.
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Government of Pakistan and in their tribal relations recognize no frontier. These people number about 3 million and are closely related to an additional 1½ million tribesmen on the Afghan side of the border. They thus constitute both a source of strength for, and a threat to, the Afghan Government.

The administrative procedure adopted by the British while in control of India assured the continued existence of the tribes as a group distinct from the people to the east, who whether Moslem or non-Moslem are viewed with disdain by Afghans and tribesmen alike. With the British gone and a Moslem Government of Pakistan established, the Afghans fear that the interests of the tribes may eventually merge sufficiently with those of Pakistan to destroy the feeling of kinship now prevailing between the tribesmen and Afghans generally, thus weakening Afghanistan's military potential. The tribes, on their part, have shown a marked disinclination to accept even the limited degree of authority which had been imposed by the British, now that Punjabs and Sindhis are in control of the government claiming sovereignty over their lands. The resistance of the frontier tribes is generally considered to have been largely responsible for Afghanistan's successful opposition to British encroachment.

In the early summer of 1947, immediately upon announcement that the British would withdraw from India, agitation arose among the tribes for some form of autonomy, and the support of the Afghan Government was solicited as a return for past favors. It is reported that coupled with this request was a threat by the tribes against the government in Kabul (whose overthrow is believed to be within the capabilities of the tribes).

The Government of Afghanistan, therefore, championed the tribal issue and, as a condition for the exchange of diplomatic missions and the maintenance of friendly relations, demanded that Pakistan agree by treaty to the creation of an autonomous Pathan "country" within Pakistan embodying what is now the North West Frontier Province and northern Baluchistan. This demand was refused by the Government of Pakistan, but the Afghan Government dropped the matter, perhaps because of Pakistan's adoption of a "hands off" policy toward the tribes whereby virtual autonomy was granted them, as well as because of Afghan dependence on Pakistan as its principal outlet to the sea. Diplomatic relations are now established between the two countries, and there is some indication that the tribes themselves are becoming more willing to acknowledge formal allegiance to Pakistan. Nevertheless, the basic sources of friction remain, and some agitation on the tribal issue can be expected to continue. Should later difficulties develop between the tribes and the Pakistan Government, Afghan involvement can again be expected.

2. INDIA.

a. General.

Aware that its culture, except for superficial aspects imposed by the British, is almost completely oriental, proud in the memory of ancient glories, and ambitious to be the leader of a resurgent Asia, India can be expected to be oriental in its outlook. While commercial connections, economic traditions, and acquaintance with British
political institutions constitute a continuing tie with the UK, the considerable hostility toward the British which remains in India will render that dominion likely to cooperate with the UK only to the extent which appears clearly advantageous to it. British intentions in the East remain suspect, and the Indian's belief that imperialism is a basic concept of British foreign policy further decreases the probability of cordial Anglo-Indian relations in the immediate future. Despite great admiration for many US accomplishments and appreciation of the value of the US as a friend, a strong suspicion exists in India that the US possesses the rapacious tendencies attributed to the British, and that in its foreign policy the US merely substitutes economic imperialism for the political imperialism so long practiced by the UK. India also scrutinizes critically US policy regarding such colonial areas as Indonesia and French Indochina. Thus, collaboration by India with the US likewise may be expected, for the present at least, to be based on ad hoc considerations rather than on a conviction of fundamental accord.

b. Relations with the USSR.

Particularly in the period immediately following India's attainment of independence, many influential Indians believed that discord between the US-UK bloc and the USSR did not materially affect India and that Soviet influence and support might advantageously be utilized in connection with India's desire to champion all Asiatic and colonial peoples in their efforts for advancement and freedom. In big power politics India has attempted to maintain a neutral position, and the Indian Prime Minister has publicly announced on various occasions that India would align itself with neither the Soviet nor the Anglo-US bloc but would attempt to act as a bridge between the two points of view.

While this remains the official Indian position, it is apparent that the present leaders in the Government of India are becoming increasingly disillusioned about India's ability either to maintain a position of neutrality indefinitely or to maintain its present status if the area of Soviet political domination is materially enlarged.

If world conflict develops, the growing conviction among India's present leaders that Soviet victory over the Western world would jeopardize India's own independence can be expected to result (after an initial attempt at continued neutrality) in India's alignment with the US and the UK. However, Communist strength in certain key industries (e.g., shipping and transportation maintenance) and among discontented elements throughout the country is such that Communist strikes and sabotage might bring about the collapse of the government shortly thereafter, with India's usefulness to the US and the UK nullified by the ensuing chaos.

c. Relations with the Orient.

India's current ambition is the attainment of a dominant role among the peoples of Southeast Asia. This has been evidenced in the encouragement of regional conferences under Indian auspices, in a conciliatory attitude towards Burma and Ceylon, in official utterances of sympathy for the Indonesian and Vietnamese, in restrictive measures against the flight over India of Dutch and French airplanes, in support of Indonesia in the UN, and in official and private protestations of Indian
concern for and support of what might be called an Asiatic renaissance. Efforts in this direction have been impeded both by India’s preoccupation with the Kashmir dispute and with intra India-Pakistan affairs, and by a lack of enthusiasm among other Asiatic nations—including, of course, China—about India’s claims to preeminence. Whether India will eventually be able to attain the position of leadership in Asiatic affairs to which it aspires will depend primarily on its ability to render its own domains stable and upon the willingness of its somewhat skeptical neighbors to accept Indian influence as benevolent. In the long run, the ability of the developing Indian economy to supplant the US and the UK in commercial leadership will also help determine India’s political role in the Far East.

3. Relations Between India and Pakistan.

Of greatest importance in their foreign relations is the attitude of the two dominions toward each other. Relations between India and Pakistan are clouded by a number of factors. First among these is the undisguised resentment felt by most groups in India at Pakistan’s existence. In return, the Government of Pakistan views India with suspicion and antagonism, so that a basic hostility exists between the two countries which makes genuinely cooperative action difficult and unlikely.

The communal outrages, with their mass killings of minority members in both dominions, have so greatly intensified this mutual hostility that war between the two dominions has repeatedly appeared imminent and may again. Even if war is avoided, the heritage of hate engendered by the massacres may last for a generation.

A third factor adversely affecting the relations between the two countries centers on the accession or non-accession of certain of the Princely States. Such rivalry, involving each dominion’s belief that accession to the other dominion is contrary to the well-being of the people involved and to the interests of the surrounding territory, constitute a serious source of friction, which could bring about armed conflict between the dominions.

The Kashmir dispute has been the most serious example of such rivalry. A valuable prize because of its strategic position commanding the northwesternmost mountain passes and because of its rich forests and fields, Kashmir is contiguous to both dominions. Geographically, however, it is an extension of Pakistan’s West Punjab, and the alignment of its mountain ranges makes communication with India difficult. The Kashmiri population is predominantly Moslem but of divided allegiance; its Maharajah is Hindu. Prime Minister Nehru’s emotional interest in Kashmir (in part the result of its being his ancestral home) has unquestionably influenced India’s attitude.

Inter-dominion rivalry over Kashmir flared up in October 1947, when the Maharajah, confronted with revolt by his Moslem subjects, hastily acceded to India and obtained Indian military support. (Soon thereafter the Maharajah ceded certain powers to Sheikh Abdulla, a pro-Indian Moslem.) The rebels were aided by thousands of Pathan tribesmen who swarmed in from Pakistan’s North West Frontier Province, and the onset of winter conditions found the military situation deadlocked, with the
government of each dominion meanwhile charging the other with unfair practices. Indo-Pakistan tension appeared to slacken momentarily in early December, when the two dominions, faced with immediate practical difficulties over finance and administration, signed an agreement concerning disposition of the financial and other assets of the old British regime. By the end of 1947, however, India's attitude had become stiffer, and in early January 1948 India submitted the Kashmir case to the UN. The Security Council has been unable to obtain a solution mutually satisfactory to India and Pakistan, both of which have bitterly accused the US and the UK of partisanship in the UN proceeding. *

Both India and Pakistan have agreed in principle to a UN-supervised plebiscite of Kashmiris, but they have sharply disagreed over two principal points. Pakistan has insisted that a fair plebiscite cannot be held so long as the present government (with its Indian Army support) is in control, while India emphasizes the legitimacy of the present arrangement and refuses to make any concessions. India has charged Pakistan with supporting the tribal raiders and demands that they be withdrawn. Pakistan, which fears to take any forcible action against the tribesmen, states that it cannot prevail upon them to withdraw without giving them firm assurances that the plebiscite will actually permit the people freely to vote in favor of Pakistan.

An additional problem is posed by the increasingly independent attitude of Sheikh Abdulla, who heads the Indian-supported Kashmir Government. Abdulla might attempt to block a compromise acceptable to India and Pakistan, particularly if it jeopardized his control of the Vale of Kashmir.

In view of these differences, the governments of both Pakistan and India can be expected to remain basically non-cooperative and hostile toward each other, despite economic interdependence and the urgent need of friendly collaboration, especially during the critical period in which the new governments are becoming established. Until the threat of war involved in this attitude can be removed and a reasonable degree of cooperation established, it is unlikely that sufficient economic or political stability will exist in India or Pakistan to permit those countries to play other than a negative role in international affairs.

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* Since the drafting of this report, the two dominions have acquiesced in the Security Council's dispatch of a commission to Kashmir in an effort to obtain a settlement. Meanwhile, in Kashmir itself desultory fighting has continued. Indian Army units have gradually pushed back the rebel forces, which have received increasingly direct support from Pakistan as Indian troops approached the Indian border.
SECTION IV
MILITARY SITUATION

1. GENESIS OF THE PRESENT MILITARY SITUATION.

The armed forces of the Dominions of India and Pakistan are at present in a transitional stage, with their eventual efficiency problematical. Created through division of the forces of the former Government of India, deprived for the most part of the British officers who formerly held almost all positions of trust and responsibility, and lacking the ancillary British components which performed most of the technical services, neither dominion's armed forces can be considered effective at this time. To add to the ill effects of the present state of disorganization, the Army of Pakistan, together with the navy and the air force of both dominions, is at present sadly lacking in equipment and matériel; while in the Army of India, communalism, with an attendant decline in morale and discipline, is said to be rife.

In the two present armies, lack of experienced personnel in the field and general officer grades will seriously retard attainment of efficiency. Before partition there were over 10,000 British officers in the expanded Indian Army, which normally had a total strength of about 150,000. Immediately following partition the number of British officers in the Army of the Dominion of India fell to 1200, and since 1 January 1948, that number has been reduced to less than 300, as against the approximately 5,000 British officers in the prewar Indian Army. The Pakistan Army has retained a far larger proportion of British officers. While junior native officers have shown some jealousy of these British officers, it appears that both the Government of Pakistan and the army itself realize the need for them, and that their services will be utilized for several years.

In the Indian Navy, with an officer corps totaling 620, the number of British officers has been reduced to 60. Of 209 warrant officers, Britishers number 70. There are 22 British officers in the Pakistan Navy. In the Indian Air Force only six British officers remain as against 100 on 15 August 1947. The Pakistan Air Force has 21 British officers and warrant officers.

The original Indian Army had the two principal missions of maintaining peace within India and affording the country protection against invasion from the northwest, which, until the Japanese success in the Pacific, was considered India's only vulnerable frontier. The army, therefore, consisted of three elements: a frontier-covering force equipped for operation in the rugged and arid land of the northwest; a general field army designed for use if invasions from the northwest should materialize; and units assigned to internal security duty. The army was maintained by volunteer enlistment only, and formerly enlistments were limited, except in time of war, to those groups of people in India classed by the British as martial. Because the army provided the Indian enlisted man with a higher standard of living than he could normally expect as a civilian, and because of the martial tradition and pride in a
military profession existent among certain groups in India, a fine type of soldier was obtained. Ably officered by Britishers, the old Indian Army possessed magnificent morale and undoubtedly maintained a superior degree of professional efficiency. Using India's peacetime army as a nucleus, the UK was able, in both World Wars, to build in India a voluntarily enlisted military force numbering several millions, from which large contingents were drawn for defense of the Empire in various military theaters of operation.

Following partition and the decision to divide the Indian Army between the two dominions on a communal basis, the effectiveness of the old army was destroyed both by dislocation of organization and by deterioration of morale, especially evident in the new Indian Army. At first an effort was made to maintain the high order of leadership previously prevailing; British generals were chosen (and are still acting) as Commanders-in-Chief of both armies, and an over-all British Supreme Commander was installed (although not given operational control of either army). However, abolition of the office of Supreme Commander on 30 November 1947 and an increasing trend toward elimination of British officers (especially in the Indian Army) clearly indicate that dependence is to be placed largely on native leadership despite the absence of native officers trained for such leadership.

Demobilization in the armies of both India and Pakistan may be said to be complete. Immediately prior to partition, the strength of the Indian Army was approximately 525,000. The combined strength of the Armies of India and Pakistan is now estimated to be approximately 387,000, which is inadequate for internal security needs alone in view of the decreased efficiency of both armies.

2. STRENGTH AND DISPOSITION OF THE ARMED FORCES.
   a. The Army.
      (1) The Indian Army.

      The size of the present Indian Army is currently reported to be 241,000, with the following line units inherited from the old Indian Army: fifteen infantry regiments, twelve armored units, eighteen and one-half artillery regiments, and sixty-one engineer regiments.

      These units are formed into five combat divisions and two independent brigades, but it is reliably reported that only two and one-half divisions can be considered as effective. The new Indian Army has as combat soldiers the same fine type of enlisted men as did the old army, but its officer corps is extremely weak in view of the lack of training previously afforded Indian officers in either staff or senior command posts. In addition it is now deprived of its supporting British technical units. At present the Indian Army is well supplied with matériel and weapons from wartime stocks. However, the army's equipment, which will presumably continue for a considerable period of time to be of the type used by the British during World War II, will become obsolete as improvements take place elsewhere. Since the Indian is not mechanically minded and seldom has had any knowledge of machinery prior
to entry into the army, maintenance will presumably be bad, and deterioration can accordingly be expected to be rapid.

(2) The Pakistan Army.

In the division of the old Indian Army, Pakistan received the following line units: eight infantry regiments, six armored units, eight and one-half artillery regiments, and thirty-four engineer units. The army is now estimated to consist of about 146,000 men, organized into four divisions and one brigade.

The Moslem of the Northwest has always prided himself as a fighting man, and the Pakistan Government reportedly believes itself to possess a fine army at this time. Actually, this is not true. While the Northwest Moslems are magnificent combat soldiers, they are, for the most part, even more deficient in mechanical knowledge and formal education than the men of the martial classes in India. Thus the Army of Pakistan is especially weak in its technical services and (so far as its staff and higher command posts are concerned) in its officer personnel. Recognizing in part the latter weakness, the Government of Pakistan has encouraged British officers to remain, and 370 such officers are reported to have signed one-to-three-year contracts. While Pakistanis are now in command in all military areas except Rawalpindi, a British officer remains as Commander-in-Chief, and Britishers will at first hold the senior operational, administrative, and technical posts, turning these over to native officers as the latter become trained for them. Should there be war between India and Pakistan, however, all British officers in both armies would be withdrawn immediately. Under the circumstances, this withdrawal would be the more serious for Pakistan.

In weapons and matériel the Army of Pakistan is also weak at present, since the vast war supplies in India at the time of partition were for the most part located in what is now the Dominion of India. Though it was agreed that one-third of those supplies would be turned over to Pakistan, transfer has been delayed, and equitable distribution under the terms of the agreement can be expected only in the event that the threat of war between the two dominions disappears. Since the Moslem soldier is probably more inefficient than his Indian counterpart in the maintenance of matériel, deterioration of existing equipment can be expected to be more rapid in the Pakistan Army than in that of India.

b. The Navy.

While the subcontinent of India produces excellent fighting men, the Indians are not a seafaring people, and first-class seamen among them are rare. This is especially true in the officer class. It is safe to say, therefore, that the highest standard that can be expected of the future navy of either India or Pakistan is that required for coastal patrol, police, and escort duties. This type of work was performed very creditably during the last war by a majority of units of the old Royal Indian Navy.

The Indian Navy as it existed prior to partition was, like the army, divided between the two dominions, with the following ships allotted to each:
SECRET

INDIA
6 Sloops
4 Frigates
2 Corvettes
17 Fleet Mine Sweepers
6 Small Mine Sweepers
6 Motor Mine Sweepers
8 Harbor Defense Motor Launches

PAKISTAN
2 Sloops
2 Frigates
4 Mine Sweepers
2 Trawlers
4 Motor Launches

It is reported that the Dominion of India expects to acquire from the British Government a cruiser, HMS Achilles, and three destroyers in 1948. The cruiser and the destroyers are understood to have already been purchased, and it is believed that they will be brought to India in the near future. The Government of Pakistan is reported to be considering the purchase of several destroyers from the UK.

The present strengths of the two navies is estimated at 5,500 for India and 3,300 for Pakistan.

c. Air Forces.

Upon the partition of India, the former Royal Indian Air Force was divided in the following manner:

INDIA
7 Fighter Squadrons
1 Transport Squadron

PAKISTAN
2 Fighter Squadrons
1 Transport Squadron

The two air forces are barely operational, and rapid deterioration of all facilities, communications, airfields, and airplanes can be expected, now that the RAF has departed. Most fighters are of the now obsolete Tempest II type. The Royal Indian Air Force has at the present time about 20 operational C-47 planes for transport use, and the Royal Pakistan Air Force perhaps half as many. Neither air force has enough trained crews to operate or maintain properly even these few transport planes, inasmuch as the RAF did not include Indian Air Force pilots or Indian mechanics in its training program on multi-engine aircraft. At its inception after 15 August 1947, the RPAF reportedly had only one pilot qualified to fly multi-engine planes.

Estimated strengths of the two Air Forces are: India, 14,682; Pakistan, 3,500.

3. War Potential.

Neither India nor Pakistan is at present capable of fighting an unassisted war against a country not similarly undeveloped economically, although—within the limits prescribed by small arms and light artillery—both could indulge in organized strife involving many millions of people, by virtue of their large populations, simple economy, and fanatical beliefs. Despite over-population and lack of industrialization, which would permit vast numbers of men to be recruited for army service without material effect on the national economy, the two dominions now have only inconsequential organized military reserves. The volunteer quasi-military organizations which exist

SECRET

IV-4
in both dominions (mainly organized along religious lines) are capable of only primitive
types of fighting. Pakistan is entirely deficient in natural resources, while India's
vast potential is largely undeveloped, thus making local manufacture of military sup-
plies in bulk beyond the present capacity of either dominion. Neither dominion is
financially in a position to support a war requiring more than local operations, and, if
their present minor war in Kashmir were to develop into one of national proportions,
it would place a severe financial strain on both governments.

4. MILITARY INTENTIONS AND CAPABILITIES.

If a spirit of cooperation were to exist between the two dominions, the basic
mission of both armed forces (except for internal security) would be the protection
of the subcontinent from possible attack from the northwest. As long as the British
Navy controls the Indian Ocean, a friendly India and Pakistan have nothing to fear
in the way of attack by sea. Defense of the subcontinent depends principally, there-
fore, on guarding certain passes against land assault. Of these passes, the principal
ones are the Quetta Pass through Baluchistan from southern Iran, the Khyber Pass
through the North West Frontier Province from Afghanistan and Iran, and the more
difficult and less frequented routes from Sinkiang into Kashmir and from Tibet through
Nepal and the Indian State of Sikkim into the United Provinces and West Bengal.
Strategically, the routes from Tibet appear to offer little hazard. The Burma Road
from China provides an additional avenue of approach to territory adjacent to India.
However, defense of that approach must rest primarily with the Government of Burma,
and in any event conditions in the Far East and the nature of the Indo-Burman frontier
render danger of attack from that direction slight at the present time.

The crucial avenues to be defended are therefore normally the northwest passes,
and adequate defense of these passes requires not only that defensive military forces
operate in greater depth than that provided by Pakistan territory alone, but also that
these forces be more effective than the combined forces of India and Pakistan at the
present time. For nearly the entire past century, the Afghan border has been
guarded by the British, and Afghanistan itself has acted as a buffer state between
Russia and British power in India, the latter acting as a counterweight to Russian
pressure from the north. With British power withdrawn from India, the USSR may
be expected to increase its pressure against Afghanistan at a propitious time. Should
Afghanistan be brought within the Soviet sphere of influence, the danger from the
north to the subcontinent would be very real and imminent and beyond the present
capabilities of India and Pakistan to resist.

The threat of internecine war between the two dominions presents the armed
forces of each with a more pressing mission. This mission is the protection of the
India-Pakistan boundary in its most vulnerable sector, that separating the East and
West Punjab.

The number of effective Pakistan troops is less than that possessed by India, but
this disparity is offset somewhat by the greater dispersion of Indian troops. More
than half of India's effective combat troops are presently employed in Kashmir, while
others are in Junagadh, in Tripure and elsewhere near East Pakistan, and near Hyderabad. However, while Pakistan might immediately be able to face India in the Punjab with an equal or even larger force, the serious shortage of matériel (including ammunition) from which the Pakistan Army is suffering would render it unlikely that that army could withstand an attack by India. It is estimated by military observers in India and Pakistan that under existing conditions of supplies the Pakistan Army would become inoperative within a matter of weeks.

Inasmuch as a similar problem of supplies would exist in the event of Soviet invasion, resistance by the Pakistan Army could be expected to be only momentary. While such an invasion at the present time would undoubtedly result in joint resistance by the armies of both dominions, transportation difficulties would prevent effective assistance from India. It is believed that India’s ability to resist would be promptly dissipated by the general disorganization and widespread disorder which would ensue.

In the event of general warfare—either between the two dominions or jointly by them against a foreign invader—it is expected that neither army would be capable, at its present strength and efficiency, of maintaining internal security. In the event of war with the Soviets, it is possible that the Communists could promptly effect a dislocation of transportation and bring about the uprising of dissatisfied elements over widely dispersed areas. In any war between the dominions, communal massacres would probably occur throughout both dominions, and the Sikhs would raid West Punjab.

A further factor complicating the task of the Indian Army in a war with Pakistan would be the possibility of independent action by the more powerful of the Indian Princes. Indian States Forces (that is, the private armies of the Princes) total about 77,000 men, with the Nizam of Hyderabad, who is unfriendly to the Government of India, possessing some 40,000 of these. Were the Indian Army engaged in war with Pakistan, its simultaneous efforts to maintain the integrity of India in the face of unfriendly and concerted action by several of the larger states could be expected to be feeble and ineffective.

The Army of Pakistan is faced immediately with the double task of protecting Pakistan against a possible invasion from India and of maintaining some semblance of control over the North West Frontier tribesmen. Developments in Kashmir and the recent withdrawal of troops from the tribal areas indicate that, for the time being at least, the Pakistan Army will not attempt the latter task. Such success as Pakistan might have in preventing an Indian invasion would, in fact, depend in large part upon how much spontaneous support the tribesmen give its army.

In any event, war between the dominions could be expected to develop soon into a conflict waged by irregular bands bent on the destruction of Moslems or non-Moslems as the case may be, without regard to civil or military status, and terminating only when common exhaustion rendered further pillage impossible.
SECTION V
STRATEGIC CONSIDERATIONS AFFECTING US SECURITY

The subcontinent of India has strategic importance for US security because of its geographical position, its vast potential in manpower and natural resources, and its continuing economic value to the UK (and thus to the rest of the Western economic system). Its position astride the sea route from Europe to the Orient and its proximity to the strategically important oil fields of the Near East make it a potentially important base for either side in the event of global war between the US and the USSR. Its manpower potential is second only to China's and almost double that of any other country in the world. It ranks first or second in world production of such critical materials of war as cotton, mica, manganese, monazite (a source of thorium), and beryl, and is a major source of iron ore, coal, and bauxite. It continues to be an important market and a source of raw materials, investment income, and carrying charges for the UK, thus strengthening the UK's and Western Europe's efforts toward the economic recovery essential to US security.

Under governments unfriendly to the US, India and Pakistan would require important changes in US military planning. On the other hand, a healthy, friendly India and Pakistan would constitute a stabilizing force throughout Southeast Asia, an area for profitable investment and trade, and an important asset in event of war.

Of immediate concern to the US are the continuing Hindu-Moslem communal disorders and the strong possibility of war between India and Pakistan. Economically, continuation of the current strife will result in curtailed production of much-needed Indian export commodities, destruction of property (some of it British-controlled), and weakening of the economy as a whole. Actual war between the two dominions would not only intensify the economic damage but might also lead to the collapse of all existing government, ultimately resulting in either continued anarchy or seizure of power by interests unfriendly to the US.

Soviet attempts to gain power in India are not noticeable at present, despite strong Communist influence in the labor unions. However, continued deterioration of internal security and of the economic situation and the possibility of a devastating inter-dominion war make India a promising field for increased Soviet activity and an eventual Communist attempt to seize power.
on the Soviet list of priorities, and an attempt at penetration is not expected in the near future unless the USSR considers its current emphasis on Europe unfruitful. Soviet penetration of India and Pakistan if attempted would probably be undertaken as part of a scheme for domination of all Southeast Asia.
APPENDIX A
GEOGRAPHY

1. Topography and Climate.

India and Pakistan form a geographical unit separated from the continent of Asia on the north by the wall of the Himalayas and extending south into the central Indian Ocean. To the east they are separated from Burma by almost impenetrable jungles, mountains, and swamps, and to the west from Afghanistan and Iran by deserts and rugged mountains. The former Indian Empire contained 1,581,410 square miles of territory within which is found almost every type of climate and topography.

The subcontinent is divided into three main geographical areas: the Himalayan mountain zone in the north; the Hindustan Plain, including the Ganges and Indus river valleys; and the plateau or uplands region of the peninsula itself.

The most important area is the so-called Hindustan Plain. This region, including the cities of Calcutta, Delhi, and Bombay, contains about half the population. Through it flow the subcontinent's three greatest rivers, the Indus, the Ganges, and the Brahmaputra, together with their tributaries. These river systems are of crucial importance to irrigation and agriculture. The bulk of the population is concentrated in the eastern part of the plain area, between Delhi and Calcutta, and is heavily concentrated in the provinces of West and East Bengal and the lower Ganges valley. Due to the heavy rainfall, conditions in this last region are most conducive to the intensive agriculture necessary to support such a population.

South of the Hindustan Plain lies the great V-shaped peninsula of India called the Deccan. Coastal mountain ranges known as the Ghats rise abruptly in the west and slope gradually toward the east.

Pakistan is composed of two areas on the Indian peninsula, known as Western Pakistan and Eastern Pakistan, which are separated by more than a thousand miles of territory belonging to the Dominion of India. Western Pakistan, including the affiliated Baluchistan States, contains about 312,000 square miles. Eastern Pakistan measures about 54,600 square miles, giving the whole of Pakistan as now constituted a land mass of 366,600 square miles, or about 23 percent of the Indian subcontinent's total area.

The climate of the subcontinent is known as a monsoon climate, or one determined by seasonal winds. Nearly nine-tenths of the rainfall occurs from June to October, as a result of the summer monsoon, which blows from the southeast and brings moisture accumulated in crossing thousands of miles of warm ocean water. During this time the climate is basically tropical. During the winter monsoon, from October to February, the wind blows from the northeast, bringing cooler days and dry weather. As a result of these seasonal winds, there are actually but two seasons in India.
2. TRANSPORTATION AND COMMUNICATIONS.

a. Ports.

Prior to the last war, India ranked about tenth among the trading nations of the world. Its total annual foreign commerce aggregated approximately 22 million tons, divided about equally between imports and exports. Despite this volume of commerce and despite the subcontinent's extensive coast line and many seaports, only a few ports are considered suitable for use throughout the year owing to extreme tidal variations. Seven of them account for more than 75 percent of the total foreign trade: Bombay, Cochin, Madras, Vizagapatam, and Calcutta in India, and Karachi and Chittagong in Pakistan. Of these, only the west coast ports (Karachi, Bombay, and Cochin) have natural harbors. Extensive additions and improvements were necessary to fit Indian ports for World War II operations.

b. Waterways.

Inland waterways are of importance in the provinces of East and West Bengal, Bihar, Assam, and in parts of Madras. Steamers and small manually propelled boats carry on extensive trade on the river systems of these areas, transporting to urban centers sugar, grains, and molasses from the Ganges Basin, tea and jute from East Bengal, and tea from the Brahmaputra and Surma valleys in Assam. With the exception of a few companies operating steamers in East and West Bengal and in Assam, transportation on Indian waterways is unorganized and individual boat-owners predominate.

c. Roads.

The subcontinent of India does not possess an adequate road system, as was only too well proved during the last war. Extensive planning has been undertaken for the improvement and enlargement of the road systems, but thus far few of the plans have been implemented. At the beginning of World War II, there were less than 100,000 miles of all-weather motor roads within the country, and the mileage today probably does not greatly exceed that figure. The four principal highways are the trunk roads which extend from Calcutta to the Khyber, from Calcutta to Madras, from Madras to Bombay, and from Bombay to Delhi. These through roads parallel the railways, as do other main roads.

d. Railways.

Railways are by far the most important means of transportation in India and Pakistan and are estimated to carry more than 98 percent of all land-borne traffic. It was estimated in 1942 that the ton-miles then being borne by the railroads was 28 billion, as against 450 million for roads.

There are nearly 50 railway systems within the two dominions, all government owned. Thirteen are Class One roads, each with normal earnings in excess of $1,500,000 per annum. Together the Class One roads control most of the equipment and trackage, with route mileage in excess of 40,000, most of it single track. More than 20,000 miles of the Class One trackage is broad gauge (5 ft. 6 in.), with meter-gauge lines (3 ft. 3⅞ in.) accounting for approximately 16,000 miles, and narrow-gauge lines (2 ft. 6 in. and 2 ft. 0 in.) for approximately 4,000 miles. Broad-gauge lines serve all
of the important ports except Chittagong, connecting these ports with each other and with the important industrial centers. The meter-gauge lines, which were first introduced many years ago (principally for the sake of economy) constitute an important supplementary system. They operate chiefly in northeastern India, in Rajputana, and in the extreme south. The narrow-gauge lines operate largely as feeders to the broad gauge.

e. Aviation.

Ten domestic airlines link all the main cities of India and Pakistan and extend to Rangoon in Burma and to Colombo in Ceylon. As of 30 June 1947, nine of these airlines were Indian, operating scheduled services over 21 routes totaling 15,000 miles. Pakistan's single airline flies scheduled services on routes totaling 4,365 miles. A second Pakistan airline is expected to commence operations by the end of 1948, with scheduled services to Colombo, Jidda, Damascus, Cairo, and other Middle East cities.

A bilateral air transport agreement embodying the principles established by the International Commercial Aviation Organization was concluded in Delhi between India and the US on 1 November 1946. The agreement exchanges rights of operation of US and India air services over territories of the two parties, and includes, to a limited extent, the so-called fifth freedom (the right of either party to transport passengers and freight between the territory of the other party and a third country). This agreement has been accepted by the Government of Pakistan. Pakistan has likewise accepted similar agreements entered into between India and the Netherlands on 31 May 1947 and between India and France on 19 July 1947.

Foreign airlines serving Pakistan and/or India are Pan American, TWA, BOAC, Quantas, Air France, KIM, and China National Airways.

f. Electronic Communications.

Radio, telephone, and/or telegraph communications link all important areas of India and Pakistan. Direct cable communication is available, and radio telephone communication has been established between the important cities of India and Pakistan and certain other parts of the world, including the UK, South Africa, Australia, Kenya, Barbados, Bermuda, Canada, Mexico, and Cuba.

Radio broadcasting is a function of the government exclusively. The Government of India operates nine broadcasting stations, with Delhi as the central All-India station. The Government of Pakistan expects to open two 50 kw broadcasting stations at Karachi in the near future. At present the Government of Pakistan operates medium-wave stations at Lahore, Peshawar, and Decca. These stations, however, are satisfactory for broadcasting only in the immediate vicinity of the three cities.
APPENDIX B
POPULATION

1. GENERAL.

In 1941, when the last census was taken, the population of India was slightly under 398 million. Since the population was then increasing at a rate of approximately 5 million a year, the total population of India just before partition on 15 August 1947 was estimated at about 414 million, or greater than that of the USSR, the US, and the UK combined.

2. COMMUNITIES.

One of the most significant aspects of Indian life is the division of the population into religious or racial groups known as communities, each of which regards every other community as somewhat alien. For the most part the communities are tolerant of one another on religious matters. Nevertheless, the distinctive manner of life within each community and the feeling of kinship which exists among its members have given rise to jealousies and rivalries which are in large part responsible for the troubles which beset India today. These troubles are aggravated by the fact that the division into communities exists throughout the subcontinent. Certain communities do predominate in particular areas, but seldom are the communities sufficiently set apart to permit satisfactory boundaries to be drawn between them.

The following table indicates the division of population by communities in 1941:

<table>
<thead>
<tr>
<th>Community</th>
<th>Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hindus</td>
<td>255,081,000</td>
<td>65%</td>
</tr>
<tr>
<td>Caste Hindus</td>
<td>206,271,000</td>
<td>53%</td>
</tr>
<tr>
<td>Scheduled Castes (Untouchables)</td>
<td>48,810,000</td>
<td>12%</td>
</tr>
<tr>
<td>Moslems</td>
<td>94,389,000</td>
<td>24%</td>
</tr>
<tr>
<td>Tribal Groups (Anim’sts)</td>
<td>25,441,000</td>
<td>6%</td>
</tr>
<tr>
<td>Indian Christians</td>
<td>6,041,000</td>
<td></td>
</tr>
<tr>
<td>Sikhs</td>
<td>5,691,000</td>
<td></td>
</tr>
<tr>
<td>Jains</td>
<td>1,449,000</td>
<td></td>
</tr>
<tr>
<td>Buddhists</td>
<td>232,000</td>
<td>Less than</td>
</tr>
<tr>
<td>Anglo-Indians (Eurasians)</td>
<td>140,000</td>
<td>5%</td>
</tr>
<tr>
<td>Europeans (civil and military)</td>
<td>135,000</td>
<td></td>
</tr>
<tr>
<td>Parsees</td>
<td>115,000</td>
<td></td>
</tr>
<tr>
<td>Jews (non-European)</td>
<td>22,000</td>
<td></td>
</tr>
</tbody>
</table>

The three groups important politically are the Hindus, the Moslems, and the Sikhs.

The Hindu socio-economic caste system has set the norm for community organization throughout the subcontinent, except for a few areas along the North West Frontier and in Central India which are organized along tribal lines. Under the Hindu
system, the community is divided into multi-tiered groups or castes, each permanently assigned economic tasks and social status. Intimate social contact is confined within the caste; its members are supposed to eat and drink only with members of their own caste, to marry only within the caste, and to regard other Hindus as spiritually superior or inferior according to their caste. There are four main caste divisions: the Brahmins or priestly group; the Kshatriyas, originally the military and government group; the Vaisyas, businessmen, artisans and agriculturalists; and the Sudras, originally the servants and laborers for the other groups. These four caste groups are themselves divided into many subcastes, little intimate social intercourse taking place between orthodox members. Below the four caste orders are the outcastes, or Scheduled Castes, popularly called untouchables. The Scheduled Castes are descendants of stock which, predating the Hindu incursion, was converted to Hinduism but kept out of Hindu society proper. To its members (and their descendants) were relegated those occupations considered unclean in the religious sense, as, for example, that of scavenger, laundryman, fisherman, and butcher. Temples, shops, village wells, and market places in many parts of the country were closed to them and remain so even now, despite efforts by the present Government of India to abolish untouchability by legal decree.

Rivaling the Hindus, but outnumbered by them nearly three to one, are the Moslems. Moslem communal groupings, supported by strong social sanctions, roughly parallel the Hindu castes. Since actual religious taboos are lacking, however, divisions in urban society are much less sharply drawn, and individual progress up the social scale is somewhat easier than among Hindus.* Although most Moslems are descendants of converted Hindus, they have viewed the Hindus with disdain as idolaters and as a people conquered by the early Mogul invaders (to whom the present-day Moslem considers himself heir). Finding themselves sinking under British rule into a position secondary to the Hindus, and finding the Hindus all too prone to view themselves as the rightful masters of India, the Moslems developed an antagonism toward and a fear of the Hindus which resulted in the demand for the creation of Moslem-ruled areas in India. This demand culminated in the establishment of Pakistan, but it also left the Moslems remaining in the new Dominion of India an uneasy and somewhat fearful minority.

The Sikhs, few in number but concentrated geographically and possessed of great energy and sectarian zeal, have already been described as comprising a protestant and warlike sect of Hinduism. Politically, they have made common cause with the Hindus. The alliance is, however, an uneasy one, since many Hindus fear that the Sikhs may some day fight them as fiercely as they have fought the Moslems with a view to the establishment of complete Sikh rule in the Punjab and adjacent areas.

Of the other communities, none plays a significant political part in the life of India today. The Europeans, now shorn of power, are irremediably and determinedly alien; the Anglo-Indians, descendants of mixed parentage and formerly more pro-European

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* The integral position of both Hindus and Moslems in the village caste system was sharply illustrated in East Punjab by the flight of large numbers of the menial castes who were Moslems and in West Punjab by the forced detention (and in some cases conversion to Islam) of outcastes who were predominantly Hindu.
than the Europeans themselves, are now belatedly attempting to make their peace with the dominant Hindu community. The Indian Christians, who are for the most part converts from Hinduism, feel more akin to the Hindus than to the Moslems and in general have identified themselves politically with the larger community. The Jains, Parsees, Buddhists, Jews, and animists have each their place in Indian society and economy, and accept Hindu political supremacy. They add diversity to the Indian social picture but constitute no problem.

3. REGIONALISM.

Another divisive factor is the existence of some 18 regions, generally set off from one another by fairly distinct geographic features and possessing distinctive social outlooks. Within a region the people share a common language and cultural tradition, common social and racial traits, and a common historical tradition; the regions generally conform to the areas of control under the old regime of local princes. While religion and caste cut across geographical and cultural lines to link up individuals in villages and cities throughout the subcontinent, the region cuts across religious and caste lines to group individuals on the basis of cultural affinity and geographic proximity.

The 18 regions are as listed below:

<table>
<thead>
<tr>
<th>AREA</th>
<th>LANGUAGE</th>
<th>MAIN CHARACTERISTICS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Province</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pathans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Sind</td>
<td>Sindhi</td>
<td>Plains of the lower Indus. Large estates with landless tenants; politics run by leading landed Moslem families.</td>
</tr>
</tbody>
</table>
8. Maharashtra  Marathi  Arid west section of Deccan plateau and adjoining coast. Mixed commercial and industrial development with independent cultivators, who are militant and enterprising. Contains modern nationalist elements with administrative experience.


*11. Kerala  Malayalam  Southwest coast of Indian peninsula. Independent, small fishermen, cultivators and toddy growers. Politically important are the large literate element—both Hindu and Christian and the Moplahs, a turbulent group of Moslem traders and tenant cultivators.

*12. Tamiland  Tamil  South and eastern coastal section of the peninsula. Independent cultivators. Commercial and some industrial development. The people are argumentative and quick-witted, with important cultural traditions. Politically, business conservatives and nationalists, with some radicalism.


16. Assam  Assamese  Brahmaputra Valley. Independent cultivators, including a large influx of plantation labor. Opposed to extension of outside political influence, especially from Bengal.

* Belong to the group of Dravidian languages and culture which distinguishes South India. Important anti-Brahmin political trend in recent years.
17. East Tibetan Eastern Hill area between Assam and Nepal. Small cultivators and tradesmen recognizing traditional leaders.

18. Hindustan Hindustani Plains of Ganges extending from the lower Himalayas to the hills of central India. Mixed pattern of rural cultivation under large landlords and urbanization with important middle-class nationalist elements. Hill groups generally more backward.

4. LANGUAGES.

Although the Simon report of 1930 listed 222 vernaculars as spoken in India, the principal languages number only 13. The so-called Indo-European languages of northern India are spoken by approximately 280 million persons; they are all derived from Sanskrit and, with the exception of Bengali, are closely akin. Of these, Hindustani, the official language of the Congress Party, is spoken (with variations) by approximately 140 million people. Bengali is spoken by about 60 million. The official language of Pakistan is also a variant of Hindustani known as Urdu. It is the principal tongue of Western Pakistan and has been widely used by the Moslem intelligentsia since Mogul times.

In southern India, the languages are of Dravidian origin, the most important being Tamil, Malayalam, Kanarese, and Telugu. The Dravidian languages are spoken by nearly 80 million people.

English, while it is spoken by comparatively few persons, is the one language known in all sections.

5. POPULATION DISTRIBUTION AND LIVELIHOOD.

Pakistan's total population is estimated at 69,900,000 persons, 28,200,000 of them (or 40 percent) living in Western Pakistan and some 41,700,000 (or 60 percent) in Eastern Pakistan. Thus, while the country's western portion includes about 85 percent of the total land area, its eastern zone has the predominance of the population. However, standards of living are considerably higher in the west, where Pakistan's main commercial activities (including 77 percent of its factories) are now located. The majority of Pakistanis are Moslems, who make up about 76 percent of the population in Western Pakistan and 71 percent in Eastern Pakistan. An estimated 85 percent of the population is directly engaged in agriculture, with less than one percent in organized industries, about four percent in crafts and cottage industries, and the remainder following other pursuits such as commerce and the professions. About 91 percent of the people live in rural areas.

About 75 percent of the Dominion of India's population is Hindu. It is in that dominion that most of the members of the minor communities reside, with the Sikhs concentrated in East Punjab, the Jains in Kathiwar, and the Parsees in Bombay. In addition there are over 40 million Moslems residing in the Dominion of India, or nearly
as many as in Pakistan. The greatest Moslem concentration, numbering some twelve millions, is in the United Provinces.

Eighty-five percent of India’s population resides in rural areas. Seventy-three percent is estimated to be directly dependent on agriculture for a livelihood; nine percent is engaged in cottage industries; one and one-half percent works in organized industry; and some 16 percent is engaged in other occupations.
APPENDIX C
SIGNIFICANT BIOGRAPHICAL DATA

1. ABDULLA, Sheikh Mohammed

Present Position: Prime Minister of Kashmir
Place and Date of Birth: Kashmir, 1905
Education: Aligarh University, M.S. 1930
Political Affiliations: Leader of the Kashmir Nationalist Conferences; pro-
Indian National Congress
Religion: Moslem

REMARKS: Sheikh Abdulla is at present the virtual ruler of Kashmir. The or-
phaned son of a petty Kashmir tradesman, he began his career as a schoolteacher and
soon attained prominence in Kashmir through his opposition to the corrupt and oppres-
sive local government. He affiliated the Kashmir National Conference with the Indian
National Congress and enjoys the confidence and friendship of Nehru and other Indian
political leaders. He secured his appointment as Prime Minister from the Maharajah
by virtue of support from the Congress and his position as the most popular figure in
Kashmir opposed to Pakistan. He is alleged to have had dealings with Soviet agents
and, while denying Communist or Soviet affiliations, advocates a policy compatible with
the Communist line. Sheikh Abdulla is a man of fine physique, commanding person-
ality, and great persuasiveness. Although Abdulla has been imprisoned twice because
of his strong political convictions, some consider him opportunistic. There are indica-
tions that Indian leaders have recently lost some of their confidence in him.

2. BAJPAI, Sir Girja Shankar

Present Position: Secretary General, Department of External Affairs and
Commonwealth Relations, Government of India
Place and Date of Birth: India, 3 April 1891
Education: Muir Central College, Allahabad, B.S.; Merton College,
Oxford, B.A.
Political Affiliations: Career Public Servant
Religion: Hindu (Brahmin)

REMARKS: Sir Girja Shankar Bajpai has long been a member of the Indian Civil
Service and is an accomplished public servant of the career type. He is a scholar and
an excellent linguist, although his brilliance is reported to be of a somewhat superficial
type. Bajpai was formerly viewed by the Indian nationalists as a British “stooge,” but
his knowledge of foreign affairs and protocol has made him a highly valued official of
the present Government of India. Though oversuave and not above the use of guile,
he is believed to be genuinely friendly to the US and to be convinced that India’s well-
being requires collaboration with the US and the UK on vital issues. He served as Agent
General for India in Washington from 1941 to 1946.
3. BOSE, Sarat Chandra

Present Position: Leader of the Socialist Republican Party, Government of India
Place and Date of Birth: Calcutta, India, September 1889
Party Affiliations: Socialist Republican Party
Religion: Hindu

REMARKS: Sarat Chandra Bose is an alert and well-informed lawyer, of a volatile and impassioned nature. He is an ardent nationalist and bitterly antiforeign. His invective, however, has been directed against the British rather than the US. While preaching a near-Communist doctrine, he claims to be anti-Communist and anti-Soviet. Formerly a Congress Party member, he is now anti-Congress because of Congress acceptance of the partition of India. From 1942 to 1945 he was imprisoned for alleged relations with the Japanese. He has some influence among his fellow Bengalis but is not liked outside his own province by other than extreme radicals; in general, he is a far cry from his late brother, Subhas Chandra Bose, who headed the Japanese-instigated “Free India Government.” Recent reports indicate that his influence and prestige are declining.


Present Position: Ruler of Hyderabad State
Place and Date of Birth: Hyderabad, India, 1886
Education: Private, by English tutors
Political Affiliations: Pro-Pakistan, Anti-India
Religion: Sunni Moslem (with predilections toward the Shia sect)

REMARKS: Astute and autocratic, austere even to the point of miserliness, the Nizam represents perhaps the last of the great Indian Princes. On the whole his state has been well run and the condition of his people is, on the average, probably somewhat better than that of the inhabitants of the surrounding provinces of India. Criticism of him is centered principally on his insistence on autocratic and feudal rule and on the favored position which he has given the small Moslem minority within his state, while his unwillingness to accede to the Dominion of India is the most obvious cause of hostility toward him in Indian government circles.

5. JINNAH, Mohammed Ali (Quaid-i-Azam)

Present Position: Governor General of Pakistan
Place and Date of Birth: Bombay, India, 25 December 1876
Education: Secondary school in Bombay and Karachi; studied law at Lincoln’s Inn, London
Party Affiliations: Moslem League
Religion: Moslem (unorthodox Shia)
REMARKS: Mohammed Ali Jinnah, son of a wealthy Bombay merchant, is the outstanding Moslem of the Indian subcontinent and through his complete control of the Moslem League is now the ruler of Pakistan. Quick, exceedingly clever, vain, sarcastic, and colorful, Jinnah is at the same time an able administrator and a man of broad vision and integrity. He is invariably legalistic in his approach to any problem and respects decisions based on sound legal considerations. Though he has been an ardent nationalist since his youth, he respects the British and in turn is respected by them. Upon the establishment of the Dominion of Pakistan, he indicated a clear intention to collaborate with the UK and the US. He has become, however, slightly resentful at what he believes to be lack of appreciation by the UK and the US of Pakistan's friendly disposition. He thoroughly distrusts the Hindus and the Congress and is convinced that only the creation of Pakistan has saved the Indian Moslems from complete domination and persecution by the Hindus.

6. KHAN, Liaquat Ali

Present Position: Prime Minister of Pakistan
Place and Date of Birth: United Provinces, India, 1 October 1895

Political Affiliations: Moslem League
Religion: Moslem

REMARKS: Liaquat Ali Khan has long been prominent in the Moslem League and is considered the second most influential man in Pakistan. He is astute, capable, and reliable, but is handicapped by ill health. The influence of his ambitious wife, the Begum Roana, is said to result sometimes in his manifesting an opportunist attitude contrary to his innate honesty. He is decidedly friendly to the US and cultivates Americans. He is highly esteemed by those British officials who have served with him.

7. MOUNTBATTEN, Rear Admiral the Earl Louis

Present Position: Governor General of India (appointment expires 21 June 1948)
Place and Date of Birth: Frogmore House, Windsor, England, 25 June 1900
Education: Locker's Park; Osborne; Dartmouth; and Christs College, Cambridge

REMARKS: A great grandson of Queen Victoria, Lord Mountbatten was India's last Viceroy, replacing Lord Wavell on 24 March 1947. It was under his dynamic direction that a plan was finally agreed upon whereby the UK transferred power on 15 August 1947 to the new Governments of India and Pakistan.

An officer of the Royal Navy since 1918, Mountbatten obtained prominence in World War II as British Chief of Combined (Joint) Operations and from 1943 until the end of the war as Supreme Allied Commander in Southeast Asia.

Mountbatten is handsome, has a winning personality and great energy, and is a persuasive speaker. He is thus usually able to capture the support and loyalty of those
surrounding him. While Viceroy, he was highly esteemed by both Hindus and Moslems. Now, however, he is viewed with extreme hostility by Pakistanis on the ground that he has displayed a biased and unfair attitude toward Pakistan since becoming Governor General of the Dominion of India. That Mountbatten and his wife have clearly identified themselves with the Indian cause is unquestionable; this attitude is alleged to have resulted largely from desire for personal popularity and acclaim.

8. NARAIN, Jai Prakash

Present Position: Leader of the All-India Socialist Party
Place and Date of Birth: Sitabdiara, Bihar, 11 October 1903
Education: Universities of California, Iowa, Wisconsin; received B.A. and M.A. in mathematics and biology from Ohio State University in 1929
Political Affiliations: All-India Socialist Party
Religion: Hindu

REMARKS: Jai Prakash Narain is generally esteemed as an intelligent and honest man even by those who differ widely from him in political and economical concepts. He has always bitterly opposed British “imperialism” but is not unfriendly to the British. He despises Communists as agents of a foreign power and is strongly anti-Soviet. He likes American liberalism and is well liked by Americans who have come in contact with him. Though opposed to the Congress as being dominated by the reactionary Patel, he has retained the friendship of many prominent Congress members, including Nehru, and was respected by Gandhi. His greatest weakness appears to be a lack of organizational ability which has retarded the development of the Socialist Party.

9. NEHRU, (Pandit) Jawaharlal

Present Position: Prime Minister of India and Minister of External Affairs and Commonwealth Relations
Place and Date of Birth: Allahabad, India, 14 November 1889
Education: Harrow School, 1903-06; Trinity College, Cambridge, 1910; Barrister-at-law, Inner Temple, 1912
Political Affiliations: Indian National Congress
Religion: Hindu (Brahmin)

REMARKS: Pandit Nehru is India’s leading statesman and a man of high ideals. His career has been marked by his devotion to Gandhi, who designated him as his successor in the Congress Party councils. He was president of the Party in 1920-30, in 1936-37, and again in 1946. In 1946 he was appointed Deputy Chairman of the Indian Interim Government (the Viceroy being chairman) as well as External Affairs and Commonwealth Relations Member. On 15 August 1947 he became Prime Minister of the new Dominion of India. Nehru is a man of broad vision and of integrity, but his character is weakened by a tendency toward emotionalism which at times destroys his sense of values. He is gracious as well as brilliant, but volatile and quick-tempered. He has been a strong supporter of tolerance toward Ind’ia’s Moslem minority and decrees
any effort to make India a religious (Hindu) state. Though imprisoned on several occasions by the British, he appears to bear them no animus. He is not unfriendly to the US but is believed to deplore American “materialism” and to be of the opinion that the US is basically imperialistic. He was an early admirer of the Soviet system and has appeared to accept Soviet professions at face value. A recent hardening of the Soviet attitude toward India has, however, somewhat dampened his pro-Soviet predilections.

10. PATEL, (Sardar) Vallabhbhai

Present Position: Minister of Home Affairs and Minister of Information, Government of India

Place and Date of Birth: Karamdad, Bombay, 31 October 1876

Education: Nadia High School; admitted as Barrister-at-law by the Middle Temple, London

Political Affiliations: Indian National Congress

Religion: Hindu

REMARKS: Sardar Patel has been a prominent Congress member since his early association with Gandhi in 1916. In 1928 he so efficiently conducted a no-tax campaign that Gandhi proclaimed him Sardar (leader). In 1931 he became President of the All-India National Congress and from 1935 to 1942 he was Chairman of the Parliamentary Committee of the Congress. From November 1940 to August 1941 and from August 1942 until 1945 he was imprisoned under defense regulations because of participation in Congress civil disobedience movements. Long a member of the Congress Working Committee and “boss” of the party, he was given the important post of Home Affairs in the Interim Government of India in September 1946 and retains that post in the present government. Patel has shown himself to be cool, skillful in political maneuvering, and ruthless in his administration and is perhaps the greatest force for stability in the present government. He is, however, disliked by all liberals and is said to be the mouthpiece of the ultra-conservative Indian industrialists, having close ties with the powerful Birla interests. He has been particularly bellicose toward the Moslems and Pakistan and has engineered India’s absorption of most of the Princely States. His control of party affairs is endangered only by his age and ill health. Currently he is recuperating from a serious heart attack.

11. RAJAGOPALACHARI, Chakravarthi

Present Position: Governor of West Bengal; Governor General designate of India to succeed Earl Mountbatten effective 21 June 1948

Place and Date of Birth: Salem District, Madras, India, 1879

Education: Central College, Bangalore; Presidency College and Law College, Madras

Political Affiliations: Indian National Congress

Religion: Hindu (Brahmin)
REMARKS: One of India's elder statesmen, Chakravarthi Rajagopalachari joined the bar in 1900 and began his practice in Salem. He has for nearly 30 years been in the forefront of the Indian nationalist movement. During 1921-22 he was General Secretary of the Congress Party and has been a member of the Working Committee many times. From 1937-39 he was Prime Minister of the Madras Presidency. Currently he is serving as Governor of West Bengal, having been appointed to that post 15 August 1947. He was a close friend and associate of Gandhi; when the issue of India's participation in the war arose, however, Rajagopalachari opposed Gandhi's doctrine of non-violence and non-resistance and urged an all-out Indian war effort. He insisted also that rapprochement between Hindus and Moslems should be brought about by Congress Party recognition of the Moslems' right to a separate state. As a result of this attitude, the Congress ceased to desire his counsel and he withdrew from active participation in party affairs. His differences with Gandhi were composed in 1944, however, and he entered the Viceroy's Executive Council in 1946 as a representative of the Congress Party.

From the western point of view Rajagopalachari is perhaps the most reasonable and objective of all Indian political leaders. He is well liked by all, Indians and Europeans alike, and is held in considerable esteem by the Government of Pakistan. He is friendly toward the US and not unfriendly to the British, and insofar as is known has never been receptive to Soviet propaganda. He is a scholar of some note and a man of superior integrity.

12. RANADIVE, B. T.

Present Position: Secretary General of the Communist Party of India
Place and Date of Birth: Bombay Presidency, India, 1905
Education: Holds M.A.
Political Affiliations: Communist Party of India
Religion: Hindu

REMARKS: In 1928, after receiving his M.A. degree, Ranadive joined the Indian trade-union movement and became a member of the Working Committee of the All-India Trade Union Congress. In 1929, 1934, and 1939 he led the textile workers' strikes in Bombay and was imprisoned several times for strike agitation. In 1942 he became a member of the Politburo of the Communist Party of India.

Ranadive is reported to be meticulous in his observance of the Moscow party line, and it is anticipated that under his leadership the Communist Party of India will make no pretense of compromise with the Government of India and the "bourgeois" leaders of India. He is reported to be a brilliant academician and organizer and a persuasive speaker.

13. SINGH, Baldev (Sardar)

Present Position: Minister of Defense, Government of India
Place and Date of Birth: Punjab, India, 1903
Education: High school equivalent
Political Affiliations: Formerly Akali Party, now Indian National Congress
Religion: Sikh

REMARKS: Sardar Baldev Singh was appointed Minister of Defense of the Interim Government of India on 2 September 1946 and Minister of Defense of the Dominion of India in August 1947.

Formerly leader of the Panthic Akali Party in the Punjab Assembly and twice Minister in the Punjab, Singh came into India-wide prominence in 1945 when he was included as the Sikh representative in the Unionist Party's Moslem-Hindu-Sikh coalition cabinet in the Punjab. As a leader of the Sikhs, he was appointed Indian Defense Minister by the Congress Party in order to get the Panthic Akali Party (Sikhs) to join the Congress as well as to give representation to the powerful Sikh minority.

Although Singh is a member of one of the wealthiest industrial families in the Punjab, he is a man of little education and is commonly considered inept and of mediocre intellect. Nevertheless, Singh has great energy, and, although obstinate on occasion, he is inclined to seek superior advice and to base his decisions on carefully acquired information. Personally he is courteous and considerate and is reported to be both pro-British and pro-US. He is said to be much impressed by US efficiency and the generally high quality of US products.

14. ZAFRULLAH KHAN, Chandhuri Sir Mohammed

Present Position: Minister of External Affairs and Commonwealth Relations, Government of Pakistan
Place and Date of Birth: Punjab, India, 6 February 1893
Education: Government College, Lahore, B.A.; Kings College and Lincoln's Inn, London, LL.B.
Political Affiliations: Moslem League
Religion: Moslem

REMARKS: After receiving his law degree from Lincoln's Inn in 1914, Zafrullah Khan returned to India and became an advocate at Sialkot, Punjab. From 1916 to 1935 he practiced in the Lahore High Court and from 1926 to 1935 he was a member of the Punjab Legislative Council. He was a delegate to the Indian Round Table Conference in 1930, 1931, and 1932, and was a delegate to the Joint Select Committee of Parliament on Indian Reforms in 1933. He was President of the All-Indian Moslem League in 1931 and was a member of the Governor General's Executive Council from 1935 to 1941. In October 1941 he was appointed a Judge of the Federal Court of India and in 1942 was appointed Agent-General of the Government of India to China. On 28 December 1947 he was appointed Pakistan's Minister of Foreign Affairs and Commonwealth Relations. He was also designated as Pakistan's delegate to the second UN General Assembly session in September 1947 and later chief of the delegation representing Pakistan in the Security Council discussions on the Kashmir problem.

Zafrullah Khan is an impressive speaker, a man of great dignity and superior intellect, and is said to be regarded by the British as honest, though perhaps personally over-ambitious. He is regarded as an authoritative spokesman on Indian problems. He is friendly toward the US and is much interested in this country.
# APPENDIX D

## PRINCIPAL OFFICIALS OF INDIA AND PAKISTAN

### INDIA

#### Governor-General (until 21 June 1948)
- Earl Louis Mountbatten of Burma

#### Governor-General Designate
- Mr. Chakravarti Rajagopalachari

#### Cabinet:
- **Prime Minister and Minister of External Affairs and Commonwealth Relations**
  - Pandit Jawaharlal Nehru

- **Minister of Commerce**
  - Mr. K. C. Neogy

- **Minister of Communications and Air**
  - Mr. Rafi Ahmad Kidwai

- **Minister of Defense**
  - Sardar Baldev Singh

- **Minister of Education**
  - Mr. Maulana Abul Kalam Azad

- **Minister of Finance**
  - Mr. R. K. Shanmukhan Chetty

- **Minister of Food and Agriculture**
  - Mr. Jairamdas Daulatram

- **Minister of Health**
  - Rajkumari Amrit Kaur

- **Minister of Home Affairs**
  - Sardar Vallabhbhai Patel

- **Minister of Information and Broadcasting**
  - Sardar Vallabhbhai Patel

- **Minister of Industries and Supply**
  - Dr. Syama Prasad Mookerjee

- **Minister of Labor**
  - Mr. Jagjivan Ram

- **Minister of Legislative Affairs**
  - Dr. Bhimrao Ramji Ambedkar

- **Minister of Transport and Railways**
  - Dr. John Matthai

- **Minister of Scientific Research**
  - Pandit Jawaharlal Nehru

- **Minister of States Department**
  - Sardar Vallabhbhai Patel

- **Minister of Works, Mines, and Power**
  - Mr. N. V. Gadgil

- **Minister of Refugees**
  - Mr. K. C. Neogy

- **Minister without Portfolio**
  - Mr. N. Gopalaswami Ayyangar

#### Governors:
- **Madras**
  - Sir Archibald Nye

- **Bombay**
  - Raja Sir Maharaj Singh

- **United Provinces**
  - Mrs. Sarojini Naidu

- **Bihar**
  - Mr. M. S. Aney

- **Central Provinces and Berar**
  - Mr. Mangaidas Pakawasa

- **Orissa**
  - Mr. Asaf Ali

- **Assam**
  - Sir Akbar Hydari

- **East Punjab**
  - Sir Chandulal Trivedi

- **West Bengal**
  - Dr. Kailas Nath Katju
PAKISTAN

Governor-General  Quaid-i-Azam Mohammed Ali Jinnah

Cabinet:

Prime Minister and Minister of Defense  Mr. Liaquat Ali Khan
Minister of External Affairs and Commonwealth Relations  Chaudhuri Sir Mohammed Zafrullah Khan
Minister of Commerce  Mr. Fazlur Rahman
Minister of Communications  Mr. Abdur Rab Nishtar
Minister of Education  Mr. Fazlur Rahman
Minister of Finance  Mr. Ghulam Mohammed
Minister of Food and Agriculture  Mr. Abdus Sattar Pirzada
Minister of Health  Mr. Abdus Sattar Pirzada
Minister of Industries and Works  Mr. Fazlur Rahman
Minister of Information and Broadcasting  Mr. Khwaja Sahabuddin
Minister of Interior  Mr. Khwaja Sahabuddin
Minister of Labor  Mr. Jogendra Nath Mandal
Minister of Law  Mr. Jogendra Nath Mandal
Minister of Refugees  Mr. Ghanfar Ali Khan
Minister of Economic Affairs  Mr. Ghulam Mohammed

Governors:

Sind  Sheikh Ghulam Hussain Hidayatullah
West Punjab  Sir Robert Francis Mudie
East Bengal  Sir Frederick Bourne
North West Frontier Province  Sir Ambrose Dundas
APPENDIX E

CHRONOLOGY OF SIGNIFICANT EVENTS

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
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<tbody>
<tr>
<td>1600</td>
<td>East India Company chartered by Queen Elizabeth.</td>
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<tr>
<td>1757</td>
<td>Battle of Plassey; commencement of direct Company rule.</td>
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<tr>
<td>1857</td>
<td>Indian Mutiny.</td>
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<td>1858</td>
<td>Government of India Act: all powers formerly exercised by East India Company transferred to British Crown.</td>
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<td>1861</td>
<td>Indian Councils Act: framework of Government of India established whereby legislature subordinated to the executive; introduction of small non-official Indian element in Legislative Councils.</td>
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<tr>
<td>1885</td>
<td>Formation of the All-India National Congress.</td>
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<tr>
<td>1892</td>
<td>Indian Councils Act: introduction in the legislative bodies of India of a small quasi-elective element made up chiefly of Indians.</td>
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<tr>
<td>1906</td>
<td>Formation of the All-India Moslem League.</td>
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<tr>
<td>1909</td>
<td>Morley-Minto Reforms, designed to create a constitutional autocracy, which while in no way establishing a parliamentary system would render the exercise of control by the British more amenable to Indian opinion.</td>
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<tr>
<td>1919</td>
<td>Government of India Act (popularly known as Montagu-Chelmsford Reforms): the first step toward evolution of provincial autonomy and self-government in India.</td>
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<tr>
<td>1935</td>
<td>Government of India Act: (a) Proposed a federation of all India including the Indian States, with increased representative government but not responsible government at the center; (b) provided provincial autonomy with responsible government in the provinces. (Provisions under (b) above implemented 1 April 1937; provisions under (a) above never implemented.)</td>
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<tr>
<td>1937</td>
<td>April 1</td>
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<td>1942</td>
<td>March</td>
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<td></td>
<td>August</td>
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1946

March 15  Prime Minister Attlee's announcements that India would be offered independence either in or out of the British Empire.

March 24  Arrival of British Cabinet Mission in India.

May 16  Cabinet Mission's Plan for a free India (called the Viceroy's and Cabinet Mission's Award) read to the House of Commons.

May 22  Favorable reply by Jinnah to Cabinet Mission's plan.

May 24  Congress criticism of Cabinet Mission's plan.

June 6  Council of All-India Moslem League voted to accept Cabinet Mission's plan.

June 25  The Congress Party Working Committee voted to accept the plan with certain conditions. (No province could be forced into a group against the wishes of the majority of that province.)

June 26  British statement that the UK cannot form an Interim Government of India as provided in the Award.

June 27  Jinnah statement of regret that the Viceroy had postponed formation of the interim government.

June 29  "Caretaker" Government of India established.

July 31  Moslem League withdrew its acceptance of the Cabinet Mission's Plan.

August 10  Congress Working Committee adopted resolution accepting Cabinet Mission Plan.

August 12  Viceroy invited Congress to make proposals for the formation of the Interim Government of India.

August 16  Moslem proclamation of Direct Action Day; rioting following failure of talks between Jinnah and Nehru.

September 2  Interim Government formed with Moslem League not participating.

October 15  The Moslem League consented to join the Interim Government.

December 6  British Government's official interpretation of the Cabinet Mission's Plan presented.

December 9  Inaugural meeting of Constituent Assembly, with Moslem League not participating.

December 23  Adjournment of Constituent Assembly.

1947

January 6  Congress Party General Committee refused to accept the British statement of 6 December without reservations.

January 20  Constituent Assembly reconvened.

February 1  Moslem League Working Committee refused to recommend League participation in the Constituent Assembly.

February 20  Announcement by Prime Minister Attlee that power would be transferred to any Indian government or governments ready to take over in June 1948.

March 24  Viscount Mountbatten took office as Viceroy of India, replacing Lord Wavell.
April 28-May 3

Third session of the Constituent Assembly.

June 3

Mountbatten and Attlee announced supplemental plan whereby power would be transferred on 15 August 1947 to two political entities (Hindu-istan and Pakistan).

June 6

Chamber of Princes resolved to disband.

June 9-15

The Moslem League Council and the All-India Congress Committee accepted the British plan of June 3 for partition of India.

July 16

Indian Independence Bill adopted as law by the UK parliament, with Mountbatten and Jinnah named Governors-General of India and Pakistan respectively.

August 10

Pakistan Constituent Assembly opened at Karachi; Jinnah elected Assembly President; Pakistan national flag adopted.

August 15

Independence Day, British rule over India terminated.

August 16

Beginning of month of extreme violence between Sikhs and Hindus against Moslems in the Punjab over the division of the Sikh homeland.

August 18

Pakistan admitted to United Nations.

October

India protested Junagadh’s accession to Pakistan.

October 27

Accession of Kashmir to India; Indian troops flown to Srinagar.

November

Indian troops entered Junagadh State; administration taken over by Regional Commissioner of India at Rajkot.

November 29

Standstill agreement executed between India and Hyderabad.

1948

January 6


January 13-18

Gandhi’s last fast for improvement of GOI-GOP relations.

January 15

Ayyangar, Indian Delegate to UN, presented India’s case to SC.

January 16-17

Zafrullah Khan, Pakistan delegate, presented Pakistan’s case.

January 30

Assassination of Mahatma Gandhi by member of the Rashtriya Swayam Sevak Sang (RSSS) and Hindu Mahasabha.

February 28-March 7

Second Communist Conference at Calcutta; P. C. Joshi replaced by B. T. Ranadive as General Secretary.

March 18


April 17

Six-power resolution, asking India and Pakistan to agree to a plebiscite in Kashmir, presented to the Security Council.

April 21

Six-power resolution for settlement of Kashmir case adopted by Security Council; termed unacceptable by both India and Pakistan.

May 3

Chakravarth Rajagopalachari named Governor General of India effective 21 June, replacing Lord Mountbatten.

May 7

US appointed to serve on the UN Plebiscite Commission to Kashmir. (Other members: Argentina, Czechoslovakia, Belgium, and Colombia.)