INTEREST OF THE UNITED STATES IN THE SITUATION IN INDIA;

MISSION OF WILLIAM PHILLIPS AS PERSONAL REPRESENTATIVE
OF THE PRESIDENT

123 P 54/565

Mr. William Phillips, Personal Representative of President Roosevelt to India, to the Secretary of State

London, December 19, 1942. [Received December 30, 1942.]

DEAR Mr. SECRETARY: Now that my final instructions <sup>2</sup> and the letter from the President to the Viceroy <sup>3</sup> have arrived, I am arranging with all speed for my departure. The Pan American have promised me accommodation from Foynes to Lagos on the 23rd, and if all goes well, I may pull into Nigeria on the afternoon of Christmas. Yesterday came the news that an Army plane was to be put at my disposal to transport me from Lagos to Delhi via Cairo, Karachi, etc. And so the great adventure is about to begin.

The appointment seems to have made a favorable impression over here in the press, among members of the Government and Indian experts. All have been most cordial from the Prime Minister 4 down, although of course there are some of the old diehards who presumably feel otherwise. For instance, a caller this morning who has spent much of his life in India, regarded the Mission as not only highly significant, but as though happy events might automatically follow from it.

This attitude of mind, while of course pleasant, leaves me somewhat overwhelmed, and certainly dubious as to my own capacity to fulfill expectations. As I come into more personal contact with the prob-

<sup>1</sup> For previous correspondence relating to this subject, see *Foreign Relations*, 1942, vol. I, pp. 593 ff.

<sup>&</sup>lt;sup>3</sup>The Department's basic instruction to Ambassador Phillips was sent in the Secretary of State's telegram No. 5839, to London, November 20, 1942, *ibid.*, p. 746. In a subsequent instruction, No. 5986, November 27, 1942, dealing principally with personnel and housing problems at the New Delhi Mission, the Secretary of State said in part: "The Department is concerned with the coordination, under the supervision of the Mission, of the work of the various civilian agencies of this Government now operating in India. Consideration has been given to the designation of a senior Foreign Service officer who would, under the chief of mission, supervise and direct, in so far as circumstances warrant, the work of the other agencies. Recommendations on the subject are requested after your arrival in India." (123 P 54/534)

The Marquess of Linlithgow.

<sup>&#</sup>x27;Winston S. Churchill.

lems, let us hope there will be some new light. There are two little trial balloons which I passed on to John Winant<sup>5</sup> and which he is carrying back with him to Washington today. One is a suggestion emanating from Cripps,6 another from a highly intelligent Indian, a friend of Nehru, and I have asked John, if possible, to let me know to Delhi, in a cryptic message, how they are regarded by you and the President.

After arrival in Delhi my first job, as I see it, will be to come into personal touch with the members of the Governor General's Council. in other words with the Government of India. After that, I think it may be good policy for me to visit at least some of the Provinces. notably the Punjab, where constitutional government is actually under way, and then I may find opportunities to visit the leading Hindu and Moslem Universities, and in this way show an interest in education.

As I see it, my job is first to secure, if possible, respect and confidence, not merely among those at the top, but as far down the line as I can go. Probably it would be wise to keep as far removed as possible from political subjects until I have achieved some success in gaining confidence. As one well-informed Englishman told me the other day, once that I had secured this. I would find myself a "center". This in itself, however, creates problems and difficulties, through which I shall have to move warily.

I hope, Mr. Secretary, that you do not expect too much of me. will do my best, but the more I learn of actual conditions, the more I appreciate the bitter divisions among the Indians themselves. authority here interprets this increased bitterness as a struggle for party power resulting from the impending Dominion status promised by the British Government after the war. Each party therefore wishes to occupy a dominant position in the constitution-making power, and this is especially noticeable in the attitude of the Moslem League, which is gaining day by day in strength. The same authority admits that while the Indians declare they do not believe the British assurances, actually they do believe them, and are alarmed at the problem which is about to be put up to them, of creating out of so much internal discord a united nation.

I have been learning much during the last few weeks and I think the delay in getting under way has not been lost opportunity. I feel that I have the confidence of the British and their hope that out of my Mission will develop some light; that is at least one side of the picture which is of importance.

Ambassador in the United Kingdom.
 Sir Stafford Cripps, Minister of Aircraft Production and formerly Lord Privy Seal and Leader of the House of Commons; for correspondence on the Cripps Mission to India in 1942, see Foreign Relations, 1942, vol. 1, pp. 619 ff. Jawaharlal Nehru, leader of the Indian National Congress Party.

I hope that you will give me all the advice you can in addition to the instructions that have already been sent to me, for I shall indeed need from time to time whatever guidance you and the President feel able to send me.

With best wishes, Mr. Secretary, Sincerely yours,

WILLIAM PHILLIPS

123 P 54/566

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, January 1, 1943.

My Dear Mr. Phillips: I greatly appreciate your letter of December 19, 1942, written in London just prior to your departure. The approach to the Indian problem and the plan of operations which you suggest seem entirely sound to me. We know you will do an excellent job in New Delhi, but we are fully aware that one must not expect the impossible, particularly when the problems are such as those in India today.

I have had a good talk with Ambassador Winant, and will be sending you further word in this regard shortly.

Sincerely yours,

CORDELL HULL

123 P 54/569 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, January 8, 1943. [Received January 8—3:59 p. m.]

12. Arrived today, assumed charge.

PHILLIPS

845.00/1785

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the President <sup>8</sup>

New Delhi, January 22, 1943.

DEAR MR. PRESIDENT: I have never had a more interesting two weeks than those since my arrival. The journey from London was somewhat longer than I had expected on account of the delay at Bristol, but once on board the Clipper everything went on schedule. In Liberia I transferred to an Army transport plane which took me to Cairo, via Accra

<sup>&</sup>lt;sup>8</sup>Copy transmitted by Ambassador Phillips to the Secretary of State on January 22; received February 10.

and Khartoum instead of the more direct route to Aden. I did this in order to visit the Indian troops in their desert camp near the Pyramids. I was told that this would be a sympathetic gesture and it was clearly so regarded.

On arrival in Karachi I was met by General Ferris, Deputy Chief of Staff, United States Forces in China, and the Secretary of our Mission, both of whom had flown from Delhi to take me there the following day. Before leaving London the Viceroy had invited me through the Secretary of State for India to spend the first three days with him. I should like to have avoided the visit but was assured that it was a customary procedure for all official visitors to Delhi and so I accepted, and am now glad that I did so.

The presentation of your letter was without ceremony and was delivered during my first private talk with the Viceroy in his library. He was most cordial and friendly and wanted me to feel free to move about the country as I wished and to meet and converse with all shades of opinion. He said that later he would give me his own views on the political situation. He promised not to "propagandize" me and assured me that he wished me to form my own judgment. He is a good example of the Tory type, a huge man physically, very reserved before people, but he warms up in private conversation.

My days are filled with people and I am gradually becoming acquainted with the terrific problems which face this country. The Hindus are united in their distrust and intense dislike of the British but they are not altogether united behind Gandhi. Since the arrest of the Congress leaders an organization known as the Hindu Mahasabha under the leadership of Mr. V. D. Savarkar has sprung into prominence. Mr. Savarkar is even more uncompromising than the Congress leaders in his demand for a Hindu rule over all minorities including the one hundred million Muslims.

Jinnah 10 and the Muslim League are equally resentful of the presence of the British but because of their fear of the Hindu claims for an all India administration, they would probably prefer to have the English remain unless their own claims to Pakistan were guaranteed. Neither the League nor Congress has any faith in the British promise to free India.

The Indian members of the Viceroy's Council,—the so-called Government of India—condemn both Hindu and Muslim extremes and are doing their best to carry on the government and at the same time to keep their own jobs. They have no popular following because they represent the voice of the Viceroy.

The Princes live aloof and do not attempt to inject themselves into the religious and political controversies. Some of their States, I am

Mohandas K. Gandhi, leader of the civil disobedience movement in India.
 Mahomed Ali Jinnah, President of the Muslim League.

told, have liberal and advanced governments, while others are pitifully backward and have made little or no progress since the Dark Ages.

Then there is the caste system, which again divides the people into more rigid categories.

In all this confusion resulting from religious, political and caste differences, four men stand out who dominate the scene; Churchill and his Viceroy, Gandhi and Jinnah. The Viceroy represents England of the old school, of the tradition of Empire, of British responsibility to govern backward peoples. Behind him are the six hundred British Indian Civil Servants who are devoting their lives to India and who know little of what is going on in the world outside and who in their hearts want to preserve the *status quo*, since their livelihood depends upon it. Undoubtedly their views must have some influence on the Viceroy.

While in London I got the impression that the English people were ready and even eager to grant dominion status to India if only the Indians would agree among themselves with regard to the form of their government. I cannot say as much of Churchill, but certainly several members of his government with whom I have talked feel that way and have it much in their minds. The British press too is moving along more advanced lines in this respect.

But here in India the situation appears to be the reverse. The British whom I have met seem unaware of the changing attitude in England and cannot really envisage a free India fit to govern itself. They point out that eighty-five percent of the country is illiterate, that the great mass of the people are utterly indifferent as to who governs as long as there is a government to which they can look for food and relief in times of stress. They see the antagonism of the Hindu and Muslim political parties and feel that it is hopeless to expect them to reach any practical agreement. They speak of civil war the moment England departs, et cetera, et cetera. Naturally these views are reflected in the Indian leaders, and convinces them that British promises are worthless.

Gandhi is the third great personality,—the god whom people worship and, I imagine, a wholly impractical god . . . But if he could be convinced that the British are sincere in their desire to see India free, there is hope that he might be unexpectedly reasonable in his approach to Jinnah and the League.

To all inquiries as to whether I was planning to see him I have replied that I would consider an answer to the question later. Gandhi is still in prison and I think it is wiser not to make any such request of the Viceroy just yet. When, however, I have some helpful suggestion to discuss with Gandhi I shall not hesitate to ask for permission, but just now, my call upon him would raise speculation to fever heat without any compensating advantage.

Jinnah is the fourth person who has to be reckoned with. He and Gandhi distrust each other and are bitter political enemies. Jinnah's Muslim League, which in fact represents the great bulk of Muslim India, stands for Pakistan, that is, a complete independent Muslim State free from any interference whatsoever from British and Hindus alike. Recently it has been growing in power and influence, and is therefore a formidable opposition to the Hindu claim. . . .

I have seen something of Gandhi's son, who runs the principal Congress paper in New Delhi, and we have had frank talks. Jinnah is in Bombay and is coming to Delhi about the middle of February but I have already talked with his representative here.

Whenever I have an opportunity I urge the importance of another attempt by the leaders to reach a compromise agreement before allowing India to drift into the position of a house divided within itself. Gandhi's son assures me that his father is ready for another attempt at compromise, if he were out of jail, and that may be true.

And so there seem to be four men who hold in their hands the destiny of three hundred eighty-eight million people; Churchill dominates the Viceroy, the Viceroy dominates the Government of India, Gandhi controls the Congress and Jinnah the great mass of the Indian Muslims.

There seems to be only one way to bring about an agreement between the Indians themselves and that is to be in a position to convince them of Britain's sincerity. How can this be done is the heart of the problem. I hope that I may have some suggestions to offer later but not until I have more information. Meanwhile, I am planning to visit various parts of the country; first, the Punjab, where constitutional government is said to be flourishing; then to Bengal, where constitutional government functions but less successfully; then to Assam, to visit our forces; then to Bombay, Hyderabad and perhaps to the far South if I have time. I am also planning to visit several of the Hindu and Muslim universities. To all invitations to speak I have replied that I have come to study and to learn and so to be in a better position to report to you, and too I appreciate the danger of speaking in public to any group in this divided country.

I hope, Mr. President, that I may have the benefit of your judgment and guidance, for this is not an easy task that you have set me to and I would welcome any thoughts that you may have on the subject.

Sincerely yours,

WILLIAM PHILLIPS

845.00/1772: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, January 25, 1943—6 p. m. [Received January 25—5: 34 p. m.]

70. Since my arrival I have been meeting Indians of all shades of opinion and I have had long talks with many.

There has been much press comment including amusing cartoons but underlying much of it are hope and expectation that I may be able to help solve the problems. See my No. 71 of today's date.<sup>11</sup> While there are pronounced divisions of opinions between Indian politicians and parties, they all seem united in their demand for "freedom" from English rule although they have different ideas and often little conception in regard to the responsibilities of "freedom". The Indian states, however, are remaining for the present aloof from the demands of British India.

The heart of the problem seem to me the lack of faith in the promises of the British Government. Therefore, a new move by the British, more advanced than that contained in the 1935 constitution <sup>12</sup> or the Cripps proposals, <sup>13</sup> is almost certainly necessary before the Indian leaders can be induced to make another serious effort to reach an agreement among themselves. The great majority of the people are said to be incapable of deep thinking on political questions but are satisfied to accept the ideas of their leaders.

My relations with the Viceroy are important. So far they are very cordial but in order to strengthen them and impress him without the necessity of a new approach to the problems, I believe that it is desirable for me to have a wider knowledge of the views from parts of India other than Delhi, consequently I am planning journeys in the north, central and southern sections of the country which begin next week with the Punjab.

PHILLIPS

845.00/1776: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, January 27, 1943—7 p. m. [Received January 28—7: 30 a. m.]

87. I had my first long talk with the Viceroy with regard to Indian affairs last evening during which I expressed the interest of the

" Not printed.

<sup>&</sup>lt;sup>12</sup> An act to make further provision for the Government of India, August 2, 1935, Great Britain, *The Public General Statutes*, 25 & 26 Geo. V, ch. 42, p. 569.

<sup>13</sup> British Cmd. 6350: *India (Lord Privy Seal's Mission)*, April 1942.

Americans in seeing a settlement of India's problems. I told His Excellency that I had been receiving Indians from many walks of life and different political opinions in an effort to understand their problems. I explained the purpose of my projected visits to various parts of the country where I hoped to obtain further enlightenment. The Viceroy cordially approved of my plans and assured me that on my return to Delhi he would go over the entire situation with me in detail. In reply to my inquiry as to whether in his opinion there was any possibility of his reopening the discussions with the Indian leaders he indicated that he stood ready to do so but of course under certain conditions.

PHILLIPS

845.00/1781: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 8, 1943—11 a.m. [Received 4:25 p. m.]

114. Late this afternoon I called on the Viceroy to ask whether I call upon Gandhi during my forthcoming visit to Bombay, as I was anxious to be in a position to report fully to you the attitude of the Congress leaders, having already talked with leaders of other parties.

The Viceroy informed me in confidence that Gandhi has just expressed his determination to begin "a fast according to capacity" tomorrow morning, February 9th being the 6 months anniversary of his detention. The Government has no intention of allowing the fast to alter their policy but has decided to release Gandhi at the commencement of the fast. The latter has been so informed but has replied that he is not willing to take advantage of this decision, or to regard himself as a free man for the purpose of the fast. In his correspondence with Viceroy, Gandhi repudiated all the consequences which have flowed from the "quit India" demand, and seeks to throw the entire responsibility upon the Indian Government. He writes "I am through with you."

In his reply to Gandhi the Viceroy has rejected the suggestion of governmental responsibility as preposterous.

Inasmuch as no member of the Government will be permitted to visit Gandhi during the fast even though he is released, the Viceroy has asked me not to visit him, and I have acceded to his request.

In Lord Linlithgow's opinion "the fast according to capacity" means a period of about 21 days although there is a "loophole" left open. He does not believe that Gandhi's health will stand 21 days of fast.

I was shown the press release which is to be published in the event that the fast actually begins. If Gandhi changes his mind at the last moment, which seems doubtful, there is to [be] no mention of the matter. Consequently the Viceroy desires no publicity of any sort in the hope that the fast may not come off. Undoubtedly the consequences may be serious.

PHILLIPS

845.00/1780: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 9, 1943—10 a.m. [Received February 9—4:13 a.m.]

115. The Viceroy informs me this morning (reference my 114, of February 8, 11 p. m. [a. m.]) that Gandhi has expressed himself as unprepared to take advantage of the Government's proposals to release him and has postponed his fast for 24 hours in order that the Viceroy and his Council may consider his (Gandhi's) reply. (This would seem to indicate that Gandhi has made counter proposals). Lord Linlithgow says that this is being done with all urgency and during the course of the day a decision will be taken in regard to which he will send me details for my personal and secret information. He again cautions me to insure the completest possible secrecy in order to avoid any leakage of the situation.

PHILLIPS

845.00/1782: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 9, 1943—11 p.m. Received February 9—4:16 p.m.

118. Continuing my 115, February 9, 10 a.m. The Viceroy informs me this evening that it was clear to the Council at its meeting this morning that the position remained much as before. Gandhi was to be so informed and that the Government stands ready to set him at liberty for the duration of the fast. If, however, he would not take advantage of the offer and insisted upon fasting during detention, he was told that he would be acting solely on his own responsibility. In that case, he could have his own doctors and could receive his friends.

The Viceroy sends me copy of the proposed press release and copies of his lengthy correspondence with Gandhi and writes me that even at this last moment he hopes, although it is a faint hope, that Gandhi may reconsider his position. He will advise me tomorrow of the final decision.

PHILLIPS

845.00/1783 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 10, 1943—11 a.m. [Received February 10—3:44 a.m.]

120. The Viceroy has just informed me that Gandhi started his fast this morning (my 118, February 9, 11 p. m.)

Under the circumstances I am postponing any further tours for the time being.

PHILLIPS

845.00/1784: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 10, 1943—3 p. m. [Received 8: 33 p. m.]

121. In a long interview yesterday with two members of the Birla family, who are perhaps the foremost industrialists in India, and two other wealthy supporters of the Congress, they emphasized that mutual distrust is main stumbling block to settlement between Britain and India. Gandhi's son was also present. They stated that Britain began the distrust and Indians as the weaker party had no alternative but to distrust British motives in return. Britain's disinclination to part with power now cannot, they declared, reasonably be based on fear that war effort would be impeded thereby because Indian leaders would be quite willing to have all military affairs this theatre controlled by joint general staff composed of British, Americans, Indians and Chinese. If Britain sincerely intends to grant freedom to India after the war, what then, they inquired, is the objection to a transfer of civil power to a provisional government now as an earnest of that intention? If, they added, Britain first gives evidence of her good faith and then adduces substantial reasons why it is not, in some respects, feasible to transfer complete civil power to India during the war, she will find Indian leaders reasonable and willing to meet the difficulties in a spirit of friendly accommodation.

Reluctantly I am coming to the conclusion that the Viceroy, presumably responsive to Churchill, is not in sympathy with any change in Britain's relationship to India.

The impression is widespread among Indians that the British Government is determined to preserve the *status quo* in spite of the promises given with regard to post war independence and general assurances contained in the Atlantic Charter.<sup>14</sup>

<sup>&</sup>lt;sup>14</sup> Joint statement by President Roosevelt and British Prime Minister Churchill, August 14, 1941, Foreign Relations, 1941, vol. 1, p. 367.

In a recent interview which I had with the Viceroy he appeared for the first time suspicious of my intentions until I had repeated again to him that my object was to keep the President and you fully informed with regard to the Indian situation and that I had no intention of "intervening". He knows of course that Indians of all types are calling upon me and he probably knows also that they are looking to the United States and particularly to the President to induce the British Government to make a fresh and more liberal move toward a settlement. This is in fact the case.

PHILLIPS

845.00/1787: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 11, 1943—6 p. m. [Received 7:15 p. m.]

130. The general impression in British and Government circles in Delhi today seems to be that while there may be some strikes and disturbances, there is no immediate danger resulting from Gandhi's fast unless he should die, when serious trouble is expected (reference my 120, February 10).

A member of Viceroy's Council expressed to me today his anxiety. Speaking entirely for himself, he hoped that British Government could be persuaded to set Gandhi completely free now rather than leave him in his present situation with freedom limited only to his fast.

I am reliably informed that the vote in the Council in favor of action taken by Government was 6 to 5. The minority, who desired Gandhi's unconditional release, were all Indians and consisted of 2 Hindus, 1 Muslim, 1 Sikh and 1 Parsee. The majority consisted of 3 Englishmen, 2 Muslims and 1 Hindu.

PHILLIPS

845.00/1845

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the President 15

New Delhi, February 11, 1943.

DEAR MR. PRESIDENT: The complex political situation here has become aggravated by Gandhi's "fast to capacity", whatever this new phrase indicates. Evidently he does not intend to commit suicide but he is over seventy and is said to be frail and there is danger that he may not survive the strain; at least, that is the Viceroy's fear.

 $<sup>^{16}</sup>$  Copy transmitted to the Department by Ambassador Phillips on February 11 ; received February 23.

After my return from a visit to the Punjab where I met and talked with Muslims of all types,—with members of the Union Government, Pakistan enthusiasts, Hindus and Communists, I felt that I could not properly carry out my mission unless I had an opportunity to talk with Congress leaders, all of whom are now in detention. Since my arrival, now five weeks ago, I have had to parry the question as to whether I was planning to see Gandhi and if so, when. It has been an awkward question, for if I had said anything which could have been interpreted as a yes or no, I would have been in serious trouble either with the Government or with the Congress Party.

I am planning to spend a few days in Bombay on my way to Hyderabad and Madras, and Poona, where Gandhi is confined, is only a short distance from Bombay and almost on the route to Hyderabad. I felt that if I passed Poona without even an effort to see the Congress leader who, as you know, is not in prison but is confined in the palatial residence of the Aga Khan, I would run the risk of alienating the Congress Party and press, which is already beginning to show some critical tendencies. And so I decided to approach the Viceroy and ask for permission to call on Gandhi.

Accordingly I called by appointment at seven o'clock on the eighth and stated the reasons for my request. I explained that my duty was to keep you informed of the situation here and that I could not do this without at least a call upon the leader of the principal party,—that I was to see Jinnah, the head of the Muslim League, in Bombay, and Rajagopalachari <sup>16</sup> in Madras, and that a call upon Gandhi as I was passing by would have the advantage of a visit in the ordinary routine.

Linlithgow did not give me a straight answer but instead told me of the serious situation which was then developing in view of Gandhi's threat to fast. He explained that Gandhi was to be freed for the duration of the fast and that as no member of the Government would see him he had to request me not to make the visit. In the circumstances, I could only acquiesce.

I detected for the first time a suspicion on the Viceroy's part with regard to my motives. He asked me directly what were my intentions, a question which I did not welcome, but when I explained again that I was here to keep you fully informed and not to "intervene", he said, "I see that we understand each other." He became very friendly, called for drinks, and since then has kept me by personal letters in close touch with developments.

It is too early yet to know whether we are facing a serious situation or not. A rather general but perhaps British view in Delhi today is that there will be no serious complications, that Gandhi's stock has

<sup>&</sup>lt;sup>16</sup> C. Rajagopalachari, leading Indian Nationalist, former Premier of Madras Province; in 1942 he had resigned from the Party Executive of the Indian National Congress Party in order to pursue a more independent policy.

fallen of late, that other Congress leaders are all in detention and that while there may be a few strikes and local disturbances, there can be no widespread trouble, nothing in fact comparable to last summer's disturbances. On the other hand, Linlithgow, I know, is deeply concerned.

In the circumstances, I have decided to postpone my departure for Calcutta, Bombay and the South until the atmosphere is somewhat clarified.

Meanwhile, I am continuing to receive visits from all manner of people. Unhappily for me, more and more attention seems to be centered upon this Mission and upon me personally. Every Indian who comes to see me feels that through my influence the present deadlock with the British can be solved. Naturally I am in the picture only because of the popular feeling that the President of the United States alone can bring any influence to bear upon the British Government. I find it very difficult to know what to suggest. I do feel that the Gandhi fast has complicated the situation and made it even more difficult for the British to move, if they had any intention of doing so. But as long as he has no intention of "fasting unto death" he may come out of it without having caused any material change in the situation.

As I have indicated to the Department, the key to the present problem is in the hands of the British Government. It would seem wise for Churchill to "unlock the door" which he could do by convincing the Indian people that the promise of their complete independence after the war is an iron-bound promise. New words and phrases will not, I fear, carry enough weight, and therefore a new approach must be made in order to accomplish results. It must be a willingness on the part of the British Government to transfer as much civil power as possible now, on the understanding that the complete transfer will be made after the war. This would be the invitation to the leaders of the opposing parties to get together, which they cannot do now, not only because the leaders of one party are under arrest but because there is no inducement for them to make the necessary concessions to one another, and in view of the general distrust of British promises.

I have not touched upon the problem of the Princes, which is also a part of the picture. I have discussed it with the ruler of Nawanagar, who is the Chancellor of the Chamber of Princes and appears to be their spokesman. His idea is that when an Indian Government has been arrived at, the Princes will transfer to that Government rights and ownership of all transportation, mails, telegraphs, et cetera, et cetera, which are now for the most part the property of the Princes. The representatives of the people of the States whom I have also met will not be satisfied with this. They maintain that the old treaties between the Princes and the British Government are obsolete, that the Princes should not expect to have any greater powers in their

respective States than the King of England himself, that hereafter they should occupy the same position as that of Governors of Provinces, although they would still be "hereditary" and not subject to a five year limitation of office. The powers formerly exercised by them should be in the hands of the State Legislatures. There are 562 of such princelings and it is held that the great majority of their States, many of which are only estates, should be merged into larger units.

The entire picture of States and Provinces and the unanimous demand for a new approach on the part of the British Government is a matter of extraordinary interest which I only wish I could convey to you far more satisfactorily than I am doing, but which is almost impossible to present by letter. I feel acutely the fact that public attention is centered upon me in the hope and even expectation that I can do something constructive, and yet here I am, quite unable to do anything but listen to appeals, realizing as I do the importance of not prejudicing my position with the British authorities.

At the same time I want to avoid any impression on the part of the Indians that the presence of United States forces and my own presence here indicate that we Americans are strengthening the British hold over India.

With all good wishes, Sincerely yours,

WILLIAM PHILLIPS

845.00/1788: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 12, 1943—6 p. m. [Received February 12—5:15 p. m.]

133. It is reported that many Indian shops and markets in Calcutta, Bombay, Delhi and other smaller centers are closed as a mark of sympathy for Gandhi (reference my 130, February 11, 6 p. m.). The textile mills in Ahmedabad have again closed as well as two large textile mills in Delhi. An explosion occurred in Delhi railway station yesterday, but it is not yet clear whether it was accidental or result of sabotage. Students have gone on strike in many places and are organizing processions and other demonstrations.

Bhansali <sup>17</sup> is again fasting out of sympathy for Gandhi (reference my 22 of January 13, 3 p. m. <sup>18</sup>).

It is becoming more and more evident through press, leading articles and personal appeals that good offices of some sort by the United

18 Not printed.

<sup>&</sup>lt;sup>17</sup> J. B. Bhansali, life-long disciple of Gandhi.

States are looked for and that my silence is being unfavorably commented upon. An editorial in a Hindu vernacular paper entitled "An American Test" says that on the ground of humanity Americans should help to bring the Congress and the Government to an agreement, that this can only be done by me, that I should not waste time on secondary matters, and that long ago I should have seen the jailed Congress leaders. It adds that this is now the time for the Americans to show their sympathy, et cetera, et cetera.

Another editorial in the English language Bombay Chronicle entitled "Wanted Needs" takes the President and me to task for "not raising even a finger of protest" against violations of his (the President) pledges so long as such violations affect only non-white peoples. Continuing the editorial asks how the Indian people can put any faith in the sincerity of the United States spokesman.

Such comment is not pleasant to read and illustrates a rising trend of criticism against United States by Congress sympathizers. Naturally I feel deeply the hopes and expectations that appear to be centering more and more upon me. The Department will realize the difficulty of my position. Without instructions, I must not do anything to jeopardize my position with the Viceroy and therefore must stay and do nothing which might be interpreted as critical of the Government's actions or inactions. Therefore, I can only listen to appeals. On the other hand, it is equally important, in my opinion, to avoid giving any impression to the Indians that, through silence and inaction as well as through the presence of United States Forces and myself, strength is being added to the British position.

The feeling is being freely expressed that Gandhi should be freed and not merely granted a release for the duration of his fast, and that someone should be authorized to see him and convey his views to the Viceroy.

Any guidance which you can give me will be appreciated.

PHILLIPS

845.00/1790 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 13, 1943—2 p. m. [Received 7: 54 p. m.]

136. This morning the representatives of the entire American press in Delhi called upon me to inform me of severe censorship which has been imposed since Gandhi's fast. I said that I would informally advise the Department of External Affairs of this meeting and of their protest in not being allowed to present to the American public a true account of the present conditions here. I have already done so.

In view of the censorship I assume there has been little reaction in the American press but it would be helpful for me to know what is public attitude. The local press carries no American comment whatsoever.

PHILLIPS

845.00/1795 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 15, 1943—8 p. m. [Received 8: 42 p. m.]

144. Referring to my number 136 of February 13, 2 p. m. The American correspondents were received this afternoon by Sir Reginald Maxwell, home member of the Viceroy's Council. In the course of his statement, he said that Congress "is the enemy" and that the correspondents would not be permitted to send out dispatches which placed either Gandhi or Congress "in a favorable light". The correspondents emphasized their feelings of responsibility to present to the American public a factual picture of the situation in India and complained that they were not even permitted to send some of the reports regarding Gandhi appearing in the local papers.

PHILLIPS

845.00/1798: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 16, 1943—6 p. m. [Received 8: 54 p. m.]

151. Matthews of New York Times 19 informed me this morning that he had just seen Sir Sultan Ahmed, Law Member of the Executive Council, who said Gandhi's condition is very grave and that he may die within a few days. Sir Sultan and four other Indian members of the Executive Council are seriously considering resigning but have not yet reached a definite decision. They feel that they cannot permit the Viceroy to make them appear responsible before the Indian people for the death of Gandhi but hesitate to sever their connections with the Government. According to Matthews, Sir Sultan said that he and his four colleagues could not obtain permission to see the Viceroy today. From another source I heard that Linlithgow is indisposed.

It would be helpful for me to know whether the President and you would be willing to allow me, in the event that it is learned that

<sup>19</sup> Herbert L. Matthews, in India from August 1942.

Gandhi's life is in imminent danger, to approach the Viceroy informally and express our deep concern over the political crisis.

Even though there might be no immediate results, perhaps such action might be useful for the record, because it would help to correct the impression, based on our inactivity and the presence of American troops, that we have been giving support to the Viceroy's position.

Риплира

123 P 54/581 : Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, February 16, 1943-9 p.m.

92. The President has expressed a desire that you return to the United States for consultation with him at the end of April or the beginning of May. It is the President's expectation that you will be in this country for about one month. This information is conveyed to you at this time that you may make such plans and arrangements as may be necessary. Your proposed return for consultation has not been made public.

Reference concluding paragraph your 133 of February 12.

Hurr

845.00/1833

Memorandum of Conversation, by the Secretary of State

[Washington,] February 16, 1943.

The British Ambassador <sup>20</sup> called at his request. I tactfully brought up the matter of India and said that I was not undertaking to make any suggestions or to pass judgment on anything involved, but that I had a feeling that if Gandhi should die during his present fasting there might arise acute conditions which it would be important to foresee and to prepare against, etc. etc. The Ambassador said he appreciated very much what I said and added that according to his information, his Government was giving all phases of the matter the very closest attention.

After again emphasizing my fears of acute conditions arising in India following any sudden or possible death of Gandhi, I raised the question of whether the British would or might find it possible and advisable to consider certain additions to the Cripps proposals of 1941 [1942]. I said that I was not capable of offering any concrete suggestions or implementations with respect to the Cripps proposals, but coming back to my first expression of fear about the dangers which

<sup>30</sup> Viscount Halifax.

might arise from the sudden death of Gandhi, I wished to emphasize each of these phases very earnestly.

C[ORDELL] H[ULL]

845.00/1798: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, February 17, 1943-7 p.m.

96. Your 151, February 16. The President and I concur in your suggestion that you approach the Viceroy informally and express our deep concern over the political crisis. You may of course convey in your discretion an expression of our hope that some means may be found to avert the worsening of the situation which would almost certainly follow Gandhi's death.

HULL

845.00/1800: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 17, 1943—8 p.m. [Received February 17—12:55 p.m.]

156. Mody, Aney and Sarkar have resigned from Viceroy's Executive Council <sup>21</sup> over issue of Gandhi's fast. They were 3 of the minority of 5 who voted for Gandhi's unconditional release (reference my 130, February 11, 6 p.m.)

PHILLIPS

845.00/1805: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 18, 1943—7 p.m. [Received February 18—4:25 p.m.]

158. I called this afternoon upon the Viceroy and read and left with him a paraphrase of your telegraphic instruction number 96 dated February 17, 7 p. m. He asked whether a similar communication had been made through Halifax, to which I replied that this would be possible but that I had no reason to think so. He reminded me that the final decision with regard to all such matters as Gandhi's fast remained with London but this [that?] he was keeping the British Government daily advised of developments.

<sup>&</sup>lt;sup>11</sup> Sir Hormusji Peroshaw Mody, Supply Member of the Executive Council; Madhao Shrihari Aney, Indians Overseas Member; Nalini Ranjan Sarkar, Education, Health and Lands Member.

I explained how anxious we were in view of the importance of India as a war base and the unfortunate consequences which might follow any widespread unrest should Gandhi die. Linlithgow replied that he and the British Government were united in the firm conviction that their present policy was right. All of his Governors, members of the British Indian Civil Service and his police were unanimous in feeling that they had the situation well in hand. They faced with equanimity the possibility of Gandhi's death, although personally, he believed that Gandhi would survive the 21 days. Should he die, however, the Viceroy recognizes that there will be certain amount of trouble to cope with, but at the end of 6 months he believes this would pass and the atmosphere would become cleared and progress made easier. Gandhi he said had always sabotaged all efforts made by the British Government.

I left with the impression that he feels the importance of maintaining the prestige and power of the Government here and that the release of Gandhi would be interpreted by the Indian public as weakness and therefore to be avoided. The question of giving publicity to my visit did not arise during the conversation and I believe it is best to keep it strictly confidential for the present.

PHILLIPS

845.00/1804: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 19, 1943—5 p.m. [Received February 19—4:49 p.m.]

161. The pressure on me as the President's representative to do something to save Gandhi's life is increasing hourly. Our own press as well as the Indian press and constant visitors show impatience at what is regarded by them as failure on our part to appreciate the seriousness of the situation. Indians seem to feel that pressure by the United States is their last hope.

The Viceroy is again confined to his bed but I telephoned to his private secretary this morning, who is one of his closest advisers and informed him of the difficulty in which I find myself. I said that I was particularly embarrassed with regard to my own American correspondents and would like to be able to say merely that I had called on the Viceroy yesterday (reference my 158, February 18, 7 p. m.) he replied that he considered any mention at this time, either here or in Washington, of my visit would be "disastrous" but he promised to refer the matter to the Viceroy. He later telephoned that the Viceroy likewise disapproved of any mention of it but suggested a statement to be made by me to the effect that the Viceroy was keeping me in the

closest possible touch with the matter. This I considered would be worse than saying nothing at all as it might be construed as concurrence with the Viceroy's policy. I informed the private secretary that I could only report the situation to Washington.

I had an interview for one hour this morning with Rajagopalachari who emphasized the importance of the American Government making its position known in order to avoid the otherwise inevitable conclusion in the Asiatic mind that the United States was collaborating with Great Britain in the present crisis and had formed a sort of white bloc.

Rajagopalachari said the time for the United States to make its position clear is now but that at all events it must do so later in order that white prestige in Asia may be maintained and to prevent Indians from drifting ideologically towards Japan. He emphasized over and over again the extreme importance of averting a white against colored complex in the East. He declared that bitter anti-British and, he feared, anti-white feelings would be the result of Gandhi's death. He also said there would be a recurrence of disturbances throughout the country which the Government, however, would be able to put down by force. He put great pressure on me to do something to prevent this catastrophe. He is convinced that Gandhi cannot last more than 3 or 4 more days.

As I see it, the immediate problem has two sides; (1) that of the socalled [white?] prestige in India, and (2) the safeguarding of our own position in India as a military base against Japan, as well as our future relations with all colored races.

I suggest that if the President could exert friendly pressure on the British Government through Halifax as former Viceroy, I believe our record would be strengthened. But there is no time to be lost.

PHILLIPS

845.00/1807: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 20, 1943—3 p.m. [Received February 20—11:53 a.m.]

163. The resolution quoted in my 164 of February 20, 4 p. m.<sup>22</sup> has been suppressed by the censors, both for publication in India and for transmission abroad. The Committee has telegraphed the resolution to Mr. Churchill and to Mr. Amery <sup>23</sup> but whether these telegrams have actually been allowed out of the country by the authorities is unknown.

<sup>2</sup> Infra.

<sup>&</sup>lt;sup>23</sup> Leopold C. M. S. Amery, British Secretary of State for India.

Although to date there has been comparatively few demonstrations or disturbances, I am convinced that with each day the feeling against the British is mounting. From this angle alone I view the situation with concern. It appears to me that a means of checking this trend might be a magnanimous gesture on the part of the King, ostensibly made at the Viceroy's request, in response to the widespread appeal of the Indian populace, for the unconditional release of Gandhi.

Риплея

845.00/1810: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 20, 1943—4 p. m. [Received 7: 11 p. m.]

164. The following resolution was passed yesterday by a committee of the leaders meeting here and in view of Gandhi's physical condition was presented to the Viceroy last night without waiting for it to receive the approval of the plenary session today:

"This conference representing different creeds, communities and interests in India, gives expression to the universal desire of the people of this country that, in the interest of the future of India and notwithstanding international good will, Mahatma Gandhi should be released immediately and unconditionally.

This conference views with gravest concern the serious situation that will arise if the Government fail to take timely action and prevent a catastrophe. This conference therefore urges the Government to re-

lease Mahatma Gandhi forthwith.["]

PHILLIPS

845.00/1790: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, February 20, 1943—5 p.m.

108. Such comment as has been observed in American press regarding Gandhi's fast and situation arising therefrom has for the most part been factual and unemotional. Implications involved are probably not appreciated by American public and it is thought that there has been thus far little reaction to existing situation. Censorship in India has undoubtedly greatly restricted possible coverage here.

HULL

199

845.00/1804 : Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

INDIA

Washington, February 20, 1943—6 p. m.

109. Your 161 of February 19. On February 16 I discussed the Indian situation on a private and personal basis with Lord Halifax. Today, with the approval of the President, I had a full and frank exchange of views on the same subject with the Ambassador.

If you are still under heavy pressure from the press representatives I believe you might appropriately say that any phases of the Indian situation which require discussion will be dealt with by the ranking officials of the American and British Governments.

HULL

845.00/1874

Memorandum of Conversation, by the Secretary of State

[Washington,] February 20, 1943.

The British Ambassador called at his request. He proceeded to refer to the Gandhi fasting and to the matter of Phillips' possible acts or utterances in this connection. At this point I interrupted him to say that the President desired me to see the Ambassador on the subject of Gandhi and his fasting as it involved the British-Indian situation, and that I was proceeding now to do so. I said that the President desired me to take the matter of Gandhi's fasting up with the Ambassador and say that it is the view of the President that Gandhi should not be allowed to die in prison. I made this point unmistakably clear to the Ambassador. The Ambassador received this with some appearance of equanimity.

The Ambassador then referred to Ambassador Phillips and said that his Government was very desirous that he avoid any public reference to the Gandhi matter at this time. I replied to his reference to Phillips and the desires of the British Government by saying that he, Mr. Phillips, is in a very difficult and unsatisfactory situation in this connection—that the British Viceroy forbids him to call on him just now and justifies his action on the representation to Phillips that it would be exceedingly dangerous to the British-Indian situation for Phillips to confer with him. I added that now his Government expresses a desire that Phillips say nothing indicative of his serious concern which, if published, would accentuate the already high tension that exists and aggravate the difficulties now confronting the British.

I again referred to the instructions of the President to the effect that not only would Phillips not be expected to remain absolutely quiet and nonvocal but that the President himself goes much further and emphasizes his position that Gandhi should not be allowed by the British to die in prison. (I incidentally reminded the Ambassador that some three or four days before, I myself had spoken to him on this subject in a personal way and not for publication, expressing the serious concern of this Government in regard to the possible death of Gandhi.) I remarked that a vital question for the British to consider from their standpoint would seem to be whether they can deal most effectively with Gandhi alive or with Gandhi dead and his supporters claiming martyrdom to a more or less degree. The Ambassador received these comments from the President with calmness, did not undertake to argue, and twice said that he would get the message to his Government without delay.

The Ambassador finally expressed the earnest hope that Phillips would not undertake to make such public representations in India as would, in the judgment of the Ambassador, give serious trouble. I replied that Phillips had already, as the Ambassador had learned through London, indicated the serious concern of this Government in regard to the matter. I added that Phillips might naturally now leave any further representations to higher officials, since the President had expressed his views in his message, presumably for Mr. Churchill, but that I would nevertheless make a suggestion along this line to Phillips in my next cable.

C[ORDELL] H[ULL]

845.00/1814: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 22, 1943—5 p.m. [Received February 22—2:13 p.m.]

170. Rajagopalachari called this morning and discussed with me the following suggestion:

A communication has just been received from some of Gandhi's friends at Poona including his own son to the affect that the Viceroy should offer to send an official emissary to Poona to submit to Gandhi the evidence now in the possession of the Government of Congressmen's responsibilities in last summer's disturbances. In that case Gandhi might be persuaded to stop his fast and await the receipt of the evidence for which he has been asking. If he is in no condition to examine the evidence, he would request the release from prison of certain members of the working committee to come to Poona to assist him. All would still be technically under arrest.

Rajagopalachari thought the suggestion of sufficient importance to ask me to convey it to the Viceroy. I said that it would be best for

me not to do so as matters were now being dealt with by high officials of the American and British Governments and I had no instructions. But I urged him to convey the message himself to the Viceroy's secretary, as it seemed a possible way out of the present deadlock and should at least be made known to the Viceroy. Rajagopalachari promised to do so at once.

PHILLIPS

845.00/1815 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 23, 1943—1 p. m. [Received February 23—7:39 a. m.]

174. At Rajagopalachari's request, Sir Maurice Gwyer, Chief Justice of India, presented to Viceroy's deputy private secretary yesterday the proposal referred to in my 170, February 22, 5 p. m. In rejecting the proposal, Viceroy reiterated that responsibility entirely on Gandhi and Government could not take initiative.

PHILLIPS

845.00/1905

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the President 24

New Delhi, February 23, 1943.

DEAR MR. PRESIDENT: Since my last letter <sup>25</sup> the Gandhi business has given us a lot of trouble. A strict censorship has kept from the American press the widespread consternation caused by the official bulletins which indicated that he could not survive the fast. Muslims, Nationalists, Christians joined in the appeal of the Hindus for clemency, partly out of real sympathy and partly out of dread of what would happen throughout India if Gandhi died during the fast.

It is difficult for Anglo-Saxons to understand the deep-seated feelings which have been aroused by this performance of an old man of 73 years. Many Indians have told me that during his previous "fasts unto death" there was nothing like the present nation-wide consternation. The explanation given is that to vast numbers of Hindus Gandhi has a semi-divine quality which separates him from, and elevates him above, the rest of mankind. That such a being is willing to sacrifice himself for the cause that every Indian has at heart, namely, the independence of India, has touched the people as a whole.

<sup>&</sup>lt;sup>24</sup> Copy transmitted to the Department by Ambassador Phillips on February 23; received about March 16.

<sup>&</sup>lt;sup>25</sup> February 11, p. 188.

While, of course, Gandhi's methods in the past are not approved, probably by the majority, nevertheless his honesty of purpose is respected and Indians who have been violently against him have now joined the chorus of appeals in his behalf. There could be nothing like it in any other country but India.

As an example, I attended a banquet last evening given by one of the Indian members remaining in the Viceroy's Council in honor of the Governor of the United Provinces. I was told that fifty guests out of approximately one hundred and fifty acceptances gave out of the dinner at the last moment and even the host's wife and two daughters boycotted the dinner out of sympathy for Gandhi.

This is the fourteenth day of the fast and he has seven more days to go to complete his announced twenty-one days. Lately the bulletins have been far more reassuring and there is reason to believe now that he will survive.

Unfortunately, the whole episode has brought the United States prominently into the picture and I have been literally besieged by callers and overwhelmed by telegrams from all parts of India, asking whether there could not be something done from Washington or by me to relieve the present deadlock. An important conference of political leaders from various parts of India assembled in Delhi last week to urge the Viceroy to clemency and many of them called upon me. the telegrams we have merely given formal acknowledgment. callers I have listened by the hour. While I had to be sympathetic, I gave them no reason to think that we would intervene, and it was only after the Department's authorization to say, in case I felt the need, that matters affecting the Indian situation which required handling were being dealt with by high officials of the American and British Governments, that I gave them that much comfort. I did this in the hope that it would lessen the pressure on the Mission and at the same time show the Indians that we were not completely indifferent.

But the Viceroy has remained adamant and has refused to listen to any appeals. He regards the case as one of defiance to law and order which must be dealt with accordingly. He does not feel, I fear, the pathos in the appeal of these millions for freedom for their own country. He is certainly a man of determination, for he has shown no weakening in his policy to let Gandhi bear the consequences of his fast and die in the process if necessary, no matter what the results may be. Perhaps he is a "chip off the old block" that Americans knew something about in 1772.

I realize perfectly that neither you nor the Secretary could do much but I had hoped that the Secretary's talks with Halifax might bear fruits in some way. At least I hoped to avoid the impression here, signs of which have already appeared, that by the presence of our forces in India and my own presence we were openly encouraging the

British to retain their hold over India. For, rightly or wrongly, there is one fixed idea in the minds of Indians—that Great Britain has no intention of "quitting India" and that the post-war period will find the country in the same relative position. In the circumstances, they turn to us to give them help because of our historic stand for liberty.

I fear that the Office of War Information in India has been too active in advertising in the press, under the caption of the American flag and the Statue of Liberty, that the President "has declared the extension of these fundamental liberties to all men the base of the American people's war aims", et cetera, et cetera. Certainly Indians look to us for the help in their struggle, which presumably it will be difficult for us to give during the war. And after the war they believe that any such help will come too late, since whatever persuasion we can exercise over the British can be done better now than when the general scramble begins for post-war settlement. That is their view, I think, and one cannot live here without having a great deal of sympathy for it.

I am looking forward to the opportunity of talking over the situation with you when I return to Washington, and before then I hope to do a certain amount of travelling in the central and southern parts of the country to get a wider view of its problems.

With kindest remembrances and best wishes, Sincerely yours.

WILLIAM PHILLIPS

845.00/1843a: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, February 25, 1943-6 p.m.

120. In the event Gandhi dies, the Department proposes to release following statement of policy regarding American troops in India. The Department understands that the War Department is cabling a copy to the Commanding United States Army Officer in India for his information and guidance.<sup>26</sup>

It is thought that foreknowledge of this statement may be helpful to you, and you will no doubt wish to see that it is likewise released in India if Gandhi's death occurs.

"It will be recalled that on August 12, 1942 announcement <sup>27</sup> was made that the following statement of this Government's policy had been incorporated in orders to the American military forces in India:

<sup>&</sup>lt;sup>26</sup> A draft statement was submitted on February 23 to the War Department for approval on an urgent basis, and was cleared with minor revisions.
<sup>27</sup> Department of State *Bulletin*, August 15, 1942, p. 697.

'1. The purpose <sup>28</sup> of the American forces in India is to prosecute the war of the United Nations against the Axis powers. In the prosecution of the war in that area the primary aim of the Government of the United States is to aid China.

2. American forces are not to indulge to the slightest degree in activities of any other nature unless India should be attacked by the Axis powers, in which event American troops would aid in defending India.

 American forces in India will exercise scrupulous care to avoid the slightest participation in India's internal political problems, or even the appearance of so doing.

4. In event of internal disturbances American forces will resort to defensive measures only should their own personal safety or that of other American citizens be endangered or for the necessary protection of American military supplies and equipment.'

It is desired to reaffirm that statement of policy at this time and to emphasize that American troops are in India to assist in the protection of India against Japanese aggression and not with a view to their participating in any way in India's internal problems. It will be realized in addition that in line with the policy previously affirmed on August 12, 1942, one of the most important functions of American troops in India is to assure that all possible aid to China be maintained and hence to guard maintain and develop essential supply routes through India to that country."

HULL

845.00/1844 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, March 3, 1943—6 p. m. [Received 8:55 p. m.]

202. Reference my 191, February 7 [27], midnight [noon].<sup>29</sup> Gandhi ended his fast this morning at 10:30 a.m. The Home Department of the Government of India issued the following communiqué:

"On the termination of Mr. Gandhi's fast, the arrangements for his detention and that of the other persons detained at the Aga Khan's Palace which obtained before the fast have now been resumed. Such extra medical assistance and nursing as may be necessary will continue for the present.["]

PHILLIPS

<sup>&</sup>lt;sup>28</sup> The 1942 text published in the Department of State *Bulletin*, August 15, 1942, p. 697, and the original draft of this telegram read "sole purpose", but the qualifying adjective was struck out before transmission.

<sup>29</sup> Not printed.

845.00/1906

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the President 30

New Delhi, March 3, 1943.

DEAR MR. PRESIDENT: Gandhi has successfully completed his fast and the only result of it has been increasing bitterness against the British from large sections of the people. The Government has handled the case from the legalist point of view. Gandhi is the "enemy" and must not be allowed to escape from his just punishment and at all cost British prestige must be maintained.

Indians look at it from a different angle. Gandhi's followers regard him as semi-divine and worship him. Millions who are not his followers look upon him as the foremost Indian of the day and that since he has never had an opportunity to defend himself it is a case of persecution of an old man who has suffered much for the cause which every Indian has at heart—freedom for India. And so presumably Gandhi comes out of the struggle with an enhanced reputation as a moral force.

The general situation as I see it today is as follows:

From the British viewpoint their position is not unreasonable. They have been in India for 150 years and except for the mutiny in 1857, generally speaking, internal peace has been maintained. They have acquired vast vested interests in the country and fear that their withdrawal from India would jeopardize those interests. The great cities of Bombay, Calcutta and Madras have been built up largely through their initiative. They have guaranteed the regime of the Princes, who control territorially about one-third of the country and one-fourth of the population. They realize that new forces are gathering throughout the world which affect their hold over India and they have therefore gone out of their way, so they believe, to offer freedom to India as soon as there are signs that the Indians themselves can form a secure government. This the Indian leaders have been unable to do and the British feel that they have done all that they can in the circumstances. Behind the door is Mr. Churchill, who gives the impression that personally he would prefer not to transfer any power to an Indian Government either before or after the war and that the status quo should be maintained.

The Indians, on the other hand, are caught in the new idea which is sweeping over the world, of freedom for oppressed peoples. The Atlantic Charter has given the movement great impetus. Your speeches have given encouragement. The British declarations that freedom would be granted to India after the war have brought the

<sup>&</sup>lt;sup>30</sup> Copy transmitted by Ambassador Phillips to the Secretary of State on March 3; received March 16.

picture of Indian independence as never before in the thoughts of the entire Indian intelligentsia. Unfortunately, as the time approaches for ending the war, the struggle for political prestige and power between the parties has increased and this has made it more difficult than ever for the leaders to be willing to reach a compromise agreement. And furthermore, Gandhi and all Congress leaders, not to mention the fifty or sixty thousand Congress supporters, are in jail and as Congress is the strongest political party, there is no one available to speak for it.

There is thus a complete deadlock and I should imagine that the Viceroy and Churchill are well satisfied to let the deadlock remain as long as possible. That is, at least, the general impression in most Indian circles.

The problem, therefore, is, can anything be done to break this dead-lock through our help? It seems to me that all we can do is to try to induce the Indian political leaders to meet together and discuss the form of government which they regard as applicable to India, and thus to show the world that they have sufficient intelligence to tackle the problem. We must not assume that they will adopt the American or British systems. In view of the importance of guaranteeing protection to the minorities, a majority form of government may not be applicable and a coalition may prove to be the only practical way of guaranteeing internal harmony. We cannot suppose that the British Government can or will transfer power to India by the scratch of a pen at the conclusion of the peace conference unless there is an Indian Government fit to receive it. The question remains, therefore, how to induce the leaders to begin now to prepare for their future responsibilities.

There is, perhaps, a way out of the deadlock which I suggest to you, not because I am sure of its success, but because I think it is worthy of your consideration.

With the approval and blessing of the British Government, an invitation could be addressed to the leaders of all Indian political groups on behalf of the President of the United States, to meet together to discuss plans for the future. The assembly could be presided over by an American who could exercise influence in harmonizing the endless divisions of caste, religion, race and political views. The conference might well be under the patronage of the King Emperor, the President of the United States, the President of the Soviet Union and Chiang Kai-shek, in order to bring pressure to bear on Indian politicians. Upon the issuance of the invitations, the King Emperor could give a fresh assurance of the intention of the British Government to transfer power to India upon a certain date as well

<sup>&</sup>lt;sup>21</sup> Mikhail Ivanovich Kalinin.

<sup>82</sup> President of the Chinese Executive Yuan, leader of the Kuomintang.

as his desire to grant a provisional set-up for the duration. The conference could be held in any city in India except Delhi.

American chairmanship would have the advantage, not only of expressing the interest of America in the future independence of India, but would also be a guarantee to the Indians of the British offer of independence. This is an important point because, as I have already said in previous letters, British promises in this regard are no longer believed.

If either of the principal parties refused to attend the conference, it would be notice to all the world that India was not ready for self-government, and I doubt whether a political leader would put himself in such a position. Mr. Churchill and Mr. Amery may be obstacles, for, nothwithstanding statements to the contrary, India is governed from London, down to the smallest details.

Should you approve the general idea and care to consult Churchill, he might reply that, since the Congress leaders are in jail, a meeting such as is contemplated is impossible. The answer could be that certain of the leaders, notably Gandhi, might be freed unconditionally in order to attend the conference. The British may even be searching for a good excuse to release Gandhi, for the struggle between him and the Viceroy is over with honors for both—the Viceroy has maintained his prestige; Gandhi has carried out his protest against the Government by his successful fast, and has come back into the limelight.

There is nothing new in my suggestion, except the method of approach to the problem. The British have already announced their willingness to grant freedom to India after the war, if the Indians have agreed among themselves as to its form. The Indians say they cannot agree because they have no confidence in the British promises. The proposed plan perhaps provides the guarantee required by the Indians, and is in line with British declared intentions.

Possibly this is a way out of the impasse, which if allowed to continue, may affect our conduct of the war in this part of the world and our future relations with colored races. It may not be successful, but, at least, America will have taken a step in furthering the ideals of the Atlantic Charter.

I offer the suggestion now in order that it may have your consideration before my return to Washington at the end of April or early May, when I shall be able to give you at first hand further information on the subject.

Sincerely yours,

WILLIAM PHILLIPS

123 P 54/585: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, March 5, 1943—noon. [Received March 5—9:23 a. m.]

207. I am leaving today for Bombay and the south and shall return to Delhi about April 1.

PHILLIPS

845.00/1864: Telegram

The Consul at Bombay (Donovan) to the Secretary of State

Bombay, March 11, 1943—10 a.m. [Received 10:59 a.m.]

173. From Phillips. "During my stay in Bombay I have been meeting many Indian leaders who have presented their views with regard to the present political deadlock, a conference of important Congress supporters is taking place in Bombay at which a resolution was passed yesterday afternoon addressed to the Viceroy requesting permission for a small group to visit Gandhi. Rajagopalachari will probably carry the resolution personally to the Viceroy within a few days. It appears that during the fast Rajagopalachari was permitted to see Gandhi. During their conversation Gandhi expressed his emphatic disapproval of all violence and sabotage and denies that the Congress Party had authorized it. The proposed resolution is an effort to obtain from Gandhi a more formal assurance to the same effect which would then be communicated to the Viceroy in the hope that the deadlock might thus be broken and a way opened for negotiations.

Rajagopalachari who has given me the above information fears that the Viceroy will give the resolution little consideration; he believes that the better course would be for the Government to release Gandhi without further delay but he is willing, nevertheless, to go to Delhi for this purpose and in view of what he has learned in private conversation from Gandhi he realizes that it is only the first step in an effort to find a way out of the immediate difficulties.

In view of the rigid position which the Viceroy has maintained in the past there is, in fact, some danger that he may not permit any contact from the outside with Gandhi and in my opinion this would be unfortunate and would only aggravate the present situation and the general antagonism to the British.

In the circumstances I wonder whether you could informally suggest to the British Government the inadvisability of rejecting this plea."

845.00/1877: Telegram

The Consul at Madras (Bower) to the Secretary of State

Madras, March 19, 1943—5 p. m. [Received 6: 20 p. m.]

27. From Phillips. Referring to my telegram of March 11th from Bombay,<sup>33</sup> it now appears that the resolution in question was forwarded to the Viceroy on the 15th instant with an accompanying letter signed by Sapru <sup>34</sup> saying that should the Viceroy care to discuss the substance of the resolution a delegation of four would proceed to Delhi at once. Rajagopalachari told me today that no reply has yet been received from Delhi but is expected in a day or two. He himself does not seem hopeful that it will be favorable.

His idea is that if negotiations with Gandhi could be reopened and if the British Government would be willing to begin again where the Cripps' proposals broke off a preliminary agreement could be arrived at for the duration of the war.

Here in Madras, as elsewhere, the general view among the Indians seems to be that the British should make a new effort to find a solution and that if this proves to be sufficiently convincing of their good faith the opposing political parties would find a way to reach a compromise. [Phillips.]

BOWER

845.00/1880 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, March 24, 1943—5 p. m. [Received 11:55 p. m.]

237. Viceroy has expressed his willingness to receive delegation of leaders who recently met in Bombay (reference Ambassador Phillip's recent telegram from Bombay). Competent observers here predict that Viceroy will object [reject?] leaders request for interview with Gandhi and that such rejection will further accentuate the already intense anti-British feeling in the country.

PHILLIPS

35 Telegram No. 173, March 11, p. 208.

<sup>88</sup> Supra.

<sup>&</sup>lt;sup>34</sup> Sir Tej Bahadur Sapru, prominent political leader; President, Non-Party Conference, 1941.

845.00/1986: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 1, 1943—7 p. m. [Received June 17—9: 47 a. m.] <sup>36</sup>

254. Leaders decided to abandon interview with Viceroy planned for today (reference my 246, March 30, 3 p. m.<sup>37</sup>). Viceroy stipulated that leaders would read out their memorandum and he would thereupon read a written reply after which the interview would be over. As this procedure precluded discussion of the various points to be raised, leaders considered that interview would be worthless.

Риплив

845.00/1899 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 2, 1943—2 p. m. [Received 3:48 p. m.]

256. In a long written reply, Viceroy yesterday rejected leaders' request for interview with Gandhi (reference my 254, April 1, 7 p. m.). Refusal was based on grounds that (1) Gandhi has not repudiated Congress' resolution of August last, (2) has not condemned "those incitements to violence which are represented by his references to open rebellion," et cetera, and (3) has given no assurances for future satisfactory to Government. Viceroy also regretted that recent conference of leaders in Bombay did not include representatives of Muslim League, depressed classes, Hindu Mahasabha and Indian States (reference my telegrams of March 11 from Bombay and March 19 from Madras.) <sup>28</sup>

With regard to the three grounds of refusal mentioned above, it was for the very purpose of getting Gandhi's reaction to the happenings of recent months that leaders requested an interview with him. In connection with the nonrepresentative character of the Bombay Conference, leaders who attended the meeting did so not for the purpose of negotiating a settlement but only to request facilities for ascertaining Gandhi's present position which, if satisfactory, would have then opened the way to negotiations between all parties including British.

Viceroy's present frame of mind appears to preclude any possibility of a settlement. The continued refusal to allow mediators access to Gandhi leaves one with the suspicion that authorities have no desire to see deadlock ended.

PHILLIPS

<sup>&</sup>lt;sup>86</sup> Telegram apparently delayed in transmission.

Not printed.

<sup>38</sup> Telegrams No. 173 and No. 27, pp. 208 and 209, respectively.

845.00/1900 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 2, 1943—4 p. m. [Received 11:07 p. m.]

257. I returned to Delhi last night. In view of Viceroy's refusal to permit a small delegation of Indian leaders to consult with Gandhi (see my 256 of today) it is doubtful whether he would respond favorably to any request that I might make to see Gandhi and Nehru. However, I propose to ask Viceroy for permission to do so in view of the fact that I am returning at the end of the month to Washington for consultation and that without contact with any of the Congress leaders I cannot fulfill the mission with which the President has entrusted me. In this connection please refer to my 114, February 8.

It would strengthen my request if I were in a position to say that my Government hopes that my request for permission to visit Gandhi and Nehru will be granted. May I have your views.

PHILLIPS

845.00/1901 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 3, 1943—5 p. m. [Received 8:15 p. m.]

262. My visits to the provinces of Bombay and Madras and to the states of Hyderabad, Travancore, and Mysore have strengthened the impression previously gained in Delhi that anti-British sentiment is on the increase. In the states particularly in Travancore and Mysore where there are unusual opportunities for industrial development this sentiment arises more from what is believed to be an unsympathetic feeling on the part of the British to the development of state enterprises which might compete with British industry than to national political discontent.

I am impressed by the progress already made in these states which have been comparatively free of political warfare. Mysore has far the highest percentage of literacy in the whole of India. Travancore and Hyderabad though still backward in this respect are energetically trying to raise their percentage. All three states are examples of advanced socialism under autocratic rulers.

<sup>&</sup>lt;sup>88a</sup> In a letter which Ambassador Phillips wrote to President Roosevelt on April 7 describing in some detail his trip to the south of India he wrote: "In conclusion, may I repeat, that there is everywhere a feeling of frustration, discouragement, and helplessness. America is still looked upon as the one and only hope, and that our Government should use its good offices to bring the opposing forces together, in the interests of India and of the United Nations."

Politically the general opinion in Indian circles seemed to be that the British should make a new effort to break the present deadlock and with this end in view the following suggestions were made to me:

(1) A declaration by the King Emperor of readiness to grant commonwealth status at an appropriate time after the war and meanwhile to constitute a provisional national government;

(2) Viceroy should either (a) invite a prominent Indian preferably a political leader to form a provisional coalition government representing the various political parties or (b) he himself appoint such a

government;

(3) Power should be transferred to such a provisional government Viceroy retaining in his hands and in those of his military advisers such questions of defense organization and military administration as are of extra Indian interest, that is, of importance to the United Nations in the conduct of the war;

(4) Similar provisional coalition procedure is recommended for

the provinces;

(5) The states prefer to remain aloof until satisfied of stability at the center.

It is of interest in this connection that although the states have their separate entities guaranteed by treaty with the British Government nevertheless some of their leaders expressed to me their hopes for a united self-governing India with which the states could associate.

As Department can readily see any such program requires the support of Congress leaders all of whom are now in jail. Please refer to my 257 of yesterday's date.

PHILLIPS

845.00/1933

Memorandum by the Adviser on Political Relations (Murray) to the Under Secretary of State (Welles)

[Washington,] April 6, 1943.

Mr. Welles: We are sending you herewith for your approval the attached draft telegram <sup>39</sup> to Mr. Phillips authorizing him to inform the Government of India that this Government hopes his request for permission to visit Gandhi and Nehru will be granted.

You have doubtless noted that Mr. Phillips proposed in any case to ask the Viceroy for permission to visit these two imprisoned Indian leaders although he considers it doubtful whether the Viceroy will respond favorably to any such request. He believes that the likelihood of a favorable reply would be enhanced if he were authorized to state that we hope his request will be granted.

<sup>\*\*</sup> Not attached to file copy, but presumably a draft telegram of April 5 which read: "Your 257, April 2 and No. 262, April 3. For the reasons advanced in these two telegrams you may state that this Government hopes that your request for permission to visit Gandhi and Nehru will be granted." (845.00/1900)

Mr. Phillips seems to feel that the usefulness of his return to Washington for consultation would be limited if he had not been able to establish any contact with the Congress leaders. This is undoubtedly true.

Entirely aside from the fact that the Viceroy will probably not welcome such a request from Mr. Phillips and that he may not respond favorably to it, I nevertheless feel that the request should be made if for no other purpose than for the record. In view of our vigorous espousal of the principles of the Atlantic Charter and the twice repeated statement by the President that the Charter is applicable everywhere in the world, I think we would be in a very vulnerable position in the future if we adopt an overcautious attitude in situations of this kind merely because we fear "that the British might not like it".

If in the future the tide of Asiatic opinion threatens to turn against us because of our attitude in the Indian question, we may be glad to be able to cite our efforts in the present connection as evidence that we at least have tried to help even though our efforts prove to be unsuccessful.

WALLACE MURRAY

845.00/1933

Memorandum by the Under Secretary of State (Welles) to the Secretary of State

[Washington,] April 6, 1943.

For the Secretary: I seriously question the wisdom of sending this telegram.<sup>40</sup> Mr. Phillips is returning in the immediate future and it seems to me that we should talk over questions of basic policy such as this very fully after his return and not instruct him to take a step which would be interpreted by the British Government as implying a very definite modification of the policy we have pursued with regard to India during the past six months.<sup>41</sup>

S[UMNER] W[ELLES]

845.00/1911: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 7, 1943—4 p. m. [Received April 8—1:35 a. m.]

269. Yesterday I had a 3¾ hours talk with Jinnah, President of the All-India Muslim League. He insisted that Pakistan is in every

<sup>&</sup>lt;sup>40</sup> Presumably the draft telegram of April 5, which was not sent; see footnote 39, p. 212.
<sup>41</sup> Notation by the Secretary of State: "Hold."

way practicable and the only solution of Indian problem. Why should Hindus object he said when they would have as their share three-fourths of India including most of its wealth. In comparison Pakistan would be poor but would be a block of 40,000,000's comprising a state within the British Commonwealth.

Its close relations with Hindu India would be governed by treaties. He regards the war as India's war and assured me that he himself stood ready to help in every way towards victory. Certainly, he added, Muslim Armed Forces are doing their duty.

In reply to my question as to what part Muslim League would play in a provisional representative coalition government at the center he said that assuming such a program came within present constitution League would gladly be represented on equal terms with Congress Party (5–5 is a figure of 10 mentioned). He doubted that Gandhi would cooperate, but at same time he admitted that no one knew Gandhi's present state of mind.

The Department will recollect that Jinnah has insisted in the past that British Government should give guarantee to right of Pakistan before cooperation could be expected. Having this in mind I suggested that since Gandhi was opposed to a divided India would not such a British announcement merely muddy the waters further and make it more difficult for Congress Party to cooperate at center. In circumstances I added could he not modify his position in interest of India's war effort.

Jinnah's reply should be noted. While he could not, he said, give me a straight answer he could assure me that he would not stand in way of any plan which would further war effort. Position of League was "merely defensive" which I interpreted as meaning that right to Pakistan must be maintained.

He cordially distrusts Gandhi, but admits that until Gandhi's attitude is known little progress can be made.

PHILLIPS

845.00/1915: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 11, 1943—noon. [Received April 11—8:59 a. m.]

278. Since it became known that I am returning soon to Washington "to present preliminary report" there has been widespread press speculation and comment. The Nationalist Press in particular loses no opportunity to stress the fact that my report will be incomplete and even misleading since I have not had an opportunity to interview any of the leaders of the Congress Party. This may be in part merely

political tactics but at the same time a situation undoubtedly is being created in the public mind which may affect my future usefulness as an observer and reporter unless I am permitted to see Gandhi and Nehru.

The press repeatedly points out that I have had interviews of everyone of consequence except with leaders of largest political party.

I am anxiously awaiting your reply to my 257.43

PHILLIPS

845.00/1919 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 14, 1943—noon. [Received April 14—6:30 a. m.]

284. Viceroy is leaving Delhi on the 16th for tiger shooting at Dehradun and will not return until the 27th, the day before I plan to leave for the United States.

Not having received a reply to my 278, April 11 and previous telegrams, I am assuming that you do not feel in a position to authorize me to express Department's interest with regard to seeing Gandhi. I appreciate your position. On the other hand, I feel the importance for my own future usefulness here and for purposes of record to put the personal request to Viceroy. This done I would naturally accept his decision without comment.

Immediate reply is urgently requested.

PHILLIPS

845.00/1915: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, April 14, 1943—9 p. m.

199. Your 278, April 11. While I have no objection to your making the request referred to in the first paragraph of your 257, April 2, 4 p. m., on a purely personal basis, I believe it would be inopportune to adopt the suggestion in the final paragraph of that telegram.

HULL

<sup>&</sup>lt;sup>43</sup> April 2, 4 p. m., p. 211.

845.00/1923: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

> New Delhi, April 16, 1943-6 p. m. [Received April 16—3:52 p. m.]

292. There has been considerable comment in the Indian press on Mr. Welles' letter to the New York Times.44 Both the Nationalist and Muslim League papers generally consider that it expressed the British viewpoint in which they have no confidence. All Indian journals emphasized that a solution of the Indian problem is of concern to the United Nations and is necessary in furtherance of the war effort and as evidence of sincerity of professed war aims of the United Nations. Jinnah's paper declared that "if the promises of freedom to India made during the last World War provide any bitter memories, enthusiasm cannot be whipped up by the evasive American underwriting of British platitudes".

A complete summary of press comment is being forwarded by air mail.

PHILLIPS

845.00/1925 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

> NEW DELHI, April 19, 1943-noon. [Received April 19—7:38 a. m.]

295. Upon invitation I attended a meeting of the committee of all India newspaper editors representing newspaper[s] in nearly every province.

The following points were strongly made:

(1) The U.S. could and should make some move in interests of

war to break present political deadlock. I explained our limitations.

(2) Political parties are helpless to make any move toward a settlement since all access to Gandhi is denied and Gandhi's participation

is essential for any settlement.

(3) While Indians are sympathetic to professed aims of United Nations, political parties are not willing to lend any assistance toward effort since they are now convinced that India is to be excluded from benefits of such aims. India is therefore not in war except for her mercenaries.

<sup>&</sup>quot;This was a letter dated April 2 and published in the New York Times on April 11, 1942, which the Under Secretary of State wrote publicly to Professor Ralph Barton Perry of Harvard University, in answer to a letter of Professor Perry's, written February 20, criticizing the Department of State and its policies in certain areas of the world. One of these areas was India, and in his answer the Under Secretary of State repudiated a role of "active intervention" by the United States in the Indian situation.

(4) If Viceroy will not allow representative of President to see Gandhi then Indians will lose faith in ability of U. S. to be of any assistance. Likewise they will lose confidence in my capacity to accomplish anything.

Again I endeavored to explain our limitations. But it was clear from attitude of those present that issue of seeing Gandhi and Nehru has become in Indian mind test of success or failure of my mission. I shall see Viceroy at end of this week and will make my request.

PHILLIPS

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the President 44a

New Delhi, April 19, 1943.

DEAR MR. PRESIDENT: Now that I shall soon be heading for Washington, in accordance with your instructions, I shall try to summarize briefly some generalizations with regard to the situation here as I see it. They do not make a happy picture and I am sorry that I cannot be the bearer of more encouraging views. But, nevertheless, I shall give them to you for whatever they may be worth.

India is suffering from paralysis, the people are discouraged and there is a feeling of growing hopelessness. The political leaders remain hostile to one another, although they maintain that if the British would open the door to negotiation they could manage to pull together on a provisional basis for the duration of the war and to prepare for post-war responsibilities. More and more they realize that constitution making is a serious business and will have to be tackled in a more hopeful atmosphere than the present. Meanwhile, there is very little thought given to the war among Indians. India is in a state of inertia, prostration, divided counsels and helplessness, with growing distrust and dislike for the British, and disappointment and disillusion with regard to Americans. Indians say that while they are in sympathy with the aims of the United Nations, they are not to be allowed to share the benefits of such aims, and they feel, therefore, that they have nothing to fight for. Churchill's exclusion of India from the principles of the Atlantic Charter is always referred to in this connection.

The British are sitting "pretty". They have been completely successful in their policy of "keeping the lid on" and in suppressing any movement among the Indians which might be interpreted as a move towards independence. British armies dominate the picture and the fact that large Indian forces have been moved out of the country is a further guarantee of the British power and purpose to dominate

<sup>44</sup>a Copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

<sup>489-069-64---15</sup> 

the scene, according to their own views. Twenty thousand Congress leaders remain in jail without trial and the influence, therefore, of the Congress Party is diminishing, while that of the Muslim League is growing.

At the same time, the prestige of British justice is on the decline, because of the refusal of the Government to allow the political prisoners to speak in their own defense, which is not the way, Indians believe, that British justice is administered in England.

The British position becomes clear. There is to be no change, no effort to open the door to negotiation among the leaders, no preparation for the future until after the war, and that date is so uncertain that I believe the Indians generally feel there will be no material changes in their favor even after the war. For it will always be easy to find, in this vast country, plenty of justification, if one is looking for excuses, to preserve the *status quo* now and in the years to come.

The British maintain that the present situation is wholly satisfactory for the conduct of the war, and that the country is comparatively quiet, thanks to their energetic measures. Indian indifference and even hostility, they say, will make no difference, for British forces are able to preserve law and order and crush any movement dangerous to the war effort. It is true that comparative quiet prevails throughout the country, but, in my opinion, it is a quiet pregnant with disturbing potentialities.

But it is hard to discover, either in Delhi or in other parts of India, any pronounced war spirit against Japan, even on the part of the British. Rather, it seems to me, the British feel that their responsibility lies on this side of the Burma-Assam frontier. Presumably they will join us in our efforts in Burma, and during the last month there have been British expeditions into Arakan, which, because of their feebleness, have been checked and routed by the Japanese. As I see it, unless the present atmosphere is changed for the better, we Americans will have to bear the burden of the coming campaign in this part of the world and cannot count on more than token assistance from the British in British India.

As time goes on, Indians are coming more and more to disbelieve in the American gospel of freedom of oppressed peoples. They have long ago lost any confidence in words and phrases, for they have had plenty of such reassuring and friendly comments emanating from high British sources and from agreeably framed speeches in Parliament. To them, America has more recently merely repeated the old British assurances without, however, indicating any willingness to go further, even at moments when the public expected some evidence of willingness to take action in support of the well-known American principles. Again looking at it as always from the Indian point of view, America has allowed such moments to slip by in silence, and

this has convinced them the more that America stands solidly with the British in the past, present and future Indian policies of the British Government.

We here ask ourselves, day after day, "Will there be a new Viceroy next autumn, who will bring new hope to the people of India? Will he be a man of human sympathies, whom Indian leaders feel that they can approach, confident of his desire to help them solve their domestic problems?" If this is not to be, then there is no hope of improvement, and the picture will be dark indeed. My own presence here under such conditions might easily be misinterpreted and misunderstood, and would not help our own prestige in India.

In conclusion, may I add one more thought which is expressed without any official confirmation but which nevertheless is constantly in my mind. India and China and Burma have a common meeting ground in their desire for freedom from foreign domination. In spite of all we read in the press about the magnificence of the Chinese military effort, the leadership and forcefulness of the Generalissimo,<sup>44b</sup> the actual picture as viewed from here is distressing and disturbing. Chinese apathy and lack of leadership and, moreover, Chinese dislike of the British, meet a wholly responsive chord in India, where, as I have said, there is little evidence of war effort and much evidence of anti-British sentiment. Color consciousness is also appearing more and more and under present conditions is bound to develop. We have, therefore, a vast bloc of Oriental peoples who have many things in common, including a growing dislike and distrust of the Occidental.

I see only one remedy to this disturbing situation, and that is, to try with every means in our power to make Indians feel that America is with them and in a position to go beyond mere public assurances of friendship.

It was for this reason that I have laid so much stress on asking the Viceroy for permission to see Gandhi. If the record shows that I have never made a serious effort to obtain the views of the Congress Party from Gandhi, then indeed my future usefulness here is at an end. For it would be assumed that I have not been interested in the picture as a whole and have been satisfied to give my Government a one-sided and incomplete report of the situation. My stock would fall very low indeed, unless it were known that I had, at least, made the effort. I shall, therefore, make my request of the Viceroy when I see him at the end of this week.

May I add that I fully appreciate the position of our Government in its relation to the British Government and the difficulties involved in carrying out, during the war, such ideas as I have indicated. But I have felt that you would wish me to express my views of the situation, as seen from here.

<sup>44</sup>b Chiang Kai-shek.

I need not assure you, Mr. President, that I am eagerly looking forward to my return to Washington, and to my talks with you and the State Department.

Sincerely yours,

WILLIAM PHILLIPS

845.00/1929: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

> New Delhi, April 25, 1943-3 p. m. [Received April 25—8:21 a. m.]

307. During the last 2 days I have been visiting the Viceroy at a shooting camp and have discussed all angles of the Indian situation.

With his consent I am saying this afternoon at a press conference of the Indian and American correspondents that naturally I should like to have met and talked with Mr. Gandhi; that I have requested the appropriate authorities for permission to do so and have been informed that they were unable to grant the necessary facilities.

PHILLIPS

123 P 54/597 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

NEW DELHI, April 29, 1943-noon.

[Received 8 p. m.]

318. Mr. Phillips accompanied by Major Heppner 45 and Berry 46 departed by air this morning for Karachi en route to the United States. I have assumed charge.

MERRELL

845.00/2108

Mr. William Phillips, Personal Representative of President Roosevelt to India, to the President

[Washington, May 14, 1943.]

DEAR MR. PRESIDENT: May I add a few words to what I said to you on Tuesday afternoon when I had the pleasure of giving you an oral report of my impressions on the Indian situation.

Assuming that India is bound to be an important base for our future operations against Burma and Japan, it would seem to me of highest importance that we should have around us a sympathetic India rather than an indifferent and possibly a hostile India. It would appear that we will have the primal responsibility in the conduct of the war against

Maj. Richard Heppner, personal assistant to Ambassador Phillips.
 James Lampton Berry, Secretary in the American Mission at New Delhi.

Japan. There is no evidence that the British intend to do much more than give token assistance. If that is so, then the conditions surrounding our base in India become of vital importance.

At present the Indian people are at war only in a legal sense as, for various reasons, the British Government declared India in the conflict without the formality of consulting Indian leaders or even the Indian legislature. Indians feel that they have no voice in the Government and therefore no responsibility in the conduct of the war. They feel they have nothing to fight for as they are convinced that the professed war aims of the United Nations do not apply to them. The British Prime Minister, in fact, has stated that the provisions of the Atlantic Charter are not applicable to India, and it is not unnatural therefore that the Indian leaders are beginning to wonder whether the Charter is only for the benefit of the white races. The present Indian Army is purely mercenary and only that part of it which is drawn from the martial races has been tried in actual warfare and these martial soldiers represent only thirty-three percent of that Army. General Stilwell 47 has expressed to me his concern over the situation and in particular in regard to the poor morale of the Indian officers.

The attitude of the general public toward the war is even worse. Lassitude and indifference and bitterness have increased as a result of the famine conditions, the growing high cost of living and the continued political deadlock.

While India is broken politically into various parties and groups, all have one object in common, eventual freedom and independence from British domination.

There would seem to be only one remedy to this highly unsatisfactory situation in which we are unfortunately but nevertheless seriously involved, and that is to change the attitude of the people of India towards the war, make them feel that we want them to assume responsibilities to the United Nations and are prepared to give them facilities for doing so, and that the voice of India will play an important part in the reconstruction of the world. The present political conditions do not permit of any improvement in this respect. Even though the British should fail again it is high time that they should make a new effort to improve conditions and to reestablish confidence among the Indian people that their future independence is to be granted. Words are of no avail. They only aggravate the present situation. It is time for the British to act. This they can do by a solemn declaration from the King Emperor that India will achieve her independence at a specified date after the war and as a guarantee of good faith in this respect a provisional representative coalition government will be established at the center and limited powers transferred to it.

<sup>&</sup>lt;sup>47</sup> Lt. Gen. Joseph W. Stilwell, Commanding General, U. S. Forces in India.

I feel strongly, Mr. President, that in view of our military position in India we should have a voice in these matters. It is not right for the British to say "this is none of your business" when we alone presumably will have the major part to play in the future struggle with Japan. If we do nothing and merely accept the British point of view that conditions in India are none of our business then we must be prepared for various serious consequences in the internal situation in India which may develop as a result of despair and misery and anti-white sentiments of hundreds of millions of subject people.

The peoples of Asia—and I am supported in this opinion by other diplomatic and military observers—cynically regard this war as one between fascist and imperialist powers. A generous British gesture to India would change this undesirable political atmosphere. India itself might then be expected more positively to support our war effort against Japan. China, which regards the Anglo-American bloc with misgiving and mistrust, might then be assured that we are in truth fighting for a better world. And the colonial peoples conquered by the Japanese might hopefully feel that they have something better to look forward to than simply a return to their old masters. Such a British gesture, Mr. President, will produce not only a tremendous psychological stimulus to flagging morale through Asia and facilitate our military operations in that theater, but it will also be proof positive to all people—our own and the British included—that this is not a war of power politics but a war for all we say it is.

Sincerely yours,

WILLIAM PHILLIPS

845.00/1961: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, May 26, 1943—6 p. m. [Received 11:34 p. m.]

365. The following communiqué was issued this afternoon by the Government:

"The Government of India have received request from Mr. Gandhi to forward a short letter from himself to Mr. Jinnah expressing a wish to meet him. In accordance with their known policy in regard to correspondence or interviews with Mr. Gandhi, the Government of India has decided the letter could not be forwarded and have so informed Mr. Gandhi and Mr. Jinnah. They are not prepared to establish facilities for political correspondence or contact to a person detained for promoting an illegal mass movement which is not disavowed and thus gravely embarrassing India's war effort at a critical time. It rests with Mr. Gandhi to satisfy the Government of India that he can safely be allowed once more to participate in the public affairs of this country and until he does so the disabilities from which he suffers are of his own choice."

In his speech at the annual meeting of the Muslim League in April Jinnah said ["]Nobody would welcome it more than myself if Mr. Gandhi is even now really willing to come to a settlement with the Muslims on the basis of Pakistan. . . . . . . . . . . . . . . . . If he has made up his mind what is there to prevent Mr. Gandhi from writing direct to me".

MERRELL

845.00/1962 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, May 26, 1943—7 p. m. [Received 9:52 p. m.]

366. Reference my No. 365, May 26, 6 p. m. It is presumed that Gandhi's letter was a response to Jinnah's statement. The communiqué appears to be an additional indication that the Government of India does not desire a solution of the deadlock.<sup>49</sup>

MERRELL

845.00/1967 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, May 27, 1943—4 p. m. [Received 9 p. m.]

367. A Reuter's story under a Washington dateline published in the local papers today says that Mr. Phillips will return to India in a few weeks 50 and that little significance has been attached to his meeting with Churchill.51 The last paragraph of the story reads:

"There have been some attempts in Indian quarters here to prejudice the coincidence of the presence of Mr. Churchill and Mr. Phillips in Washington, an opportunity to raise Indian political questions, but these failed to impress responsible US officials."

The prevailing view is that India is still the business to be settled between Britain and India with a corresponding emphasis on New

<sup>50</sup> Actually Ambassador Phillips, after a period of consultation with the Department, went on leave from June 22 to September 13; however, during that period he was called upon by the Department on several occasions for consul-

<sup>&</sup>lt;sup>48</sup> Omission indicated in the original telegram.

On May 27 the Adviser on Political Relations (Murray) forwarded this telegram to Under Secretary of State Welles and to the Secretary of State with the comment: "As you will note, the attached telegram, which has just come in from New Delhi, confirms the views which I expressed to you in a memorandum sent to you early this morning [not found in Department files] to the effect that the present attitude of the Government of India is to prevent rather than effect a solution of the political deadlock in India."

<sup>&</sup>lt;sup>61</sup> British Prime Minister Winston Churchill was in Washington from May 11 to May 26 for the Third Washington Conference; correspondence relating to this Conference is scheduled for publication in a subsequent volume of *Foreign Relations*.

Delhi as the center of any political discussions. One high official told Reuter's "As British ally our only immediate concern is to ensure efficient prosecution of the war wherever waged".

Dawn 52 carried the story under the following caption "Phillips fails to impress US officials".

MERRELL

845.00/1981 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, June 15, 1943-3 p.m. [Received June 16-3: 42 a.m.]

403. Nehru's sister, Mrs. Pandit, and his daughter Mrs. Indira Gandhi who were ill are reported to have been released unconditionally from jail.

MERRELL

845.001/78: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, June 19, 1943-5 p.m. Received June 20-5:31 a.m.

415. While it is still too early to obtain a comprehensive picture of the public's reaction to Wavell's appointment as Viceroy,53 I believe that it will be one of gloom on the part of all politically minded Indians with the possible exception of the Muslims as it will be interpreted as a continuation of the status quo under even more rigid circumstances. Indian Nationalists had hoped that the new incumbent would at least make a fresh start and therefore would have preferred almost any other appointment. There has been no military administrator in India since the days of the East India Company and the appointment will undoubtedly be considered by many as the imposition of military rule for 5 years. There are only two members of the Viceroy's Council in Delhi at present but they are both reported to be extremely depressed, one of them having expressed a desire to resign.

The appointment of Auchinleck 54 as Commander-in-Chief on the other hand will be well received; it will be hoped that he will exert a liberalizing and humanizing influence on the new Viceroy.

MERRELL

by Gen. Sir Claude J. E. Auchinleck, formerly General Officer Commanding British Forces, Middle East; General Auchinleck was succeeding to the position vacated by the Viceroy-designate.

Prominent Moslem newspaper, organ of the Moslem League leader, Jinnah.
 Field Marshal Sir Archibald P. Wavell, Commander in Chief, British Forces in India; Marshal Wavell's appointment, and his simultaneous elevation to the peerage, was announced in the press on June 19, 1943.

123 P 54/608: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, July 2, 1943—midnight. [Received July 3—10:41 a. m.]

448. Commander-in-Chief 55 in conversation with Lane 56 expressed great regret Mr. Phillips not returning. To reply that Mission is informed only that return deferred to cool weather, Auchinleck said in warmest terms he greatly appreciated Mr. Phillips not only for personal qualities but because of his views on requirements of Indian situation. He displayed accurate knowledge of them and of the lack of sympathy toward some of them in high quarters here and London and strongly hoped Mr. Phillips would return and persevere. He appeared to imply that he would endeavor to provide not only sympathy but would perhaps find means of collaboration.

In view of Commander-in-Chief's reputation for liberal views, popularity and apparent desire to contribute to easing tension in India, Mr. Phillips will presumably wish to consider this obviously deliberate expression of his attitude.

However, while the sincerity of the Commander-in-Chief is unquestioned it is not believed that he can exert decisive influence on the men in London and Delhi who determine British policy in regard to India. The Mission has not received any indication that a solution of the political deadlock is probable.

MERRELL

845.00/2107: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, July 15, 1943—5 p. m. [Received 8:27 p. m.]

468. The following statement is attributed to Sapru as his considered view of the general situation in India, "Jinnah is not going to get Pakistan and India is not going to get self-government".

In a conversation with Weightman,<sup>57</sup> Acting Secretary External Affairs, this morning, my mention of this statement elicited an expression of his profound regret that promises had ever been made and a prediction that "if they were kept an awful mess would result".

This is the first instance which has come to the Mission's attention of a British official implying that British commitments regarding India might not be kept.

MERRELL

<sup>55</sup> General Auchinleck.

<sup>56</sup> Clayton Lane, Secretary of the American Mission at New Delhi.

in H. Weightman, Joint Secretary for the Government of India in the External Affairs Department.

123 P 54/614 : Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, July 16, 1943-4 p.m.

315. Your 448, July 2. You or Lane may say, in your discretion, to the Commander in Chief that his reference to Ambassador Phillips and to the latter's return to India has been brought to the attention of Mr. Phillips, who has asked you to express his high appreciation of the General's friendly sentiments.

HULL

123 P 54/616 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, September 8, 1943—4 p. m. [Received September 8—2:05 p. m.]

621. Officers of the Mission are being constantly asked by British and Indians whether Ambassador Phillips is returning to India. At the suggestion of Mr. Phillips, the uniform reply has been that he would not return during the hot weather. As the hot season is drawing to a close, this explanation is beginning to wear a bit thin and inquirers are beginning to expect information as to approximate date of arrival. As a decision in this matter will presumably be taken in the relatively near future, it is suggested that, if unfortunately developments do not occur which the Department and Mr. Phillips feel would justify his return to India, adverse criticism might be minimized here if the Department were to issue some such statement as the following:

"In view of recent developments in Italy 58 and in view of the fact that Mr. Phillips is an expert on Italian affairs, the U. S. Government does not feel that it can spare him to return to India at this time."

MERRELL

123 P 54/620: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, September 8, 1943—9 p.m.

443. The following statement, which is self-explanatory, was issued to the press September 8:

"In response to inquiries the Secretary today said that Mr. William Phillips has been asked to proceed to London for a temporary period in connection with special work for the War Department. This

<sup>58</sup> For correspondence relating to the surrender of Italy, see vol. II, pp. 314 ff.

temporary work has no connection with Mr. Phillips' present assignment as the President's Personal Representative at New Delhi in which capacity he will continue to represent the President."

HULL.

845.001/83

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 11267

London, September 20, 1943. [Received October 1.]

Sir: I have the honor to enclose <sup>50</sup> herewith, as received today from the India Office, the text of the speech made by Field Marshal Viscount Wavell, Viceroy-Designate to India, at a large luncheon given in his honor in London on September 16 by The Pilgrims. There are also enclosed the fullest news account (*Daily Telegraph*) carried in the press here about the luncheon, and one of the many friendly editorials (*Daily Herald*) on Lord Wavell's remarks. The press coverage of the occasion was reported in the Embassy's telegram 6227 of September 17.<sup>60</sup>

It is clear that great effort and great care is being directed by the British Government toward taking advantage of the designation of Lord Wavell as Viceroy to improve relations with and concerning India. It is noteworthy that since his designation he has been pushed forward here so that Americans can get an impression of him. The impression which he makes on people is almost always an extremely favorable one: a man of simplicity, very great sincerity, broad experience, human sympathy, wide reading, modesty, faith in the possibility of betterment, and devotion to solid reform and progress. He seems to combine capability and rare strength of character.

Not only does a large function in his honor by The Pilgrims, a society devoted to good relations among the English-speaking peoples, indicate the importance attached to his appointment by reason of its possible effect upon opinion in the United States; earlier, in July, Mr. Eden was host at a small and intimate luncheon which ranking officers of the United States Army, Navy and Embassy attended where opportunity was provided for Lord Wavell to show simply and informally the attitude which marks his assumption of duties as Viceroy. It would seem probable that a major purpose of the British Government in selecting Wavell is the desire to bring about a more approving American public opinion with regard to British handling of the India question.

60 Not printed.

<sup>59</sup> Enclosures mentioned in this despatch not printed.

A few aspects of Lord Wavell's statements concerning India stand out as noteworthy:

(1) He is careful to give full credit for the large assistance in men and goods and services which India has provided in the present war at critical times.

(2) While acknowledging the continuing needs of prosecution of the war against Japan, he shows a frank appreciation of the economic,

social and political trials of India.

(3) In favoring peacetime spending in wartime volume he asserts that in India the evils of poverty, lack of education, and disease have to be met on possibly a greater scale than anywhere else.

Although it cannot be said that Lord Wavell has committed himself, as new Viceroy to India, to any specific program of reform, it can nevertheless be said that he gives a convincing appearance of going to his duties with an open mind and fervent desire to improve India's lot, so far as his own personal attitude is concerned. As to the degree to which he may be able to swing British policy in the direction of his own views, there is little evidence on which to base an appraisal; but he is being launched in his new function with unusual official efforts to indicate full support.

Respectfully yours,

For the Ambassador: W. J. Gallman First Secretary of Embassy

Mr. William Phillips, Personal Representative of President Roosevelt to India, to the President 60a

London, September 30, 1943.

DEAR MR. PRESIDENT: I called this morning upon Lord Wavell to pay my respects, as he is leaving next week for Delhi. I came away feeling more hopeful than I had expected.

In his recent speech before the Pilgrim Society, he had made a very friendly reference to India, adding that "all classes and sections of opinion in this country (England) are firmly united in the desire to give every possible assistance to India in her aspirations to full freedom." I complimented him on his speech and expressed the hope that he would find it possible to implement his reference to India's aspirations.

I thought it a good occasion to tell him of our interest in India's problems and that you stood ready to be of help, if help was desired, in the event that steps might be undertaken to break the present political deadlock. He asked me whether I was planning to return to India. I explained your position, which I understood to be that if I could

<sup>60</sup>a Copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

contribute, as the representative of the President, you might ask me to return, otherwise I would not do so. Lord Wavell expressed his appreciation, indicating without actually saying so, that he might be glad of such help. He added that he would let us know if an opening presented itself when American assistance would be useful.

He talked of the difficulties but he admitted rather significantly that they alone should not prevent a genuine effort, if such seemed feasible.

I told him that we thoroughly understood the difficulties; that we were sympathetic to the Indian plea for independence by reason of our historical background; that we were more than ever interested now because of the presence of American forces and that we felt the importance of holding India friendly to the white races rather than to allow a situation to develop which might tend to turn her sympathies more and more in the direction of the East.

I expressed the hope personally, that he would have a try at breaking the deadlock and even though he failed, I thought the mere try would have a beneficial effect.

While Wavell may not be, and probably is not, carrying an olive branch from Churchill, there was nothing in his attitude to indicate the same rigidity of policy as that of Lord Linlithgow. In manner he is slow and unapproachable but he is a good and a highly-principled man, and we can hope at least, that he will make an effort at collaboration with the Indian political leaders and see whether anything can be done along the lines of negotiation. And that is about all that can be expected in the immediate future.

The American and British Members of Cossac 60b have given me a cordial welcome and I am gradually learning to understand their language. I only hope that I may be able to contribute something towards the great undertaking.

With kindest remembrances,

Sincerely yours,

WILLIAM PHILLIPS

845.00/2157

Memorandum by the Adviser on Political Relations (Murray) on

[Washington,] October 4, 1943.

I think you will wish to note the following excerpt regarding the present situation in India contained in a letter of September 17 addressed to me by Mr. Lampton Berry, who is generally regarded as the most competent political officer attached to the Mission at New Delhi.

Short title for Chief of Staff, Supreme Allied Commander.
 Addressed to the Secretary of State, the Assistant Secretary of State (Berle), and the Under Secretary of State (Stettinius).

Not since I have been in India have I seen such utter hopelessness among Indians of all shades of opinion. I was astonished upon my return here to find all my Indian friends in such a complete state of depression. Wavell's appointment as Viceroy and what they consider as Mr. Phillips' failure to impress officials in Washington has led them to conclude that there is no hope for their country. Failure of the British to make any conciliatory gesture and the continued refusal of the Viceroy to permit contact with Gandhi to enable the Indians themselves to attempt to make such a gesture simply confirms their long-held suspicions that the British have no intention whatever of transferring power to India either now or after the war. No Indian and few Britishers that I have talked to believe that Mr. Phillips will return to India. The once almost unanimous Indian view that the United States would exercise its immense power for the practical application of liberal ideals now and after the war is definitely diminishing. Churchill is generally looked upon as the dominating force.

WALLACE MURRAY

845.00/2152: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, October 8, 1943—9 a.m. [Received 3:53 p. m.]

726. The following comment on the political atmosphere here on the eve of the arrival of Wavell may be of interest to the Department:

- 1. The appointment of Wavell whom Indians generally regard as a reactionary of the old school was all that was required to convince them that Britain has no intention of trying to reach a settlement with the national leaders. Opinion appears about equally divided between those who think Wavell will do nothing but follow Linlithgow's policy and those who believe he may make some half-hearted offer such as complete Indianization of executive councils which would be acceptable to no representative party but rejection of which would enable Britain to say (particularly for American consumption) that its offer of cooperation had again been spurned.
- 2. Indians in general are very disappointed that Ambassador Phillips' report to the President has produced no tangible results in favor of India. They conclude that he failed to convince either American officials or Churchill of the desirability of enlisting Nationalist India's full support in war effort of United Nations.
- 3. Government of India's mishandling of food problem has added tremendously to bitterness already created by Linlithgow's attitude toward political situation during past 12 months.
- 4. Even moderates who a few months ago were holding meetings and passing resolutions calling on Britain to make a move to end deadlock or allow someone to see Gandhi for this purpose have now lapsed into

a silence of utter hopelessness. Only an occasional appeal from the optimist Rajagopalachari breaks the political gloom which has settled on the country.

- 5. Anti-British feeling has reached a new high and American prestige here has suffered a decided fall as most nationally minded Indians have concluded that the present war, as far as East is concerned, is being fought for preservation of white domination.
- 6. Despite foregoing or perhaps because of it, it is believed that most Nationalists outside jail are in a better mood to reach a compromise settlement with Britain now along lines of Cripps' proposals than they were 12 months ago if for no other reason than to assure presence of popular leaders at peace conference. It is, of course, impossible to know attitude of leaders who are in prison. However, according to Rajagopalachari, who is in a position to know, period of incarceration always makes Indian leaders more willing to compromise.

MERRELL

845.00/2155 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, October 18, 1943—3 p. m. [Received October 18—11:38 a. m.]

757. The Viceroy in a farewell off the record interview with an Indian journalist whom he has known for past 15 years, stated it was his firm conviction that British must continue rule India for another 50 years. It would take at least that long, he said, for Indians to learn to govern themselves.

MERRELL

845.001/85 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, October 19, 1943—6 p. m. [Received 8:03 p. m.]

765. Linlithgow departed by air this morning and Wavell takes oath as Viceroy tomorrow morning.

MERRELL

PROBLEMS CONCERNING THE STATUS OF THE MISSION AT NEW DELHI AND THE ORGANIZATION OF AMERICAN WARTIME OFFICIAL REPRESENTATION IN INDIA

121.5445/8 : Airgram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

Washington, January 23, 1943.

A-379. Department's airgram A-305, December 22, 1942, 7:20 p.m., 62 concerning the War Department's desire to assign a Military Attaché and five Assistant Military Attachés to Mission in New Delhi. Following is No. 984, dated December 29, from New Delhi:

"External Affairs Department anticipates that assignment of Military and Assistant Military Attachés will be agreeable but the matter is being referred to the War Office in London."

Please inquire whether the British authorities have come to any decision in regard to these assignments and report results.

HULL

121.5445/10 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, January 31, 1943—noon. [Received 3:06 p. m.]

100. The Mission's 984, December 29th at 6 p. m., <sup>63</sup> paragraph E [sic]. External Affairs Department now replies that the title Military Attaché implies the existence of an Embassy or Legation, the establishment of which is at present precluded by a constitutional difficulty and that it suggests after consultation with London the practical purpose in view might be achieved by designating the officers concerned as military observers with the personal status of Military Attaché or Assistant Military Attachés.

I see no objection to this procedure.

PHILLIPS

Not printed.

<sup>&</sup>lt;sup>63</sup> Quoted in airgram No. A-379, January 23, to the Ambassador in the United Kingdom, *supra*.

701.0645/2

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

No. 5 Washington, February 1, 1943.

Sir: Reference is made to the Mission's despatch no. 31 of September 7, 1942,<sup>54</sup> entitled "Exemptions accorded Mission", with which was enclosed a copy of a note from the External Affairs Department of the Government of India listing certain exemptions granted to you and the officers of your staff.

With respect to free entry privileges and exemption from customs duties enjoyed by the Agent General for India at this capital and the members of his staff, reference is made to the Department's telegram no. 679 of November 25, 1942.65

With reference to exemptions from taxes, you are informed that the Agent General for India and the officers of his staff whose names appear in the *Diplomatic List* are granted free diplomatic automobile license plates and free drivers' licenses. They are also exempted from payment of personal property tax on their automobiles and other property. Subordinate and clerical employees whose names are included in the *List of Employees in the Embassies and Legations in Washington not Printed in the Diplomatic List* do not receive free license plates but are exempted from the personal property tax on their automobiles and other property if they are not American citizens.

The Agent General for India and the members of his staff, including the subordinate and clerical employees who are not American citizens, are also exempted from the annual Federal use tax on automobiles.

Some months ago the rule to permit diplomatic and consular officers and subordinate and clerical employees of embassies and legations to obtain motor fuel free of tax was rescinded. Exemption from the Federal tax has now been restored. The Department of State is endeavoring to obtain restoration of the exemption from the District of Columbia tax on motor fuel for such persons.

The Agent General for India and the members of his staff, including subordinate and clerical employees who are not American citizens, also enjoy exemption from the various Federal manufacturers' excise taxes and the retailers' excise taxes. They also enjoy exemption from the tax on the transportation of persons and from the taxes on telephone, telegraph, and radio and cable messages.

<sup>64</sup> Not printed.

Not printed; it reported that free entry privileges into the United States were accorded to the Indian Agent General and the Secretaries of the Agency General (611.45241/74).

Exemption from similar taxes in India should be requested for the members of your mission.

Very truly yours,

For the Secretary of State: G. HOWLAND SHAW

121.5445/7: Airgram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

Washington, February 10, 1943—12:15 p.m.

A-420. Department's airgram A-305, December 22, 1942.66 War Department has now been informally advised by the British Military Attaché in Washington that the War Office, the Foreign Office, and the India Office concur in the opinion that it would seem to be inadvisable to confer diplomatic status, other than personal, upon officers mentioned in airgram A-305 of December 22, 1942 to London, and suggested as an alternative that they be attached to the Personal Representative of the President of the United States at the American Mission, New Delhi, India in the same personal capacity which he enjoys as Chief of Mission.

Upon this advice the War Department wishes to drop the matter and confirms that the Osmun Group, now made up of Colonel Osmun, Lieutenant Colonel Graybeal, Lieutenant Colonel Lash, and Major Cutting, will continue in the status of Military Observers. The Mission at New Delhi has been informed. Advise appropriate authorities.

Hurr

123 B 21/334 : Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, February 24, 1943-10 p.m.

119. The Department is contemplating assigning to New Delhi Joseph W. Ballantine, Foreign Service Officer of Class I, whose designation would ordinarily be Counselor of Embassy or Legation. In your opinion would Counselor of Mission be appropriate and to the Government of India an acceptable designation for him?

The Department is also contemplating assigning to New Delhi Frank S. Williams, Foreign Service Officer of Class III, with a view to his performing functions usually undertaken by a Commercial Attaché. It is also anticipated that he will be responsible under the Chief of Mission for the coordination of the work of the various

<sup>&</sup>lt;sup>66</sup> Not printed; but see airgram No. A-379, January 23, to the Ambassador in the United Kingdom, p. 232.

American civilian agencies in India. If no objection is perceived the Department plans to designate him Counselor of Mission for Economic Affairs.

In the same connection the Department feels that Secretaries of the Mission might appropriately have the designation of First, Second or Third Secretary. While it is appreciated that corresponding officers of the Indian Agency General in Washington are also officers of the British Embassy and as such rank as First, Second or Third Secretaries, it has been noted that they customarily use these titles in connection with their duties at the Agency General.

HULL

123 B 21/335 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 26, 1943—6 p. m. [Received February 26—3:26 p. m.]

190. I have discussed with the Secretary for Foreign Affairs <sup>67</sup> the points raised in your 119, February 24, 10 p. m., which meet with my cordial approval.

Personally he sees no objection to designation of Ballantine and Williams as Counselors of Mission but will refer the matter to the Viceroy. He added that the latter might feel the necessity of obtaining approval from London.

PHILLIPS

740.00118 European War (1939)/1807: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, March 18, 1943.

161. War Department desires to rescind its decision mentioned in Department's 81, February 9 69 and to obtain for its Observers mentioned therein the status and designation of "Military Observers with Personal rank of Military Attaché and Assistant Military Attachés." Please inquire whether these assignments will be agreeable to Government of India. Telegraph. Embassy at London informed.

Hull

 $<sup>^{\</sup>rm et}$  O. K. Caroe, Secretary to the Government of India in the External Affairs Department.

At this time the Marquess of Linlithgow.
 Not printed; see airgram No. A-420, February 10, to the Ambassador in the United Kingdom, p. 234.

740.00118 European War (1939)/1885: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, March 26, 1943. [Received March 26—10:08 a. m.]

240. Department's 161, 18th. Government of India has now informed Mission that assignments will be agreeable.

PHILLIPS

123 B 21/338 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, March 27, 1943—4 p. m. [Received 10: 29 p. m.]

242. When Merrell <sup>70</sup> inquired of External Affairs yesterday for the fourth or fifth time as to whether there was any reply regarding the designation of Ballantine and Williams as Counselors of Mission the Joint Secretary <sup>71</sup> replied that the matter was being considered in London along with other assignments to Delhi (my 190, February 26, 6 p. m.). Weightman indicated informally and incidentally that the expansion of American representation in general and of the American Mission in particular was causing concern among British officials in India.

It is believed that the British, in India at least, feel that the United States is taking too great an interest in India both politically and economically and are worried about the possibility of important foreign representations encouraging Indian Nationalists in their aspirations for independence and about American competition in postwar trade.

PHILLIPS

124.45/58: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 9, 1943—6 p. m. [Received 6: 18 p. m.]

274. Acting Secretary of External Affairs has now replied that, if such additional and high ranking officers are really desired, Govern-

" H. Weightman.

To George R. Merrell, Officer in Charge at New Delhi.

ment of India has no objection to their assignment. He explained, however, that on account of present constitutional position and due to possibility of setting embarrassing precedents Government does not feel that it can agree to use of designations ordinarily only used in Embassies or Legations. This applies to "First, Second, and Third Secretaries" as well as "Counselors". He added that as constitution <sup>72</sup> stands at present it is impossible to send or receive missions with full diplomatic status and admitted "off the record" that above decision had been made in London (my telegram 242, March 27, 4 p. m.)

PHILLIPS

123 Lane, Clayton/116: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 16, 1943—2 p. m. [Received 4:48 p. m.]

288. Reference Department's 196, April 13 73 to Calcutta designating Lane 74 as Commercial Attaché, New Delhi.

Patton 75 and Lane agree with me that the title Commercial Attaché might cause unfortunate impressions and press speculation about American economic penetration. It will be recalled that the Government of India, as reported in my 274, April 9, 6 p. m., did not agree to the designation of officers as "Counselors" or First, Second, and Third Secretaries.

May I suggest that Lane be designated "Secretary" which will raise no new issue.

PHILLIPS

123 Lane, Clayton/118: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, April 26, 1943-9 p.m.

216. Your 288, April 16, 2 p. m. Lane's designation as Commercial Attaché canceled.

In lieu thereof, he is designated Secretary with the additional title of Director of War Economic Operations.

HULL

Kenneth S. Patton, the Consul General at Calcutta.

<sup>&</sup>lt;sup>12</sup> An act to make further provision for the Government of India, August 2, 1935, Great Britain, *The Public General Statutes*, 25 & 26 Geo. V, ch. 42, p. 569.

<sup>15</sup> Not printed.

<sup>&</sup>lt;sup>16</sup> Clayton Lane, the Consul at Calcutta, had been assigned to New Delhi to coordinate, under the supervision of the Mission, the work of the various American civilian agencies then operating in India; see footnote 2, p. 178.

121.5445/17 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, May 18, 1943. [Received May 18—12:15 p. m.]

3422. Department's 2877, 6th. Foreign Office has today advised that the title "Military Observers with personal status of Military Attaché and Assistant Military Attachés" has been approved by the Government of India and the interested authorities here.

WINANT

740.00118 European War (1939)/1885: Airgram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, May 19, 1943-7:30 p.m.

A-29. Your 240, March 26. Osmun Group, now made up of Colonel Osmun, Lieutenant Colonel Graybeal, Lieutenant Colonel Lash, and Major Charles S. Cutting, assigned Military Observers with Personal rank of Military Attaché and Assistant Military Attachés to Mission at New Delhi. Advise appropriate authorities.

HULL

123 Lane, Clayton/124: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, June 15, 1943. [Received, June 15—5:16 p. m.]

3986. Department's 2357, April 13th.<sup>77</sup> In note dated April 16, Embassy advised Foreign Office of the designation of Clayton Lane as Commercial Attaché at New Delhi and Foreign Office in reply now states that since the date of the Embassy's note "the question of the designations of the members of Mr. Phillips' staff has formed the subject of discussions between the Government of India and Mr. Phillips. Mr. Eden <sup>78</sup> learns that Mr. Phillips has now notified the Government of India officially that Mr. Lane has been assigned as Secretary to the United States Mission at New Delhi, and that the Government of India recognize him in that capacity."

WINANT

<sup>76</sup> Not printed.

<sup>&</sup>quot;Not printed; it informed Ambassador Winant that Mr. Lane had been appointed "Commercial Attaché" at New Delhi (123 Lane, Clayton/114).

The Anthony Eden, British Secretary of State for Foreign Affairs.

811.20245/15

Memorandum by the Chief of the Division of Near Eastern Affairs (Alling) 79

[Washington,] June 19, 1943.

This Division has recently learned that the British are anxious to establish in New Delhi a "joint intelligence board" on which would sit representatives of the United States Army, Navy, OWI, OSS, BEW, 80 and any other appropriate American organizations together with their British and Indian counterparts.

In this connection it is understood that a meeting recently took place in the office of General Strong, Chief of the United States Office of Military Intelligence, where General Cawthorn, Chief Intelligence Officer of the Government of India, propounded the scheme to the representatives of the American agencies concerned.

Mr. John Davies, Jr. of this Department was also present and, in a memorandum prepared for General Strong, he has made the following observations:

"In so far as the collection of straight military intelligence is concerned, General Cawthorn's suggestions would seem to have considerable merit. However, he seemed to be as much concerned, if not more concerned, with psychological (including political) warfare and American reporting on internal Indian conditions as he was with the

collection of military intelligence.

In the field of psychological warfare, American and British interests are by no means identical. The British in Asia are fighting primarily for the retention, if not expansion, of their Empire. We are fighting without imperialistic designs solely for the defeat of Japan. To tie our psychological warfare program to that of the British would be to identify ourselves in the eyes of the Burmese and all of the colonial Asiatics with British imperialism. If we do this we may as well abandon psychological warfare in Asia."

This Division heartily concurs with the opinions expressed by Mr. It is felt that any action which identifies our activities, other than military operations, with those of the British, seriously lessens American influence in both India and Burma. Hence, while NE 81 appreciates the need of close cooperation in the Intelligence field, it disapproves heartily of the creation of any such board as proposed by General Cawthorn. It is understood that Mr. Phillips feels likewise.

Mr. Fischer of BEW has intimated to this Division that the other agencies recognize the dangers involved and that they—and other agencies—will not, in all probability, support General Cawthorn's recommendations.

PAUL H. ALLING

80 Office of War Information, Office of Strategic Services, and Board of Economic-Warfare, respectively.

<sup>79</sup> Addressed to the Assistant Secretary of State (Berle), the Under Secretary of State (Welles), and the Secretary of State.

<sup>&</sup>lt;sup>81</sup> Division of Near Eastern Affairs.

811.20245/15: Airgram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, July 24, 1943-3:30 p.m.

A-42. The Mission may be aware that when in Washington last, General Cawthorn, Chief Intelligence Officer of the Government of India, expressed the desire of the British to see created in India a "joint intelligence board" on which would sit representatives of the United States Army, Navy, OWI, OSS, BEW, and any other appropriate American organization, together with their British and Indian counterparts. This board appears to have been intended not only to facilitate the exchange of information of interest to all concerned, but also to allow the British to supervise American efforts in regard to psychological (including political) warfare. It is understood further that it was also expected that the Board would scrutinize the reports regarding internal conditions in India and Ceylon emanating from both the British and American organizations represented on the board. While the Department does not question the need and desirability of close liaison between the American and British or Indian organizations, especially in so far as matters pertaining to military intelligence are concerned, it does not consider that reports from American organizations should be made subject to scrutiny by an Anglo-American board, and furthermore it views with disapproval any arrangement which would indicate to the public mind in India that American and British activities are identical, except in so far as prosecution of the common enemy is concerned. Accordingly the Department has not viewed with favor the proposal understood to have been made by General Cawthorn and would strongly disapprove of any such arrangement being put into operation.

It is the Department's understanding that the other American agencies concerned have seen the dangers involved and hence were not receptive to the suggestion. You should promptly inform the Department, however, should there be any indication that efforts are being continued which would tend to identify American organizations in India with their British or Indian counterparts.

For your confidential information it may be added that the Department has been informally advised that the War Department first rejected in toto General Cawthorn's recommendations, but upon further recommendations by the British suggested that there be established at New Delhi a special liaison committee between the American and British military headquarters in India which would not only facilitate the interchange of military intelligence but also at which either side might discuss problems or matters affecting any governmental agency. In so far as the Department is aware the British have not yet indicated whether this suggestion is satisfactory to them. The Department's

interest is of course limited to arrangements concerning civilian agencies and arrangements in that regard in connection with the proposed liaison committee are still too nebulous to permit an expression of opinion from the Department.

As previously intimated, any developments with regard to this matter which come to your notice should be promptly reported to the Department.

HULL

124.45/69

## The British Embassy to the Department of State 83

## ATDE-MÉMOTRE

The Government of India have received notification of the appointments of a number of American officials to India. It is not very clear to the Government of India or to the United Kingdom Government how American official representation in India is organised and to whom these newly notified officials are responsible. Representatives of the Board of Economic Warfare and the Office of War Information have variously been reported as responsible to the United States Mission at New Delhi and to General Stilwell.<sup>84</sup>

The United Kingdom Government and the Government of India would welcome an over-all picture of United States representation in India. In particular they would be grateful for an answer to the following questions:—

1. What is the relationship of General Stilwell to the United States Mission? It has been suggested to His Majesty's Government that General Stilwell is technically in charge of the Mission.

2. What are the functions of Mr. John Davies as Political Adviser to General Stilwell, and what is his relationship to the Mission?

3. Will Mr. Merrell continue to be head of the Mission?

4. If the representatives in India of the Office of Strategic Services, the Office of War Information, the Board of Economic Warfare and the Federal Communications Commission are under General Stilwell, as has been suggested, how do they stand in relation to the Mission? Do they, for instance, have a dual role, i. e. insofar as they deal with direct or "combat" intelligence of all kinds would they be under General Stilwell, and in respect of other functions under the Mission?

Washington, August 6, 1943.

<sup>&</sup>lt;sup>88</sup> Handed on August 18 by the British Chargé (Campbell) to the Assistant Secretary of State (Berle).
<sup>84</sup> Lt. Gen. Joseph W. Stilwell, Commanding General, U. S. Forces in India.

701.0645/4

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

No. 218

New Delhi, September 24, 1943. [Received October 8.]

Sir: I have the honor to refer to the Department's airmail instruction No. 5 dated February 1, 1943, 55 in which the various exemptions from taxes enjoyed by the Agent General for India and the members of his staff were outlined, and in which the Mission was instructed to request exemption from similar taxes in India for the members of its staff.

The Mission addressed a formal communication to the Secretary to the Government of India in the External Affairs Department on May 18, 1943, a copy of which is enclosed, so noting that the Office of the Indian Agent General is granted all the privileges and immunities accorded to any other diplomatic establishment in Washington, outlining the various exemptions from taxes enjoyed by the Indian Agent General and his staff, and requesting that exemption from similar taxes in India be granted to the members of this Mission.

In reply to this communication a letter has been received from the Under Secretary <sup>87</sup> to the Government of India in the External Affairs Department dated July 9, 1943, of which a copy is enclosed. <sup>86</sup> The Under Secretary notes in his reply that the Government of India does not know the nature or financial implications of some of the taxes under reference, and requests to be informed what the taxes are, what payments they entail, and to be provided with an indication of the corresponding Indian taxes where such exist.

The Mission does not have at hand the detailed information requested by the Government of India. The implications of the Under Secretary's letter reach much further, however, than his request for further data, and are explained below in order that the background of the subject may be clarified.

In the experience and relations of this Mission with the External Affairs Department it has been made abundantly clear that the Government of India is not disposed to grant more than a modicum of privileges of a diplomatic character to the members of this staff. The Department is well aware of the unsatisfactory situation that has prevailed in India for a considerable period of years with regard to the status of our consular officers; in a broad sense the present attitude of the Government of India in the matter of diplomatic privileges reflects an extension to this office of the traditional policy of the Government of India vis-à-vis foreign representation. Although it is not

<sup>85</sup> Addressed to Mr. William Phillips, Personal Representative of President Roosevelt in India, p. 233.

Not printed.
 Capt. L. A. C. Fry.

within the purview of this despatch to discuss the question in detail, this brief reference to its broader aspects is essential to an understanding of the problem under present consideration.

The Government of India has manifested no interest in, nor expressed any appreciation for, the various privileges accorded to the Indian Agent General in Washington and the members of his staff. The Government's narrow attitude is reflected in the observation contained in the last paragraph of the Under Secretary's letter of July 9, 1943, wherein he states, "We note that the staff of the Indian Agent General are not exempt, as are the staff of the U.S. Mission, from obtaining licenses to possess certain small arms and ammunition." Thus, in response to the Mission's note outlining the numerous material privileges and exemptions enjoyed by the Indian Agent General and his staff, the Government of India singles out an item of small consequence which it believes to be unreciprocated. Further, the Under Secretary has in private and informal conversation intimated that there is hardly a fair basis for reciprocity in matters of this nature in view of the fact that there are many more American officials in India. who would be benefited thereby, than Indian officials in the United States.

Underlying the attitude of the Government of India are various factors which may be summed up briefly as follows: (1) This office is not considered by the Government of India, for constitutional reasons, to be a diplomatic Mission; (2) As India is not an independent country, the External Affairs Department has limited experience in, or knowledge of, the personal prerogatives of accredited diplomatic representatives; (3) As the association between the Indian representatives in Washington and the English officials of the External Affairs Department lacks personal interest and service spirit which ordinarily characterize the Foreign Services of independent countries, there is ample substantiation for the suspicion that it is of little moment to the Government of India whether the Indian representatives in Washington are accorded the broad courtesies and exemptions under discussion.

In view of the above the Department's instructions as to what further steps should be taken would be appreciated.

Respectfully yours,

George R. Merrell

124.45/69

The Secretary of State to the British Chargé (Campbell)

The Secretary of State presents his compliments to the British Chargé d'Affaires ad interim and refers to an *aide-mémoire* dated August 6, 1943, which was left with Mr. Berle, Assistant Secretary

of State, by the British Chargé d'Affaires ad interim on August 18, 1943. The aide-mémoire indicates that some uncertainty exists on the part of the United Kingdom Government and on the part of the Government of India with regard to the manner in which American official representation in India is organized, and to whom certain recently appointed officials are responsible. Several queries are posed in that connection, and it would appear that a reply to the fourth is most essential for clarification of the points at issue. The fourth query involves matters which are still a subject of discussion between the Department of State and the War Department, and it is therefore not possible to provide the Embassy with a definitive reply at the moment. Every effort will be made, however, to furnish at the earliest possible date the information desired.

It may be said that in general the Department of State does not view with favor any arrangement whereby the representatives of this Government will act in India in a dual capacity. It is contemplated that representatives of the Office of Strategic Services, those representatives of the Office of Economic Warfare engaged in economic intelligence, and those representatives of the Office of War Information engaged in psychological warfare activities, will be subordinate to the authority of the senior American military commander in India, rather than to that of the Mission.

It may be mentioned that it is obvious that at the present time two American representatives in India are functioning to a certain extent in a dual capacity. These representatives are Mr. Ralph Block, who has been designated Special Assistant to the Personal Representative of the President and who in his capacity as senior Office of War Information representative is considered to have supervisory powers over all Office of War Information personnel in India, including those comprising the psychological warfare unit; and Mr. John Fischer, who has also been designated Special Assistant to the Personal Representative of the President and who in his capacity as senior Office of Economic Warfare representative is considered to have supervisory powers over all Office of Economic Warfare personnel in India, including those engaged in economic intelligence. The Department would welcome an indication of the Embassy's views regarding the acceptability, under the circumstances, of this arrangement.

Queries 1, 2 and 3 are answered seriatim:

(1) The New Delhi headquarters of General Stilwell and the American Mission are separate establishments entirely independent one of the other. Accordingly the suggestion that General Stilwell is technically in charge of the American Mission is erroneous.

(2) Mr. John Davies, a Foreign Service officer, has been attached to the staff of General Stilwell with a view to his providing the latter with such advice and assistance on matters of a political nature affecting military affairs as may be desired. Mr. Davies is Second Secre-

tary of the American Embassy at Chungking and has no direct

relationship with the American Mission at New Delhi.

(3) In the absence of the Personal Representative of the President, Mr. Merrell will continue in charge of the American Mission at New Delhi in so long as he remains the senior Foreign Service officer at that post.

As previously intimated, the Embassy may expect in the near future a note discussing in greater detail the points raised in query 4 of its aide-mémoire. It would be helpful, however, if there were first received by the Department an expression of the Embassy's views regarding Mr. Block's and Mr. Fischer's status as discussed earlier in this note.

Washington, September 30, 1943.

124.45/69

The Secretary of State to the British Ambassador (Halifax)

The Secretary of State presents his compliments to His Excellency the British Ambassador and has the honor to refer to the Department's note of September 30, 1943 regarding the organization of American official representation in India. It is believed that the following information, which is supplementary to that contained in the Department's note under reference, will clarify those points about which doubt existed:

(a) All civilian representatives of the United States Government, or its agencies, in India, with the exceptions cited below, or with such other exceptions as may be later notified to the appropriate authorities, are responsible to the American Mission in New Delhi

rather than to the American military authorities.

(b) The civilian representatives who are responsible to the American military authorities in India are (1) representatives of the Office of Strategic Services, (2) members of the psychological warfare unit of the Office of War Information, (3) members of the economic intelligence unit originally established by the Office of Economic Warfare and now incorporated into the Foreign Economic Administration, and (4) political advisers, technical observers and technicians on duty with the United States Armed Forces.

It may be added that other persons in India, not members of the United States Armed Forces and not representatives of this Government or of any agency thereof but subject to the control of the American military authorities are (1) American civilians employed by the American military authorities locally or by the War Department, (2) accredited war correspondents, (3) American Red Cross per-

sonnel.

(c) By agreement between the Departments of State and War, it is contemplated that if no objection is perceived Mr. Ralph Block, Special Assistant to the Personal Representative of the President, will continue to supervise the activities of the psychological warfare unit of the Office of War Information, and similarly that Mr. John Fischer, also Special Assistant to the Personal Representative of the President, will continue to supervise the activities of the economic intelligence unit of the Foreign Economic Administration.

The Department will welcome any comment which the Embassy may desire to make with regard to the arrangements outlined above.88

Washington, January 12, 1944.

LEND-LEASE AID TO INDIA AND RECIPROCAL AID: CONSIDERATION OF PROPOSAL FOR DIRECT LEND-LEASE AGREEMENT BETWEEN THE UNITED STATES AND INDIA 80

845.24/303 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, January 2, 1943—midnight. [Received January 3—1:30 p. m.]

1. Britain's favorable attitude toward proposed direct lend-lease agreement between United States and India (Department's 738, December 29, 9 p. m. 90) is thought to be based primarily on the fact that while India receives the benefit of lend-lease goods, it is Britain which pays for reciprocal lend-lease aid being furnished to American Forces in India. The obligation for India's lend-lease goods is Britain's. The reciprocal obligation has not been passed on to India according to best information available. Under proposed agreement India would of course be responsible for supplying reciprocal aid. Amount of such aid thus far given is not known but is large and just what settlement of present balances between India and Britain may be contemplated if the American agreement is concluded is not known. England might, however, reasonably expect some reimbursement for her expenditures for reciprocal aid. In view of India's stated unwillingness to grant trade concessions any such settlement might possibly be on a financial basis and might involve either India's sterling credits in London or the large rupee "suspense" account which has been built up in India with cash received with nonofficial orders for lend-lease goods and debits against Government departments order-

ss In a note of February 10, 1944, the British Embassy replied that "neither the Government of India nor the United Kingdom Government have any comment to make in regard to the memorandum." (124.45/73)
ss For previous correspondence on lend-lease relationships between the United States, the United Kingdom, and India, see Foreign Relations, 1942, vol. 1, pp. 748-750; for quarterly reports on U. S. lend-lease operations for 1943, see Message from the President of the United States transmitting . . . report on Island Lease operations 10th 11th 19th and 12th Benegate (Washington Govern Lend-Lease operations, 10th, 11th, 12th and 13th Reports (Washington, Government Printing Office).

Foreign Relations, 1942, vol. I, p. 750.

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ing lend-lease goods. This account obviously large has not thus far been charged for reciprocal lend-lease aid supplied.

A further and important consideration may well be that England under present lend-lease procedure will ultimately be faced with the politically unpleasant necessity of demanding from India reimbursement in one form or another to offset Britain's lend-lease obligation on India's behalf to the United States. Britain may consider it more feasible to effect settlement now than to do so after the war when the value as involved would be much larger and political situation presumably in transitional state. Britain might well prefer to let the United States "present the bill" to India direct after the war.

Obvious advantages to Britain of proposed agreement would be economies in time and administrative effort and expense. From India's point of view simplification of procedure and savings and time would be useful. It would also give India its own place in any postwar negotiations which would relieve Britain of possible charges afterward that India's interests had not been properly guarded.

On the purely political side Britain by sponsoring direct Indo-American agreement could throw a sop to Indian Nationalists which not only would cost British Government nothing but also would work to its advantage. Such a move would be politically effective in that it would presumably involve India's formal adherence to British master agreement 91 which is regarded as first implementation of the Atlantic Charter. 92 Fact that Charter has never specifically been applied to India has been a major grievance here. Thus proposed lend-lease agreement might reasonably be construed by Nationalists as indirect admission of India's inclusion in Charter.

Report contained in second paragraph of Department's telegram under reference does not check with statements recently made by General Wheeler, 93 Service of Supply, who handles American reverse lendlease operations here. He appears to be obtaining most of what he requires without to a [a too?] great difficulty or delay and although complications undoubtedly arise from time to time it is not believed that he is responsible for initiating this matter. However, he is known to have been disappointed several months ago when an informal proposal that he scrutinize and pass upon all of India's lend-lease requisitions before submission to Washington was dropped for reasons never announced. This is of course highly confidential. In dis-

<sup>91</sup> Preliminary agreement in regard to principles applying to mutual aid in the presiminary agreement in regard to principles applying to mutual and in the prosecution of the war against aggression, signed at Washington, February 23, 1942; Department of State Executive Agreement Series No. 241, or 56 Stat. (pt. 2) 1433. For negotiations leading up to this agreement, see *Foreign Relations*, 1942, vol. I, pp. 525 ff.

23 Joint statement by President Roosevelt and British Prime Minister Churchill,

August 14, 1941; *ibid.*, 1941, vol. 1. p. 367.

Brig. Gen. Raymond A. Wheeler, Commanding General, Services of Supply, China-Burma-India theater.

cussing the proposed agreement with him (without attribution to the Department) he made the statement that it did not matter to him whether he dealt with Britain or Indian reciprocal lend-lease matters.

MERRELL

845.24/312 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, January 7, 1943—4 p. m. [Received 10:45 p. m.]

10. President of Federation Indian Chambers of Commerce and Industry, G. L. Mehta, in speech at Bombay January 5 which reflects sentiment of important section of Indian business community, remarked that proposed direct lend-lease agreement should be made subject to important reservations: (1) amount of Indian reciprocal aid should not exceed amount of lend-lease aid received, and (2) because of its undeveloped industrial status India could not agree to "removal" of tariff barriers. He added Government of India must make latter reservation to assure India's industrial development and preserve fiscal autonomy.

Reference Mission's 954, December 17, 11 a. m.94 and 1, January 2, noon [midnight].

Referring to Britain's reported desire that India assume larger portion war expenditure he said there could be no equality of sacrifice, as proposed by Britain, without equality of status. Reference Mission's 958, of December 18, 3 p. m.95 He said India is being asked to carry burdens of member of the United Nations without being given corresponding rights and powers.

MERRELL

845.24/334 : Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, January 7, 1943—11 p.m.

12. The Department has approved the imminent departure for India of a small mission from the Office of Lend-Lease Administration under head of Frederick W. Ecker, which will study requirements and will function under the Mission's direct supervision. Further details in this connection will be communicated later.

Hull

<sup>&</sup>lt;sup>94</sup> Foreign Relations, 1942, vol. 1, p. 748. <sup>95</sup> Ibid., p. 749.

845.24/341: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

> New Delhi, January 14, 1943—6 p. m. [Received January 14-5:41 p.m.]

26. Raisman,96 finance member of Viceroy's Council informs me he expects Government of India will instruct Bajpai 97 in next few days to approach Department formally with view to concluding direct lend-lease agreement between United States and India. The formal approval of Government of India has not yet been given but Raisman expects this to be done in 2 or 3 days. Matter is being expedited here in order to take advantage of presence in United States of Sirrama Swami, India's representative on Pacific War Council and recently commerce member of Viceroy's Council. The Government is anxious that he participate in forthcoming negotiations.

Two principal reservations which India will make are those mentioned in Mission's 954, December 17, 11 a.m., 98 namely:

Special recognition of India's need to retain a considerable measure of post war tariff autonomy because of this country's industrial immaturity. In discussing this phase of the matter I emphasized to Raisman my belief that United States would insist on a reasonably cooperative attitude on India's part as regards post war reduction of trade barriers. From his remarks, however, I gather that the Government feels obliged by strong public opinion to drive as hard a bargain as possible on this point, although he himself expressed his personal belief in minimum trade restrictions.

India will accept direct responsibility for reciprocal aid only to the value of lend-lease aid she receives. However, if by any chance value of reciprocal aid should exceed benefits received, Britain would be responsible for surplus amount. Britain has not yet made any formal undertaking to India on this point but Raisman clearly indicated that no difficulty is expected as regards British attitude on this score.

Raisman confirmed statement in Mission's telegram No. 1, January 2, noon [midnight] that Britain's interest arises primarily from desire that India accept direct responsibility for reciprocal aid. Questioned as to whether projected agreement would or would not be retroactive, he said definitely that it would. Thus India will take over the entire lend-lease obligation which Britain has thus far assumed on India's behalf, and would also accept responsibility for the reciprocal aid heretofore given on behalf of Britain to American forces in India.

A definite complication on latter point may arise from the fact that, according to an incidental remark made by Raisman, no account-

Sir Jeremy Raisman.
 Sir Girja Shankar Bajpai, Indian Agent General in the United States.
 Foreign Relations, 1942, vol. I, p. 748.

ing in terms of value has thus far been kept here of amount of reciprocal aid extended. Only an unpriced record has been maintained of projects completed for American troops and goods and services rendered. This fact is confirmed by remarks recently made by General R. A. Wheeler of American Service of Supply. It should be particularly noted, however, that Wheeler who has been handling American side of reverse lend-lease has kept his own informal record of benefits received and when actual costs or prices could not be obtained he has estimated them.

In addition to reciprocal aid for American forces here it is expected Raisman said that services for American shipping in India ports would be rendered. The Mission happens to know that London has recently cabled Government here on this point stating that expenses of American vessels, with certain minor exceptions, should be regarded as eligible for reciprocal aid. Procedure now followed in England in this regard will be used as basis for drawing up new procedure for India but certain modifications will be made due to special circumstances here.

Repeated to London.

PHILLIPS

845.24/403

Memorandum by the Chief of the Division of Commercial Policy and Agreements (Hawkins)

[Washington,] January 25, 1943.

#### LEND-LEASE AGREEMENT WITH INDIA

From the reports I have seen as to the attitude of the Government of India toward a lend-lease agreement with the United Kingdom in respect of India (summarized in Mr. Fuqua's memorandum hereunder <sup>99</sup>), I am very doubtful whether we should look with favor on the British proposal.

From the point of view of commercial policy, the proposal is fraught with danger because Indian Government officials, aware of the strong feeling in India that the British have, in their own interest, kept Indian tariffs too low to permit Indian industry to grow, do not look with favor on Article VII.¹ It would seem far better to continue operating lend-lease arrangements with India along established lines (with the British responsible for getting such additional help on reciprocal aid as they can from the Indians), than to enter into a separate agreement containing a watered-down Article VII. A "diluted" Article VII would not only give the green light to an

<sup>99</sup> Not printed.

<sup>&</sup>lt;sup>1</sup> Reference is to article VII of the master lend-lease agreement concluded with the United Kingdom February 23, 1942.

exaggerated Indian self-sufficiency program after independence but also seriously weaken our existing position with other signatories of master agreements, particularly China, in which country there is already danger of an overdose of tariff protection on "infant industry" grounds, and with other countries with which mutual-aid agreements are contemplated.

The advantages of a separate agreement to this country in terms of facilitation of supplies in both directions are not at all clear to me; the advantages to the British, on the other hand, are apparent: (1) the responsibility for trying to persuade the Indians to provide greater reciprocal aid would be shifted to us; (2) the pressure from India for supplies and equipment would be shifted to us; and (3) if the Indian (British) Government should be persuaded to accept Article VII without change, the critics in India outside the Government would turn their fire on the United States as well as the United Kingdom for trying to keep Indian industry at a low level in the interest of American and British industries and exporters.

On the other hand, a separate master agreement in respect of India which did contain an undiluted Article VII (the Article as it stands is not at all inflexible as to particular rates of duty or other import restrictions but only as to general objectives) might, on economic and commercial-policy grounds, be well worth the risk of possible adverse political reactions in India, concerning which others in the Department are in a far better position to judge.

HARRY C. HAWKINS

711.45/7: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 9, 1943—3 p. m. [Received 4:52 p. m.]

116. In a conversation with the President of the Indian Chambers of Commerce and Industry this morning, he said to me that there seems to be a growing sense of uneasiness in business circles with regard to American economic intentions towards India now and after the war. This feeling, he said, originated with the Grady Mission <sup>2</sup> and appears to have been accentuated by the presence of American troops. He believes it desirable that some effort should be made to allay the suspicions before they become widespread. I feel that the point is well taken and I propose, subject to the Department's approval, to say something, either in a press conference or otherwise

<sup>&</sup>lt;sup>2</sup> For correspondence on the mission of Henry F. Grady, see *Foreign Relations*, 1942, vol. 1, pp. 593 ff.

disclaiming any motives of "economic imperialism" or "exploitation" on the part of Americans. In order to lend weight to my assurances, I should appreciate any suggestions from the Department with regard to the language which I might use.

PHILLIPS

845.24/404 : Telegram

Memorandum by Mr. Theodore C. Achilles of the Division of European Affairs

[Washington,] February 15, 1943.

#### MEMORANDUM

Eu 3 heartily concurs with TA's 4 view that present lend-lease arrangements with India are satisfactory and that a lend-lease agreement embodying any dilution of Article VII would be highly undesirable.

Eu does not believe that the Indian request for a lend-lease agreement should be considered a "British" proposal. In this connection a responsible official of the British Government recently advised an officer of this Division, "off the record," that the British Government was considerably embarrassed by the Indian proposal and most anxious not to be maneuvered into a position either of favoring or opposing it. He believed the persons in the Government of India responsible for the proposal to be more interested in the prestige and evidence of emancipation which conclusion of an independent agreement with this Government would bring than in any question of substance. the British Government indicated any opposition to such an agreement it would be accused of obstructing India's desire for further measures of independence. If it indicated approval of an agreement containing an unmodified Article VII it would be accused of seeking to keep Indian tariffs low for the benefit of Lancashire. If it supported an agreement containing a diluted Article VII it would be in difficulties with those elements in London, and the Dominion Governments, which had accepted Article VII as a signpost of policy.

811.20 Defense (M) India/65: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, February 17, 1943—6 p.m.

95. [The portion of telegram here omitted, relative to the purchasing of strategic raw materials, is printed on page 284.]

The Division of European Affairs.
 The Division of Commercial Policy and Agreements.

2. For your information the Department is considering recommending to you that a Joint Anglo-American group to which might be added representatives of the Indian Government be established for the purpose of making a comprehensive and realistic study of civilian Indian import requirements from all sources of supply. This group should include representatives from the shipping agencies of both the United States and the United Kingdom as well as a BEW <sup>5</sup> representative. Presumably this body would sit at New Delhi and there appears to the Department to be no objection to establishing two separate groups, one at Calcutta and one at New Delhi, to perform these two different functions. The senior American representative on such a combined requirements group would be the senior Lend-Lease representative in India. The approval of the British and Indian Governments would of course be a prerequisite. Prior to seeking such approval your opinion on this subject will be appreciated.

HULL

845.24/360: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 24, 1943—11 a.m. [Received February 24—9:47 a.m.]

179. Paragraph 2 of the Department's 95, February 17, 6 p. m. Government of India is now engaged at the behest of London on an overall, comprehensive survey of India's entire import requirements, civil as well as military. This will be used as basis for drawing up three detailed alternative import programs to be submitted to London. One will be limited to barest minimum essential needs; another will specify requirements for continuation war effort and war time standard of living; the third will indicate what India would like to import if United Nations production and shipping capacity were available in sufficient volume.

Such a survey might, to some extent at least, serve the purpose of the proposed Anglo-American group. If, however, Department has in mind a continuing organization, additional details of its scope and functions will be needed to enable this office to make a considered reply to Department's inquiry.

PHILLIPS

<sup>&</sup>lt;sup>5</sup> Board of Economic Warfare.

845.24/405

### Memorandum by Mr. Calvin H. Oakes of the Division of Near Eastern Affairs

[Washington,] February 24, 1943.

Reference is made to the proposed lend-lease agreement between India and the United States. Technical aspects of the matter have already been discussed by TA in its memoranda expressing disapproval of the proposal. NE <sup>6</sup> feels that there are objections on political grounds to any such agreement. While in some Indian circles it would no doubt be viewed as a recognition of India's approach to independent or quasi-independent status and hence would to that extent be pleasing, it is thought that there are other considerations which would contribute unfavorably to American-Indian understanding.

It is assumed that this Government would not be willing to enter into any such agreement on the basis of a materially modified Article VII, and failing any such concession on our part, it would be immediately and bitterly alleged that the United States and Great Britain had conspired to force upon India, through action of the existing unrepresentative Government in India, a tariff policy ruinous to India's future industrial development. As the Indian industrialists are, as a group, among India's most potent nationalists, and as that group has been vociferous in expressing suspicion of American intent towards India, it is felt that any such ground for complaint on their part would be highly undesirable at this time.

A second factor involved pertains to India's insistence that any such agreement embody the provision that the value of goods given and services rendered to the United States shall not exceed the value of articles supplied by the United States. While it is assumed that reverse lend-lease from India is comparatively small at the present time, it would appear possible that at some future time the extent of reversed lend-lease in India might increase sufficiently to cause uncertainty in the Indian mind as to who was benefiting most. It may be that this Government would be willing to include such a provision. If it is not included, however, and if the question indicated above ever arises, resentment would be centered against the United States if a separate lend-lease agreement were in existence, while if reverse lend-lease is supplied under the agreement with Great Britain, resentment would probably be directed largely against that country.

The Division of Near Eastern Affairs.

Notation on the original by the Adviser on Political Relations (Murray): "I agree most emphatically."

845.24/367 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 26, 1943—5 p. m. [Received 7:30 p. m.]

189. In continuation my 179, February 24, 11 a.m. There is considerable reason to believe Government of India may not be entirely receptive to idea of Anglo-American Import Mission unless it is made clear that the group would not concern itself with actual determination of India's import requirements—a function which Government of India will almost certainly consider as properly its own—but that its function will be to review India's self determined import needs in light of Anglo-American supply and transport capacity.

If latter is in fact to be function of proposed group, Washington or London would seem better location than New Delhi where it would be more difficult for group to keep abreast of changing situation in United States and Britain.

If it is intended that group should itself determine India's import needs, the delicate jurisdictional question mentioned in first sentence this message would require very careful handling, and from American point of view it would seem advisable, if possible, that British appear as chief proponent of idea. It is also difficult to see how such a body, necessarily with incomplete background on Indian economy, could draw up a satisfactory survey without relying to such a degree on assistance and advice of Government of India that latter would in effect be so largely responsible for results that value of Anglo-American group's contribution would be relatively small.

PHILLIPS

845.24/373a : Telegram

The Acting Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, March 3, 1943-4 p.m.

- 131. The following message \* has been sent to Harriman \* for whatever informal action may be appropriate in London:
- "1. We have recently learned that the arrangements for providing reciprocal lend-lease in India are not working satisfactorily in several respects, and that the United States Army is purchasing a very considerable part of the supplies it obtains locally. It is, for example,

<sup>&</sup>lt;sup>8</sup> Sent as telegram No. 1350, March 3, to the Ambassador in the United Kingdom.
<sup>9</sup> W. Averell Harriman, President Roosevelt's Special Representative in London, with the rank of Minister, in regard to all matters relating to the facilitation of material aid to the British Empire.

hiring 70% of all labor, it is paying for 20% of all construction, it has purchased all the cars it has obtained, and it is hiring its own office personnel. Our officers in charge are discouraged, and they report a disposition on the part of our Army establishment in India to discount the availability of reciprocal lend-lease, and to prefer purchase as a method of procurement.

"2. Major General Packingham-Walsh is reported to be assigned by the British Government to India to work on lend-lease in reverse. It would be desirable to discuss the general problem of reverse lend-lease with him informally but at length before his departure to be sure that he is thoroughly familiar with the satisfactory arrangements now in

effect in the United Kingdom.

"3. You may take up informally with appropriate officials the general problem of improved organization in India and the possibility of changes in reverse lend-lease policy. There would be a good chance for real improvement if British officers thoroughly familiar with the system as it has been working in Great Britain were sent out fully instructed to reorganize the Indian lend-lease establishment.

"4. These specific suggestions are advanced:

(a) that appropriate United States military and civilian officials be represented on committees allocating and assigning supplies as the British are represented in Washington, and as we

are represented in the United Kingdom;

(b) that reciprocal lend-lease be available even when supplies are not in stock, and procurement is therefore necessary. It is felt that Government of India procurement would be cheaper and more satisfactory than competitive purchases by the U.S. Army in the open market:

(c) that differences in standard as between the British and the U.S. Army be not regarded as an automatic bar to reciprocal

lend-lease aid;

(d) that the possibility be explored of establishing financial arrangements such as those which exist in the United Kingdom for task funds or other means of direct procurement by U. S. officers for the account of the Government of India.

"5. Our report on the Indian reciprocal lend-lease situation was such as to indicate the need for vigorous action by the Government of India. The experience of the U.S. Army with this problem in India is disturbing both from the substantive point of view and from the

point of view of psychological reaction.

"6. For your confidential information, the Indian Agent General has recently proposed a reciprocal aid agreement, and in the course of discussion pointed out that in their view the Government of India has provided aid to our forces greater in value than the value of the lendlease aid sent by us to India. Our response was that this point, if it were true, is irrelevant in the light of the basic purposes of our mutual aid arrangements."

You may pursue parallel informal enquiries with appropriate officers of the Government of India, particularly with Treasury officials. General Wheeler has not made any official complaint in this matter.

Ecker, who will be in charge of the Lend-Lease Mission, will be arriving soon, accompanied by Winthrop Brown.<sup>10</sup> They are both familiar with this problem.

WELLES

845.24/374a: Telegram

The Acting Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India 11

Washington, March 4, 1943—10 p.m.

137. Your 179, February 24 and 189, February 26. The point of view which you discussed in your 189 had already been expressed to the Department by Mr. Mahindra, Chief of the Indian Supply Mission here. His position was that the determination of Indian import requirements was a function of the Government of India which it could not surrender. It was pointed out to Mr. Mahindra that the suggestion of an Anglo-American-Indian Supply Council was not intended to interfere in the slightest with the proper responsibilities of the Government of India as to its own import needs, but rather was designed to facilitate the satisfaction of the import needs of India so far as possible by assuring the American requirements committees in Washington that a disinterested check had been made on the statement of requirements as prepared by the Government of India. Unless the absolute need of requirements can be fully justified in the light of the United Nations war effort, they have little chance of getting the necessary approval of the requirements committees. We believe that this point was fully understood by Mr. Mahindra who, while remaining firm that no formal supply council should be set up, stated that his Government would recommend informal collaboration between the Indian, British and American Governments for the purpose of examining the statement of import needs as prepared by the Government of India. He appeared to recognize that such a system was in the interest of obtaining the most favorable consideration of Indian requirements in the light of the belief here that exports for civilian and possibly military use may in any event be substantially curtailed in coming months and that only really essential needs can be met.

It will thus appear that the objective of this informal collaboration is not to consider the Anglo-American supply and transport capacity as affecting the import needs of India (as suggested in your 189) but rather to enable us to have an expert Anglo-American opinion on

Member of the staff of Minister Harriman's Mission in London.

<sup>&</sup>quot;Notation on the original by the Special Assistant to the Secretary of State (Finletter): "Approved by India meeting where representatives of BEW, Lend-Lease, NE, DM [Division of Defense Materials], Army and ER [Division of Exports and Requirements] were present."

the requirements of India for the purpose of facilitating the satisfaction of those requirements so far as possible. For your information, this is the method which is already being used generally in the consideration of requirements throughout the world. It would seem that if presented in this light there should be no objection on the part of the Government of India to the informal collaboration referred to above.

The British have not as yet replied to the Department's proposal on this subject.

WELLES

845.24/383

Memorandum of Conversation, by the Assistant Secretary of State (Acheson)

[Washington,] March 4, 1943.

Sir Girja 12 called at his request. He asked me what progress had been made in considering the suggestions of the Government of India in regard to the lend-lease arrangement. He told me that he had communicated with his Government, expressing his view as a result of a prior conference with us, that we would find it difficult, if not impossible, to include in any agreement a limitation of lend-lease aid from India to the United States to an amount not to exceed aid from the United States to India. He was hopeful that the Government of India would drop this suggestion, although it might well have such an idea in mind in determining whether or not it could grant particular requests for lend-lease aid. He had not, he said. reported in any length upon the possibility of eliminating Article VII from the agreement, although he understood that, from our point of view, this did not appear feasible. I told him that he should report that such an elimination would not be feasible from our point of view. He then asked whether it would be feasible to include anything in the agreement reserving India's position in enacting, if it should choose, protective legislation for new industries in India. We again went over the ground covered in the earlier conference, in which I pointed out that nothing in Article VII in any way impaired the sovereign power of any government to enact any legislation it thought best; that it was in agreement as to certain principles to be followed in an attempt to work out post-war arrangements; and that if we began to limit or to make exceptions to those principles, we would destroy the whole purpose of the Article. I therefore thought that he could report to his Government that the reservations of the type he had in mind would not be favorably regarded by us.

<sup>&</sup>lt;sup>12</sup> Sir Girja Shankar Bajpai, Indian Agent General in the United States.

He then said that one of the worries of the Government of India about Article VII was that the impression might get abroad in India that the Government, having won its fiscal independence from the British, was now compromising it by the agreement with the United States. I pointed out that this was not the case, to which he readily agreed. He then asked whether it would be possible in an exchange of notes to find some formula for stating that the agreement did not in any way limit the fiscal sovereignty of India. I told him that I should be glad to discuss this matter with other interested offices of the Department. It was obviously correct that the fiscal sovereignty of India was not in any way affected by Article VII. It was possible, however, that stating the proposition as obviously as this might give rise to some misconceptions. We would examine the matter closely and endeavor to find some formula which could be used by the Government of India to assure its people that it had not surrendered or compromised any of its powers.

DEAN ACHESON

711.45/7: Telegram

The Acting Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, March 6, 1943—10 p.m.

140. Your no. 116, February 9. The Department agrees that everything possible should be done to allay Indian uneasiness regarding American economic intentions towards India, particularly as our enemies may well be actively encouraging these ideas. While the possibility should not be ignored that repeated denials of economic imperialistic intentions might be misinterpreted as an indication of an uneasy conscience and thus tend to confirm in some quarters the extravagant suspicions mentioned by you, the Department desires that you be guided by your own judgment in which the highest confidence is placed with regard to the appropriateness of such occasions as may arise for a statement or statements emphasizing that allegations of the sort under discussion are entirely without foundation.

With regard to the phraseology which might best be used, the Department feels that you might most satisfactorily be guided by the following statements of officials of this Government, all of which statements are believed to have appeared in the radio bulletin:

The War and Human Freedom, radio broadcast by the Secretary, July 22 [23], 1942; <sup>13</sup> Memorial Day Address by the Under Secretary, May 30, 1942; <sup>14</sup> Problem of Economic Peace after the War by Mr.

Department of State Bulletin, July 25, 1942, p. 639.
 Ibid., May 30, 1942, p. 485.

Pasvolsky of the Department of State, March 4, 1942; <sup>15</sup> British-American Trade Relations, by Mr. Hawkins of the Department of State, October 9, 1942; <sup>16</sup> Speech to National Foreign Trade Convention, by the Under Secretary, October 9 [8], 1942.<sup>17</sup>

Reference is also made to the statements of Dr. Henry Grady while in India regarding the purpose of his mission. These statements were made informally and without record available to the Department but the officers of the Mission at New Delhi and the President of the Chambers of Commerce and Industry are no doubt familiar with them.

WELLES

845.24/384: Telegram

The Chargé in the United Kingdom (Matthews) to the Secretary of State

London, March 23, 1943—midnight. [Received March 24—5: 35 p. m.]

2054. From Harriman. Refer your 1350, March 3.18 1. We have discussed this matter informally with officials of Treasury and India Office. They report that Major General Packingham-Walsh left for India on February 23 and that in any case he will have little if anything to do with reverse lend-lease arrangements. We understand he will be the Chief of the Central Purchasing Office and British representative on Indian Munitions Assignments Board which is in process of organization.

2. There appears to be no detailed information in London regarding policies and arrangements followed by Indian Government in providing reciprocal aid.

3. Neither the Treasury nor India Office maintain control of Indian Government policy on reciprocal aid, although they are perhaps in a position to influence the policy and procedure. They both reported they had not recommended or influenced Indian Government in any way to adopt a different policy or procedure with regard to granting reciprocal aid from that adopted in United Kingdom.

4. India Office has now agreed to take an interest in this matter and has cabled Indian Government stating that representations have been made in London that arrangements have not been working satisfactorily and reporting to them complaints and suggestions put forward here. They have also advised Indian Government that Frederick Ecker and Winthrop Brown are arriving shortly and will be in a position to take up entire question with them on the spot. A paraphrase of this cable is being forwarded to you by pouch.

18 See footnote 8, p. 255.

<sup>&</sup>lt;sup>15</sup> Department of State Bulletin, March 7, 1942, p. 210.

<sup>&</sup>lt;sup>16</sup> *Ibid.*, October 10, 1942, p. 818. <sup>17</sup> *Ibid.*, October 10, 1942, p. 808.

- 5. We have also requested Sir Findlater Stewart, Chairman of Anglo-American Coordinating Committee which is an interdepartmental committee under the Production Minister handling all arrangements for United States troops in United Kingdom including particularly reciprocal aid arrangements, to prepare a statement of policies and arrangements in effect in United Kingdom. He has agreed to do this and a copy will be transmitted by India Office to Indian Government.
- 6. We are forwarding by pouch to Ecker a complete report of steps which have been taken in London on this matter.
- 7. In regard to your paragraph 6, Treasury informed us that negotiations were now proceeding between Indian and British Governments as to whether British should pay for any reciprocal aid provided in India over and above the value of lend-lease which may be provided to India. The Treasury are apparently resisting this proposal.
  - 8. Suggest you give copy of this to Stettinius.<sup>19</sup> [Harriman.]

    MATTHEWS

845.24/394

Memorandum of Conversation, by the Assistant Secretary of State (Acheson)

[Washington,] March 30, 1943.

Sir Girja called at his request. He asked me whether I had as yet had an opportunity to discuss with my associates in the Department the informal and oral suggestion made by him that this country and the Government of India enter into a reciprocal aid agreement patterned on the Australian and New Zealand agreements, but differing therefrom in that there would be a provision that reverse lend-lease in India should not exceed direct lend-lease from the United States to India, and another provision either limiting Article VII or referring to an exchange of notes which should in some way indicate that the freedom of the Government of India to protect certain of its industries by tariff was not abrogated.

I told Sir Girja that I had had such a discussion with certain officers of the Department; that the matter had not as yet been referred to the Secretary of State for decision; and that I assumed that, since he had raised the matter informally, he did not wish a formal decision on the matter, but merely wished to get the views of those officers who would be called upon to advise the Secretary. He said that this was correct and that he did not believe that his Government wished to raise the matter formally or to have a formal decision.

Edward R. Stettinius, Jr., Lend-Lease Administrator.

I then said that, from our discussions within the Department and with officers of the Lend-Lease Administration, I believe that it was regarded as most inadvisable to have any agreement which would limit the return aid from India to the exact amount furnished by the United States. This was contrary to all the arrangements which had been made with other countries and to the spirit and purpose of the Lend-Lease Act. It would also produce, obviously, criticisms in the United States. He agreed with this and stated that he believed that his Government would not insist upon this provision.

I then said that all of us believed it most inadvisable to exclude Article VII from any agreement with India. This Article was regarded as most important from our point of view, and it would obviously raise difficulties with other countries if it were excluded from the agreement with India. I then pointed out that any exchange of notes in which it was recited that Article VII did not impair the fiscal sovereignty of either signatory power would also create difficulties. In the first place, no provisions in Article VII undertook to limit the sovereignty of any nation. To recite this obvious fact would raise questions both here and abroad as to the meaning and effect of Article VII. I saw no reason why India should find any greater difficulty in that Article than had been found by other nations.

Sir Girja drew my attention to an article in the New York Times <sup>20</sup> reporting resolutions passed by the Federation of Industries in India which had insisted that India must preserve its fiscal independence and not make commitments in return for lend-lease aid which would embarrass its future development. He said that it was against criticisms of this sort that the Government of India wished to guard. After some further discussion of this point along similar lines, I pointed out that the present situation was about as follows:

Lend-lease aid was being given to India by retransfer through the British. India was furnishing some reverse lend-lease aid but not in amounts or by methods which seemed to us adequate in view of the needs of our forces. The Government of India had proposed an agreement with conditions which seemed impossible for us to accept. Perhaps, therefore, the best method of procedure was to leave the situation as it was without involving ourselves in the difficulties which the attempt to make an agreement might create, and to work upon practical procedures by which the lend-lease materials sent to India should be those most essentially required for the war effort and by which the Indian Government and the British Government would work out between them methods of increasing the assistance furnished to our forces in India.

Sir Girja expressed the opinion that this appeared to be the most satisfactory course to pursue and said that he would consult his Gov-

<sup>20</sup> March 29, 1943, p. 5.

ernment in regard to it. I impressed upon him the fact that this Government was entirely willing to enter into an agreement with India along the lines pursued with other countries and that, if he wished to present proposed limitations to such an agreement, I should be glad to have them brought to the attention of the Secretary for decision, but I could not offer encouragement that they would be accepted.

Sir Girja then asked me if I could obtain for him illustrations of ways in which reverse lend-lease aid could be made more effectively to our troops. I said that I should be glad to do this and to discuss the matter with Army and Lend-Lease authorities.

DEAN ACHESON

845.24/391: Telegram

The Chargé in the United Kingdom (Matthews) to the Secretary of State

London, April 2, 1943—7 p. m. [Received 10:56 p. m.]

2346. From Harriman. Refer my 2054.<sup>21</sup> India Office has received long cabled reply from Government of India answering our complaints regarding reciprocal aid to United States forces. Paraphrases of India Office original cable and of reply of Government of India have been given to me and are being sent to you by airgram.

Recommend that there is little we can do here for the moment and that we await progress report and recommendations from Ecker. [Harriman.]

MATTHEWS

845.24/398: Airgram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, April 6, 1943—9 a. m. [Received April 14—10 a. m.]

A-218. From Harriman. Refer my cable of March 23.<sup>22</sup> I quote below paraphrases of (1) cable sent by Secretary of State for India to Government of India, dated March 13, on subject of reciprocal aid to U. S. Forces in India, and (2) reply of Indian Government received March 20.

(1) "Jenkins 23 from Croft.24 You probably know that Ecker, accompanied by Winthrop Brown of Harriman Mission in London, is

<sup>21</sup> March 23, midnight, p. 260.

Telegram No. 2054, p. 260.

E. M. Jenkins, Secretary to the Government of India in the Department of Supply.

W. D. Croft, Deputy Under Secretary in the India Office, London.

now on his way to India by air. When passing through London he called on me and mentioned that his people in Washington were not altogether satisfied with way in which reciprocal aid was working in India. We told him what we could of general background, but naturally extent of our knowledge did not enable us to go into detail, and conclusion was reached that he had better discuss the whole problem with you and Coates, 25 and so straighten things out so far as possible on the spot.

"Since then Harriman has mentioned matter here at request of Washington. It has not been possible to establish the facts very definitely, but we gather, for example, that they think there may not be the same readiness to provide reciprocal aid in cases where supplies have to be freshly procured as in those where supplies are already available in a depot. Another point that seems to be worrying them is the restriction of issues to British scales in cases where American standards are higher. They have also got the idea that, in connection with the provision of personnel and in carrying out of construction works, the reciprocal aid given has been less than might have been expected. In addition, there seems to be some question whether actual machinery for procurement works smoothly and swiftly enough. It is suggested that their people are having to go out and buy supplies on this account, quite apart from the question of eligibility.

"Above points are not to be regarded as precisely formulated complaints, but rather as illustrations of way in which Americans are thinking of these matters. It has never been held here that others should be bound by practice of U.K. But no doubt it is your desire to preserve a general conformity and if in cases such as above you have adopted a less generous scale of treatment than obtains in U.K.

differentiation has not been deliberate.

"We have been promised a note by the people most closely concerned here, setting out more fully, and with more attention to the spirit of the matter than in previous communications to India on this subject, way in which system has come to be worked in U. K. We will send this on as soon as possible. Before it arrives, however, no doubt Ecker will be seeing you. I am, therefore, sending this to give you and Coates a preliminary idea of what is likely to arise. We are also anxious that you should realise the political importance, as we see it, of clearing up any doubts that exist on American side. Harriman has been particularly concerned to emphasize the unfortunate effect that would be produced if American Army personnel spread impression that the administration in India have been less prompt and forthcoming. We feel sure you will appreciate the point and that within reason you will do all you can to establish a satisfactory understanding. For our part we shall be glad to give any assistance that may be possible if you will indicate what is wanted."

(2) "We shall be glad to discuss these matters with Ecker when he arrives. We have realised that difficulties were arising with Americans on points mentioned and while our arrangements are not perfect we feel that we ought to have more cooperation than we are now getting.

<sup>&</sup>lt;sup>26</sup> E. T. Coates, Financial Adviser and Ex-officio Additional Secretary to the Government of India in the Finance Department.

"Following procedure agreed by us with General Wheeler. Works dealt with directly by U. S. Army and Q. M. G. In other cases U. S. Army apply to special section of M. G. O. Branch, Brigadier in charge who passes them to Reciprocal Aid Committee consisting of Joint Secretary to Supply Department, Brigadier referred to and Finance Department officer. Committee scrutinises applications for eligibility only. Following demands with agreement of Americans. are not eligible for reciprocal aid: (i) raw materials or commercial supplies commonly exported from India to U. S. A., (ii) demands in excess of British scales, (iii) imported items supply of which by India will be difficult or impossible. No trouble arises over first class. Lend/Lease Committee exercises discretion in second class, but many difficulties have arisen in determining what American scales are and how far to go in meeting them, as Americans do not seem to have scales in same way and to same extent as we do. Committee in third class merely determine eligibility and leave it to Provision Sections of G. H. Q. to decide whether demand can be met or not. When committee decides application is eligible Brigadier passes to appropriate Provision Section of G. H. Q. for issue from depots or procurement through Supply Department.

"Number of applications handled to date is 643. Of which 613 were accepted by Committee, 15 rejected as ineligible and 15 returned for local purchase by Americans. Of 613 applications accepted by Committee, 44 inacceptable by Provision Sections on ground of nonavailability. Applications to Committee may be for specific quantities, for limited quantities to be delivered over a period or for whole classes of goods to be delivered regularly under standing arrangements; for example, Committee approved blanket application for rations. This procedure seems to be suitable and Americans have not complained

about it.

"You mention four complaints. As regards first Americans have made requests impossible to meet, for example for fresh fish, ice cream, fresh chicken, special bread and many imported items for rations. We have explained that we are prepared to consider every fresh procurement case on its merits but some trouble arises from the fact that such cases are not brought to high enough level. Whenever case has been brought to notice no difficulty has occurred in settling with Wheeler. Only three cases have come to Government level, viz: special rations, special fittings in local barracks and woollen clothing. All were quickly settled. P. S. O.s of G. H. Q. state that any case of difficulty brought to notice has been quickly settled and no general complaints have been made.

"Second complaint. Americans have asked for equipment which is not available here and most of which must be imported, viz: hot and cold water laid on, refrigerators in barracks accommodation and water-borne sewage. They ask for air conditioning units for which we have greatest difficulty in procurement from U. S. A. for urgent operational R. A. F. requirements. A demand for electric fans for barracks was placed when U. S. Government refused to sanction fans for U. S. use here and had refused our indent on Lend/Lease except for hospital use only. Our line probably will be that reciprocal aid must be confined, subject to certain exceptions, to goods of indigenous supply, that we cannot supply imported items against our small allotment of shipping for civil needs nor can we agree to U. S. buying or

asking us to buy small civil stocks of imported goods which cannot

be replaced.

"Third complaint. Difficult to understand. We have a huge military capital works program vastly beyond our engineering resources for a considerable time ahead. All major works go to Works Priority Committee of General Headquarters for determination priority of construction in competition with other works of urgent operational importance. By agreement with Americans each of their works costing over one lakh goes to this committee and below one lakh to Command Priority Committees. G. H. Q. have received no complaint that American work has been postponed or rejected on priority grounds or delayed. Fourth complaint. I have had only one complaint which concerned not centralized procurement system on reciprocal aid but alleged lack of interest by office of the Controller of Supplies Bombay for help in purchases by Americans. Complaint reached me indirectly. Controller was instructed to contact American officer concerned. He was told that there was nothing wrong. Two letters addressed to General Wheeler but no reply. Fundamental trouble is that though we have pressed Americans for over 8 months for forward program they failed to send us any until a week ago. Sudden demands requiring immediate satisfaction are embarrassing both to Provision Offices and Supply Department. In view of insistence of U.S. administration in Washington on forward programs American machinery here is hard to understand.

"American practice of contacting junior officers on our side, leads to delay and additional work. For example, if an American sees something wrong in the handling of incoming lend/lease goods he does not write or speak to me but telegraphs to Washington. The result arrives through the diplomatic channels perhaps 6 weeks later. Everyone here is genuinely anxious to help and so cannot understand why

Americans do not talk frankly with us."

Suggest you pass copy this cable to Stettinius. [Harriman.]

WINANT

845.24/395: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 9, 1943—midnight. [Received April 10—7: 58 p. m.]

- 275. Your 131 of March 3 and 181 of April 1.28 Ecker and Brown have discussed reciprocal aid by India with Government of India and in General Wheeler's absence with General Holcombe and his staff. Preliminary report follows:
- (1) Two major obstacles to effective operation of reciprocal aid in India have been (a) that British standards have been accepted as governing scale of aid to be rendered and (b) that working of reciprocal aid machinery has often been very slow.

<sup>28</sup> Latter not printed.

- (2) Acceptance of British standards has been based upon letter of June 4, 1942 agreed between Wheeler and Wavell,<sup>29</sup> which provided that British standards should govern. This letter was drawn prior to United Kingdom-United States reciprocal aid agreement <sup>30</sup> and consequently without knowledge of procedures developed therefrom. This letter has hitherto been followed quite literally by British at lower levels though exceptions have been made in important cases brought to attention of top officials. For example, waterborne sanitation, showers, et cetera, have been provided for United States barracks.
- (3) Government of India has now reviewed its policy with respect to reciprocal aid and formally advises that it will meet United States requests if material is available or can be made in India regardless of relative United States or British standards. Thus one major difficulty has been removed. In return it requests the United States Forces as a general policy not to ask for or buy material in substantial quantities that has to be imported unless replacement is undertaken by our Army and included in the Army's shipping program.
- (4) United States Forces advised that procurement under reciprocal aid has generally proved to be a slow process. Much time has often lapsed before even a decision could be obtained as to whether the aid would be provided. This has created a disposition among some United States officers to prefer to buy or hire for themselves.
- (5) Delays have been due to a combination of circumstances, among them (a) delays inherent in local Indian conditions which are not immediately understood by our officers who are used to the efficiency of the United States or United Kingdom, (b) inability or failure of United States Forces to present programs of their requirements sufficiently in advance to permit orderly procurement, (c) reluctance by British officers to pay the exorbitant prices usually demanded for sudden action, (d) the fact that Indian public opinion is in general not keen about the war, suspicious of lend-lease and very much worried about the cost of reciprocal aid.
- (6) Top officials on both sides however recognize undesirability of United States Forces buying at high prices, often in competition with the British; and want to channel maximum of United States procurement through British as reciprocal aid. United States Forces have now presented forward programs for large proportion of their requirements and at a meeting yesterday with top British officials and member of Wheeler's staff we agreed several changes in organization and procedure which should materially expedite reciprocal aid

<sup>&</sup>lt;sup>20</sup> Field Marshal Sir Archibald P. Wavell, British Commander in Chief, India. <sup>20</sup> Agreement on principles applying to the reciprocal provision of aid in the prosecution of the war, effected by exchange of notes signed at Washington, September 3, 1942, Department of State Executive Agreement Series No. 270, or 56 Stat. (pt. 2) 1605; for correspondence, see *Foreign Relations*, 1942, vol. 1, pp. 537 ff.

machinery. Will continue to work on this in collaboration with Wheeler's staff.

- (7) Believe British responsible are sincerely anxious to put reciprocal aid from India on same generous basis as prevails in the United Kingdom. This attitude has, however, not yet fully permeated lower echelons nor received general public backing. In addition top British officials view with concern our army's absorption of imported material in view of replacement difficulties due to limited shipping.
- (8) With respect to specific difficulties reported your 131 United States Army state:
- (a) United States Forces here [hire] only about 30 per cent of their local labor and this percentage is decreasing. British have provided labor and material and undertaken construction work for United States Forces when requested to do so. There have, however, sometimes been delays when job has been requested as reciprocal aid and in some cases the United States Forces have gone ahead without waiting when they have considered haste imperative. This should happen less often under new procedure. United States Forces have also hired substantial number of skilled workers also sweepers, odd workers about barracks and offices and pay their own office personnel. They have not yet requested these services as reciprocal aid but the method of handling them as such on mutually satisfactory basis is now under discussion. At first United States Forces paid stevedores unloading ships allocated to them. This service is now being provided as reciprocal aid.

(b) United States Forces do their own construction work in occasional cases of urgency or where jobs are small. This amounts in total to about 20 percent of such work.

- (c) United States Forces have received some autos as reciprocal aid but have purchased a larger number after refusal under reciprocal aid. This was error by British and they have agreed to pay bills. Supply position for autos here is tight and this is under special discussion.
  - (9) With respect to specific suggestions made your 131:

(a) British are entirely prepared to procure supplies for United States Forces when they are not in stock. Major difficulty so far has been lack of forward program for United States requirements and lack of authority to local British officers to make minor purchases for United States Forces. Both conditions are being corrected.

(b) We had thought that it was an accepted principle of reciprocal aid, operative in the United Kingdom, that there should be no procurement by United States officer for British account except in exceptional circumstances. The only task funds we know of are the twospecial funds in Egypt, which are limited to strictly British aid proj-

ects and are, therefore, not truly reciprocal aid.

(c) Arrangement has been made for consultation with Wheeler representative before any major United States requirements is finally declined and for informal advance consultation on supply position where article needed is in short supply. As you know the United

States Army will be represented on the Munitions Assignment Committee here.

- (10) Repeated to Harriman.
- (11) Please pass to Stettinius, Office of Lend-Lease Administration.
  Phillips

711.45/11 : Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 11, 1943—1 p. m. [Received April 11—8: 42 a. m.]

279. After discussions with Ecker we decided that the arrival in India of the Lend-Lease Mission furnishes an appropriate opportunity to allay those suspicions referred to in my 116, February 9. He has accordingly prepared a statement which will be released to Indian press on morning of April 14 (Department's 140 of March 6). The statement, which has my full approval, describes the origin, objects and methods of operation of the Lend-Lease Act and concludes as follows:

"In conclusion may I reiterate that lend-lease aid is not in any way an effort to establish American economic interests in India. It has only one purpose, namely, to assist India in her share of our common task—the defeat of the Japanese and Nazi aggressors. The foregoing statement is issued because of the United States Government's desire to correct the erroneous impressions attributing ulterior motives to lend-lease aid to India."

PHILLIPS

845.24/424: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, May 31, 1943-7 p. m.

266. Ambassador Phillips is writing Lane fully by airmail as to the nature of his new duties.<sup>31</sup> In the meantime in order that the Department may be fully informed and thus able to evaluate the political significance of proposed shipments to India comment on civilian requirements approved by Ecker is desired.

Pending receipt of the Ambassador's letter to Lane which will also advise the Mission as to the scope of the comment needed by the Department, the Mission should cable briefly what materials are involved and whether in the light of the inadequacy of supply and

<sup>&</sup>lt;sup>11</sup> Clayton Lane, the Consul at Calcutta, was appointed to New Delhi as Director of War Economic Operations on April 26; Ambassador Phillips had returned to the United States for consultation.

shipping space the Department should for reasons of policy support the request at the War Production Board. In this connection refer for example to the Mission's 355 of May 20, 6 p. m.<sup>32</sup>

The Department's function in the supply of essential civilian requirements is to coordinate the activities of other agencies, so that they are kept in harmony with over-all policies and the attainment of the objectives of the Mission is facilitated.

HULL

103.9168/331b: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, June 5, 1943-7 p.m.

275. "For Ecker from Stettinius. Lend-Lease No. 8.

- 1. Preliminary conversations have been held with the British regarding need for silver for coinage purposes in India. It is stated that India will require 4 million ounces per month of silver for coinage purposes beginning in March, 1944. In order to be available for distribution in March, 1944, the first shipment must reach India in August or September, 1943.
- 2. It is alleged that because of substantial price rises the price of silver bullion may exceed the monetary value of silver, inducing melting of coinage. In order to prevent this, it is proposed to hold a larger stock of 100 million ounces in reserve to be sold in the market for the purpose of limiting and controlling the price of silver. This 100 million ounces would be furnished by the U. S., in addition to the silver required for coinage purposes.
- 3. The Indian Government will agree to return an equivalent amount of silver at the end of the war.
- 4. I shall appreciate a prompt investigation and report on silver conditions in India, including stocks controlled by the Indian Government in India or abroad, the extent of hoarding, coinage needs, the respective prices of silver bullion and silver in currency, and the feasibility of the proposed reserve as a means of controlling the price of silver."

HULL

<sup>32</sup> Not printed.

845.515/493 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, June 13, 1943—1 p. m. [Received June 14—7: 50 a. m.]

399. LL16. For Stettinius from Ecker. Referring your LL8.33 Indian Government and Reserve Bank have 21,000,000 ounces silver in India and assure us they control no silver abroad. Local floating stocks negligible. Assuming bronze coinage continues as at present, combined monthly capacity of two Indian mints for silver is 9,000,000 ounces, if 6,000,000 used for rupees, which is greatest amount that equipment permits, and remainder for 8 and 4 anna coins. If mints operated to capacity silver stocks would be exhausted in September and therefore Government has reduced silver minting to less than 2,000,000 ounces monthly because it fears effect on morale that would follow suspension of all silver coinage. New mint at Lahore expected to be ready for full operation in October 1943. Unlikely that this would be used entirely for silver, but if it were would consume from 1½ to 6,000,000 ounces monthly depending on denominations.

Coinage needs for many months will be well in excess of capacity of three mints. Silver coins needed for three purposes: (1) 8 and 4 anna coins primarily to supply small change. Lack of small change now serious and is disrupting retail trade and causing suffering to the poorer classes. There is danger that resulting unrest might cause serious disturbances. (2) Reserve Bank issues 1 rupee note but climate makes this unsatisfactory for laborers and peasants. Furthermore, Indians are used to metallic rupee and lack of coins is having bad effect on public morale. (3) Indian traditionally turns to silver bullion and coin as saving medium. As result of present lack of silver peasants are hoarding commodities. Government assures us on basis of many reports from officials familiar with local conditions that if silver coins were again available large amounts of grain and other commodities would be released from hoarding.

Fetter has followed silver coinage situation closely and strongly supports Government view that present situation critical. He points out that in view of special Indian conditions use of silver coin to provide hoarding medium is desirable.

Bullion value of silver coin equal to monetary value at 200 rupees per hundred tolas at official exchange rate this equivalent to \$1.61 a fine ounce. In May 1943 price reached 139 rupees but now 123 rupees. Unlikely that silver will reach melting price but Government fears that should price reach around 170 rupees coin would be withdrawn and go to open premium in terms of paper rupee. Government informs us that recent high price led to some withdrawals from circulation.

<sup>&</sup>lt;sup>83</sup> Telegram No. 275, June 5, 7 p. m., supra.

High price of silver due in part to speculation but also a reflection of inflationary monetary situation. Officials while publicly minimizing inflationary danger are privately alarmed and recent vigorous tax measures indicate governmental concern.

Success of 100,000,000 reserve in controlling silver prices will depend in part on Indians handling of general monetary situation and in part on availability of sufficient silver coin to satisfy hoarding demand for silver. Reserve is worth trying and because of connection between silver, hoarding of commodities, and stability by Indian economy the use of silver reserve can be considered closely related to war effort. [Ecker.]

MERRELL

845.515/497

Memorandum by the Assistant Secretary of State (Berle) to the Secretary of State

[Washington,] July 7, 1943.

Mr. Secretary: Mr. Harry White of Treasury <sup>34</sup> phoned this noon. He said he wished to inform us of an arrangement which they had been discussing with Sir Frederick Phillips, this time representing the Government of India.

The British had asked the United States Treasury to lend-lease them additional silver for the Indian currency; but in addition to that, they had asked that 100,000,000 ounces of silver be lend-leased them for the purpose of lowering the price of silver in India. The gradual inflation of currency there has led to a point where silver is being hoarded and melted down. The British propose an operation to stabilize the price below the melting point. As in other cases of lend-lease of silver, the British agree to return the silver ounce for ounce.

Mr. White said he and Morgenthau had followed their practice and taken this matter up with the Senate Committee on Banking and Currency which had finally expressed its agreement to it, though Senator McCarran <sup>25</sup> had made some slight opposition.

Mr. White said he wished to inform us as a matter of courtesy and likewise ask any views we had. Since the transaction apparently has already been agreed on, there did not seem to be much point in making any comment. I said I would report the transaction. I should doubt whether the Department had any real objection, in view of the fact that we have made other similar arrangements without difficulty.

Harry Dexter White, Assistant to the Secretary of the Treasury (Morgenthau).
 Senator Pat McCarran, Nevada.

Mr. White emphasized the need of great secrecy, since a leak might affect the bullion mark. I said we would certainly keep it secret here; but since the matter had been taken up with a Senate Committee we, of course, recognized the possibility of a leak from that quarter.

A[DOLF] A. B[ERLE], JR.

845.24/515

The British Ambassador (Halifax) to the Secretary of State

Washington, July 12, 1943.

DEAR MR. HULL: His Majesty's Government and the Government of India are, as you may already be aware, greatly concerned with the general economic position prevailing in India, and with the threat that this in certain circumstances might constitute to the war effort of India, and indeed to that of all the United Nations.

I do not trouble you with this situation in detail, but it is one of no little anxiety, and all those who are responsible for dealing with it hope that it may be possible to handle it with the least possible delay.

It seems clear that one of the principal remedies, to which we immediately have to look, is a reinforcement of the silver position in India and representatives of the British Treasury and of the Government of India are accordingly making arrangements to take this matter up with the United States Treasury forthwith.

I hope that from these conversations, and from such other discussions with the appropriate Departments of the United States Government as may prove necessary, agreement may be reached as to conditions on which the United States Government might feel able to lend early help to the Government of India at what plainly appears to be a time of exceptional difficulty. Such help indeed it would appear that the United States Government was alone in a position to render.

I thought it proper to make you acquainted with the approach that the representatives of His Majesty's Government and the Government of India are making to the United States Treasury, and I hope that if at any stage the matter should come under the attention of your Department, you will be good enough to give any help that you can towards reaching an agreed solution.

I would ask that this matter might be regarded as very confidential, as any public information in regard to it would be likely to have very undesirable consequences in India.<sup>36</sup>

Yours very sincerely,

HALIFAX

<sup>&</sup>lt;sup>26</sup> This letter was referred on July 13 by the Secretary of State to the Adviser on International Economic Affairs (Feis) with the specific injunction that Mr. Feis was "to report back."

845.24/515

Memorandum of Conversation, by the Chief of the Financial Division (Livesey)

[Washington,] July 16, 1943.

Participants: Sir Cecil Kisch, Indian Supply Mission

Sir David Waley, British Treasury

Mr. Feis Mr. Livesey

The interview was arranged pursuant to the Secretary's reference to Mr. Feis of the British Embassy's note 37 raising the question of lend-leasing silver to India. Sir Cecil Kisch said that discussion had already been had with Mr. Harry White of the Treasury Department, looking to the lend-leasing of 4,000,000 ounces of silver per month and an additional lump amount of 100,000,000 ounces. Although there is no legal provision that paper rupees must be redeemed in metal rupees, it is very desirable that metal rupees be always available to holders of paper rupees in order that the latter may not lose confidence and that the paper currency be not depreciated by the establishment of a premium for the metal rupees. In India, as elsewhere, there has been much hoarding of everything and metal rupees are now in short supply. It is therefore desired to import 4,000,000 ounces of silver per month for new coinage. It is also desirable to have a stock of 100,000,000 ounces, the existence of which will discourage speculation from pushing the price of silver up unduly.

The United States Treasury is considering the matter and has had inquiries for certain information sent to India. In the meantime Lord Halifax had thought it desirable to bring the matter to the attention of the Secretary of State in view of its importance to India and, therefore, to the war effort.

Sir David Waley, in reply to inquiries, said that from the point of view of the silver interests in this country a sudden abnormal uprush of the price of silver in India, which might result from failure of the United States to make silver available there, and the inevitable future collapse from any such exaggerated price increase, would not be as sound a development as the exportation of silver to meet the present wartime demand. From a general economic point of view, it was, of course, obviously desirable and important to the United States to prevent the disturbance to the war effort which an uncontrolled speculation in silver in India might cause.

Mr. Feis said that should occasion arise, he was sure the Secretary of State would be glad to interest himself in obtaining full consideration of the British and Indian position in the matter. It was agreed

<sup>&</sup>quot; Supra.

that there appeared to be no immediate need of action on the part of the Department of State.

845.24/515

Memorandum by the Adviser on International Economic Affairs
(Feis) to the Secretary of State

[Washington,] July 19, 1943.

Subject: Lend-Leasing of Silver to India.

My Dear Mr. Secretary: We have discussed this matter with the Senior Treasury Representative and an official of the Indian Government here on Treasury business. I believe this short Memorandum of Conversation 38 covers the main points of the present situation. It was agreed that the discussion should continue directly with the Treasury and the State Department should not enter into the discussion until or unless it becomes deadlocked, in which case the Embassy would inform us.

H. FEIS

845.24/512C: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)<sup>39</sup>

Washington, August 11, 1943-11 p.m.

365. Reference Department's telegram no. 137, March 4, 10 p. m. Please ascertain informally the views of the Government of India with respect to the establishment of informal American-British-Indian collaboration in India in the review of India's import requirements exclusive of direct military needs. At the present time there is American-Indian collaboration in reviewing India's requirements from the United States and presumably British-Indian collaboration on requirements from the United Kingdom. In the opinion of this Government it would be desirable to consolidate the existing bilateral procedures into a tripartite arrangement which would provide an overall review of India's requirements from all sources.

This Government's position is based upon the premise that United States and United Kingdom programs for exports to India should be integrated to insure the provision of complementary supplies from the two countries and the most efficient utilization of productive facili-

<sup>&</sup>lt;sup>38</sup> July 16, supra.
<sup>30</sup> Notation on the original by Mr. Elbert G. Mathews of the Division of Exports and Requirements indicated approval by the Army, Office of Lend-Lease Administration (OLLA) and Office of Economic Warfare (OEW) at a meeting of the India Area Committee on August 9, 1943.

ties in the two countries. A joint review of requirements in India is an essential first step in achieving such integration.

If the Government of India views with favor the suggestion for tripartite review of requirements, this Government will submit to it and the Government of the United Kingdom concrete proposals with respect to the procedures of tripartite collaboration. We have in mind an informal committee composed of American, British, and Indian representatives. The committee would not make its own survey of India's import requirements but would review the requirements data prepared by the Government of India.

If you or your advisers feel that there are special considerations which should be brought to the Department's attention before you approach the Government of India, your comments will be welcomed.

Hull

845.24/544

Memorandum by the Adviser on Political Relations (Murray) to the Assistant Secretary of State (Acheson)

[Washington,] August 14, 1943.

Mr. Acheson: Mr. Achilles of EU 41 has left with us the attached copy of a letter 42 from OLLA in which the latter organization expresses disagreement with the proposed draft of an aide-mémoire to the British Embassy 42 in which it is stated that the United States Government would be grateful were the United Kingdom Government to undertake to furnish as reciprocal aid raw materials from India in view of the fact that we have no reciprocal aid agreement with the Government of India and do not consider that it would be practical at this time to conclude such an agreement. OLLA asks that we express our willingness to approach direct the Government of India on the question of receiving raw materials from India as reciprocal aid. It is the contention of OLLA that Indian feeling would be ruffled were our approach to the Government of India in the matter different from our approach to the Dominions, that we have almost nothing to lose by so doing, and that the adoption of an opposite course (i. e. acting through the British) is capable of placing our Ally (Great Britain) in a very embarrassing position. I do not consider sound the argument advanced by OLLA.

The Indian position, as distinct from the Government of India's position, is in general that the Indians have not asked for lend-lease aid, do not particularly want lend-lease aid, and would probably have no need for lend-lease aid if it were not for the unwanted British

A Not printed.

<sup>41</sup> Theodore C. Achilles, of the Division of European Affairs.

domination in India. Many Indian nationals would, I believe, modify the above statement to the extent of saying that "Yes, if we were free we would be fighting Japan, but the fight would then be our own, and ours would be the responsibility in lend-lease matters. As it is, however, the fight is not our own, arrangements undertaken are not of our making, and ours is not the responsibility for lend-lease direct or reverse."

For us to make direct arrangements with the Government of India for the supply of \$87,000,000 worth of raw material (the amount involved as reciprocal aid) is tantamount to our requiring a contribution of \$87,000,000 from the Indian people to the war effort. That contribution may in this instance be required of the Indian people if the United Kingdom Government does not see fit to provide a sterling credit to compensate for the cost of the material. The British Government's failure to do so would in so far as I can see be the only cause for the "embarrassment" mentioned by OLLA. That is an inter-Empire matter and to relieve the British Government of this embarrassment we would by following OLLA's suggestion simply transfer to ourselves the onus of having arranged the deal with a government which the Indians claim to be unrepresentative in every way. It would appear to me that the cost of reimbursing the Government of India for the raw material, or such embarrassment as may accrue through failure to do so are a part of the price which Great Britain must expect to pay for its insistence on maintaining in India a government which is unrepresentative. Even if it is contemplated that the United Kingdom Government will in any event reimburse the Government of India for the cost of the materials, it is nevertheless felt that direct arrangements with the Government of India regarding a matter which the Indian people view with so little sympathy should be avoided and that Indian feelings would be "ruffled" by our dealing direct rather than by our failure to do so.

WALLACE MURRAY

845.515/507

Memorandum by the Chief of the Financial Division (Livesey)

[Washington,] August 27, 1943.

#### LEND-LEASING SILVER TO INDIA

After the meeting at the Treasury described in Mr. McGuire's <sup>43</sup> memorandum of August 24,<sup>44</sup> Mr. Livesey telephoned Mr. E. M. Bernstein of the Treasury that the Department was opposed in general to

" Not printed.

<sup>43</sup> Paul F. McGuire of the Division of Exports and Requirements.

lend-leasing materials direct to India, but would not oppose direct lend-leasing of 20 million ounces of silver to be used for currency purposes in India. This was the only direct lend-lease transaction with India the Department was prepared to approve, and it did not foresee any other transactions which it would approve. It would not approve the proposed lend-leasing of 100 million ounces of silver to India for anti-inflationary purposes. Any silver for this purpose should be lend-leased to the British Government and not to the Government of India.

Mr. Bernstein said he would immediately report all this to Sir Cecil Kisch of the India delegation and would procede with the arrangements regarding the 20 million ounces for currency purposes.

Mr. Livesey then telephoned Mr. Knollenberg 45 of the Office of Lend-Lease Administration and told him the foregoing. Mr. Knollenberg said he was interested to learn that the Department of State shared his opposition to direct lend-lease arrangements with India. He had not known this.

845.515/503a : Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, September 1, 1943-11 p.m.

422. From Stettinius for Ecker. We have approved Indian Government requisition for 20 million ounces of silver for coinage during the next 5 months. The Government of India has agreed to return the silver within 5 years after end of national emergency in U. S., on ounce-for-ounce basis. Secretary Morgenthau and ourselves sponsored the Indian request for silver for coinage before the Senate Special Silver Committee, which approved the proposal. Advice regarding the 100 million ounce reserve will be sent to you later.

Promise has been given by us to keep in touch with Silver Committee, and promise has been given by Treasury that it will furnish Committee with statistics showing extent to which silver lend-leased to India for coinage remains in circulation. Please keep us advised on this whole subject.

[Here follows statement informing of the lend-lease of silver to certain other areas.]

[Stettinius]

<sup>45</sup> Bernhard Knollenberg.

811.20 Defense (M) India/1211a

The Department of State to the Indian Agency General

#### AIDE-MÉMOIRE

The United States Government and the people of the United States deeply appreciate the aid which has been rendered by the British Indian authorities to the United States forces which are now in India to assist in the prosecution of the war against the Axis nations. This aid and the spirit in which it has been given are splendid examples of the principle of mutual aid governing our common war effort. It is, however, the feeling of the United States Government that it would be mutually advantageous to carry this principle of mutual aid a step further.

It is proposed, therefore, that the reciprocal aid program be extended to include the furnishing, without payment by the United States, of those materials which are imported from India or from Indian sources by agencies of the United States Government.

The United States Government procurement program contemplates the acquisition in India during the fiscal year beginning July 1, 1943 by official agencies of the following commodities: bristles, burlap, cashew nut shell oil, ferro manganese, goatskins, jute, manganese, mica, shellac, Sunn hemp, and tea.

The foregoing is not, and by its nature cannot be a definitive statement of the specific commodities which the United States Government might wish to bring within the program. It is submitted rather as an indication of the approximate scope of the contemplated program.

In response to a request from the Government of the United States to the British Government that its current program of material purchases in the British Empire be transferred to a reciprocal aid basis, the Government of the United Kingdom has agreed to furnish as reciprocal aid materials imported by United States Government agencies from the United Kingdom, Southern Rhodesia and the Colonies, and has requested that the United States discuss with the Governments of the Dominions and of India the procurement program in so far as it relates to their respective areas. It is understood that the British Government has kept the Government of India informed regarding its conversations with the United States Government on the subject.<sup>46</sup>

It would be greatly appreciated if the Agent General for India would make the foregoing known to the appropriate authorities in order that discussions of detail can be undertaken.

Washington, October 6, 1943.

<sup>&</sup>lt;sup>46</sup> For previous correspondence relating to this subject, see *Foreign Relations*, 1942, vol. 1, pp. 537 ff.

845.24/560: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, November 1, 1943—11 a.m. [Received 6:30 p. m.]

813. Ecker informs Mission that after preliminary discussions and absence from Delhi of Secretary of Supply Department, concrete proposal for Joint Imports Committee representing Government of India, HMG <sup>47</sup> and US is now being considered by Government of India. This committee is to give consideration to policy decisions affecting industrial program, which is basic reason for imports requirements. Full scope of their field of operations to be developed as discussion proceeds. Answer expected within 2 weeks. Reference Department's 365, of August 11.

MERRELL

845.24/561: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, November 1, 1943—2 p. m.

[Received 6:30 p. m.]

816. Screening of imports discussed further by Lane and Ecker. Reference Mission's 813, November 1, and Department's 365, August 11. They agree that Government India has not provided adequate record of use of Lend-Lease imports and that record of use of indigenous materials of kind thus imported is inadequate. Also that situation requires emphasis that United States is partner not merely supplier and must therefore have more basic information and participation in planning stage before indents are prepared.

Ecker has expressed this view to Waugh Secretary Supply Department who undertook to convey to others concerned.<sup>48</sup>

MERRELL

845.515/532

The British Ambassador (Halifax) to the Acting Secretary of State

Washington, November 9, 1943.

My Dear Ed: On July 12 I wrote to The Secretary about the reinforcement of the silver position in India, and I was very grateful to hear that the State Department soon after promised Sir Cecil Kisch

<sup>47</sup> His Majesty's Government.

<sup>&</sup>lt;sup>48</sup> Upon his return to Washington in December, Mr. Ecker told the Department that, despite the reluctance of the British and Government of India authorities to adhere to such an arrangement, there had been formed a tripartite committee which would make it possible for the American lend-lease representative in India to get a clearer view of the problems of India's import requirements.

and Sir David Waley that they would see if they could help, if the negotiations with the United States Treasury did not move rapidly to a successful conclusion.

I now enclose a copy of a letter which I am writing to Mr. Morgenthau from which you will see that as regards silver for sale in the market the matter has not moved forward at all since July. You will see from my letter that the Government of India regard this question as one of great importance and real urgency. I am accordingly now writing to you to say that I very much hope that you can give me your help.<sup>49</sup>

Very sincerely,

HALIFAX

#### [Enclosure]

The British Ambassador (Halifax) to the Secretary of the Treasury (Morgenthau)

[Washington,] November 9, 1943.

You will remember that I told you in the summer that the Government of India attached very great importance to their request for 100 million ounces of silver for sale in the market, and that the United States Government could give valuable help to them in their present economic problems by a speedy acceptance of this request. The Government of India have greatly appreciated the assistance which the United States Government have already given in providing 20 million ounces of silver for coinage.

But coinage was only one of two complementary moves in protecting the Indian economy, of which the other is the sale of silver to prevent the market price from rising. The approach of the South Eastern Asiatic campaign adds to the problem an increasing urgency as it will inevitably aggravate the inflationary position in India, and renders it more essential than ever that every step to combat inflation be taken immediately. I was therefore disappointed to learn that the United States Treasury told Mr. Mahindra and Sir David Waley on November 8th that it is their decision that the matter should still be deferred.

The reasons for which the Government of India attach so much importance to the matter were fully stated in Sir Cecil Kisch's letter to you of the 27th August and I need not repeat them. I would only say that it is the considered opinion of the Government of India, who are faced with such grave economic difficulties, that the United States Government could give them very real help by meeting their request and that the matter is really and increasingly urgent. You will realize

<sup>&</sup>lt;sup>49</sup> In an acknowledgment on November 12, Mr. Stettinius said the Department would do "everything possible to be helpful."

<sup>489-069-64-19</sup> 

how serious a blow to the common war effort it will be if economic troubles in India cannot be kept in check. Since the Government of India who have this grave responsibility are so strongly of the opinion that the sale of silver on the market is both important and urgent, I trust that you may feel able to reconsider the matter, and give a very present help in this time of trouble.

Yours sincerely,

HALIFAX

845.24/582

The Indian Agent General (Bajpai) to the Secretary of State

The Agent General for India presents his compliments to the Secretary of State, and has the honour to refer to the Department of State's aide-mémoire dated October 6th, 1943 regarding the proposed extension of the reciprocal aid programme to raw materials.

2. As requested, Sir Girja Shankar Bajpai conveyed the views of the Government of the United States to his Government, and he has now received a reply to the following effect. While his Government are considering sympathetically the request of the United States Government for the inclusion of raw materials in reciprocal aid, the proposal has raised certain difficulties which are not easy to overcome. The Agent General regrets that he is not yet able to say whether it may be found possible to meet the request of your Government in full; but he expects shortly to be in a position to communicate to you the considered views of his Government on this question.

[Washington,] November 15, 1943.

845.24/577

## The Indian Agency General to the Department of State AIDE-MÉMOIRE

Reference is invited to the Department of State Aide Mémoire dated October 6, 1943 on the subject of Reciprocal Aid and to the interim reply sent on November 15, 1943.

The Government of India are gratefully conscious of the extent of the assistance which they have received from the Government of the United States, and appreciating the desirability of extending still further the existing principles of mutual aid, accept the proposals contained in the Department of State's Aide Mémoire of October 6, 1943, to the extent that the raw materials in question are required directly for war purposes.

The Government of India were under the impression that the scope of the United States Government's proposals would embrace only raw

materials and foodstuffs. They note, however, that the expression used in the Aide Mémoire is "materials" and not "raw materials". They also note that burlap, which is a manufactured article, is included in the contemplated procurement programme. While the Government of India are prepared, as a special case, to agree to the inclusion of burlap, they would emphasise that, with this exception, their agreement embraces raw materials only and not manufactured goods.

The Government of India propose to give effect to this agreement in respect to each commodity as soon as procedural and administrative arrangements can be introduced in each case.

[Washington,] 15 December, 1943.

# DISCUSSIONS REGARDING PROPOSALS FOR THE COORDINATION OF ANGLO-AMERICAN PURCHASES IN INDIA OF STRATEGIC RAW MATERIALS

811.20 Defense (M) India/65: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, January 22, 1943—4 p. m. [Received January 23—9:03 a. m.]

57. In pursuance of Department's 5986 of November 27, midnight, 50 to London and in continuation of my 51 of January 20, 6 p. m., 51 following is outline of plan for coordination of purchases of strategic raw materials in India. I am satisfied that the coordination desired by the State Department can, in this particular field of activity, be centered at Calcutta and can best be exercised by the Consul General 52 acting on behalf of the Mission. Whenever problems arise requiring approach to the Government of India the Mission will be in a position to act. The following proposal has been carefully studied and discussed by the Consul General with the representative in India of the Board of Economic Warfare; American members of the Joint Mica Mission (except Waddell who has departed for United States); with Moseley, senior British purchasing official in India, who is head of Joint Mica Mission; also with Wilcox, shellac representative for British and American Governments. All these persons have given the

<sup>&</sup>lt;sup>50</sup> Not printed, but see footnote 2, p. 178.

<sup>&</sup>lt;sup>51</sup> Not printed; in this telegram Ambassador Phillips recommended that Clayton Lane, Consul at Calcutta, be transferred to New Delhi, there to act as "Coordinating Officer". (123 Lane, Clayton/106)
<sup>52</sup> Kenneth S. Patton.

idea enthusiastic support. The plan furthermore appears to be in entire conformity with Diplomatic Serial 3553 August 15, 1942.54

- (1) It is proposed to establish a "joint office of strategic materials" in India with a membership consisting of the senior representatives of all official British and American purchasing agencies functioning in this country. Questions of policy and administration would be dealt with by an Executive Committee consisting of Moseley, the American Consul General, and two other British and two other American members. Other official representatives would sit with the Committee when questions affecting their particular commodities or fields might arise. The Consul General, who would function as deputy chairman of the Committee, would of course carry out the policies and directives of this Mission.
- (2) This plan provides for effective coordination and centralization of authority and information without disturbing present purchasing practices, whether through Government agencies or private trade channels. It would likewise eliminate possibility of competitive buying by British and American Governments. The direct relationship of the individual members with their respective agencies would not be impaired.
- (3) British Government has already approached Moseley with a view to setting up a unified British purchasing organization here but Moseley favors joint effort.

May I have your views.

PHILLIPS

811.20 Defense (M) India/65: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, February 17, 1943—6 p. m.

95. Your 57, January 22, 4 p. m.

1. The Department is glad to have your suggestion for a Joint Office of Strategic Materials and believes that it should be created immediately. It is not clear from your telegram, however, who is to be the Chairman of the Committee. The Department has consulted the Board of Economic Warfare and the Reconstruction Finance Corporation regarding this proposal and both of them concur on the assumption that this office would be for consultative and coordinating purposes only.

[The remainder of this telegram, relative to India's import requirements, is printed on page 252.]

HULL

Not printed; this circular telegram transmitted to certain Missions and Consulates detailed instructions concerning the coordination of the activities in foreign countries of all civilian representatives of the Executive Department (127.6/166a).

811.20 Defense (M) India/181: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, February 20, 1943—11 a.m. [Received February 20—8:04 a.m.]

162. Department's 95, February 17, 6 p. m. Reference paragraph 1, it was recommended by Patton and Lane, who first submitted plan to me, that U. R. Moseley, British, present head of Joint Mica Mission and former official of Eastern Group Supply Council here, act as chairman of Committee. He is able and cooperative.

A further expression of your views will be appreciated after additional details of the plan, transmitted in my airmail despatch No. 13 dated January 30 55 have been considered.

Comment on paragraph 2 of Department's message will follow.

PHILLIPS

811.20 Defense (M) India/181: Telegram

The Secretary of State to Mr. William Phillips, Personal Representative of President Roosevelt in India

Washington, March 15, 1943-1 p.m.

154. Your no. 162, February 20, 11 a.m. Your mail despatch no. 13 of January 30th, 55 enclosure 1 sets forth a more comprehensive and formal organization than had been contemplated by us.

BEW <sup>56</sup> under arrangements made here will take over all purchases of materials for import to the United States. Other agency employees engaged in negotiating import materials contracts will be transferred to BEW. Thus all United States Government purchasing activities by civilian agencies will be coordinated into one group. Swerling will be appointed by the Board as acting head of this purchasing group.<sup>57</sup> All employees of other civilian agencies engaged in purchasing materials are, until their transfer, to be responsible administratively to Swerling.

United States purchasing group should remain autonomous and should not in any sense be merged with British Supply Mission. Nevertheless mechanism for clearance policy determinations in regard to terms, prices and so forth should be established. We naturally favor close collaboration with British Supply Mission. Neverthe-

<sup>55</sup> Not printed.

Find Planted.

So Board of Economic Warfare.

So By telegram No. 126, March 18, 1943, midnight, to the Consul General at Calcutta, Simon Swerling, representing the Board of Economic Warfare, was designated head of the United States Purchasing Group in India (811.20 Defense (M) India/178).

less we would not desire an arrangement that will interfere with the autonomy of the U. S. purchasing group. Instead of the proposed joint office of strategic materials would it not be possible to establish a joint policy committee. Such committee could clear all matters affecting both groups and would meet regularly. This committee's personnel could be the same as that proposed for the executive committee suggested in your despatch enclosure No. 1, paragraph 1.

HILL.

811.20 Defense (M) India/438: Telegram

Mr. William Phillips, Personal Representative of President Roosevelt in India, to the Secretary of State

New Delhi, April 16, 1943—3 p. m. [Received 6 p. m.]

289. Mission approved suggestions made in following telegram from Calcutta.

61. April 15, 4 p. m. At informal discussion of arrangements in Department's 154 <sup>58</sup> repeated your 43, Moseley approved but desired consult London and has only received reply today on his return to Calcutta. London has approved the plan and forwarded to Washington Moseley's suggestion that the Committee be informal and a liaison rather than policy committee and activities initially confined to pooling of information and avoiding clashing on prices et cetera. London has added the suggestion that they desire only one member on Committee which will be Moseley. Swerling and we consider set up satisfactory and agree that term Liaison Committee preferable to Policy Committee.

PHILLIPS

845.24/472a

Mr. William Phillips, Personal Representative of President Roosevelt to India, to the Officer in Charge at New Delhi (Merrell)

Washington, July 12, 1943.

My Dear George: Since my arrival in Washington I have discussed with various officers in the Department the duties Lane <sup>59</sup> is expected to perform as the Mission's representative in the coordination of the activities of American war agencies in India. In this letter I wish to convey to you and Lane the information I have received as to the Department's expressed wishes for the effective and efficient supervision of the work of the representatives of these agencies in India.

58 March 15, supra.

<sup>&</sup>lt;sup>50</sup> Clayton Lane, Consul at Calcutta, had been appointed to New Delhi as Director of War Economic Operations on April 26; Ambassador Phillips had returned to the United States for consultation.

[Here follows a discussion of attempts by the United States to establish with the British the principle of joint examination of India's import requirements; for correspondence, see pages 246 ff.]

Now a few comments on our procurement program in India. As you are aware, India is one of the fruitful sources of strategic materials: jute and jute products, shellac, cashew nut shell oil, goat skins, mica, manganese, and other mineral products such as kyanite, chromite, talc, and beryl. Certain of these materials are obtainable in quantity only from India; and the cessation or curtailment of their flow would severely prejudice the war effort.

On the whole, the procurement program of the United States in India has gone forward successfully. Almost all methods of purchase have been employed: private buying, United States Government buying, and joint British-American buying. The practice has been to adopt whatever method seemed best adapted at the time for the particular commodity concerned; there has been no predilection for any one method of procedure. With respect to certain items, shellac in particular, considerable discussion and divergence of opinion has arisen as to the best method to be followed. It has been the attitude of the Department and of the Purchasing Agencies to maintain an objective outlook and to avoid precipitate decisions and changes of policy. In order to obtain the most complete information upon the difficult problem of obtaining adequate supplies of shellac, the Board of Economic Warfare is having a special investigation made by Mr. Gillespie who plans to leave for Calcutta at an early date.

It has also been the studied policy to maintain close cooperation with the British Supply Agencies in the purchase of Indian strategic materials. It is believed that the Joint Mica Mission has, on the whole, achieved a very considerable measure of success. Even with respect to commodities where no formal cooperation has existed, it has been felt that mutual consultation has been most helpful. Some months ago, the suggestion was made by the American Consul-General in Calcutta and by Mr. Simon Swerling, the representative of the Board of Economic Warfare, that there be established in Calcutta a "Joint Office of Strategic Purchases". This proposal has laterally been under active consideration. It has been the attitude here that it would not be best to establish machinery which would merge the buying programs of the two countries, but that it would be preferable to have a "Joint Policy Committee" which could exchange pertinent information and discuss policies of mutual interest.

As you know, India is also an area of transshipment for strategic materials from China; namely, tungsten, tin, bristles, tea, silk etc. These commodities arrive by air at Dinjan and are exported to the United States by steamer from various Indian ports. The Board of Economic Warfare has sent representatives to expedite these ship-

ments. It would seem likely, however, that there will be ways and occasions in which the Department's representatives may appropriately lend their assistance.

The Department believes that the Mission should in general keep a watchful eye upon our whole procurement program without having to become too immersed in detail. The general purpose would be that, from a more detached viewpoint, the Mission might be in a position to make helpful suggestions or to point out harmful developments. This would be particularly true of developments wherein the operation of the procurement program might be adversely affecting relations with the British or Indian governments, officials, or other categories of persons or interests. In making such observations, there should, however, be borne in mind the primary responsibility for the procurement of strategic materials with which the Board of Economic Warfare is definitely charged.

I trust the above rather lengthy commentary will give you and Lane a clearer conception of the Department's objectives in so far as its requirements and procurement programs are concerned.

My warmest personal regards to you and all the other members of the Mission.

Sincerely yours,

WILLIAM PHILLIPS

811.20 Defense (M) India/181: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, August 3, 1943—9 p.m.

346. Department's No. 154 of March 15, 1 p. m. We have received from the British a proposal for the establishment of a joint Anglo-American "liaison Committee" to consider general policies for the purchase of strategic materials in India. Proposal is similar to the plan outlined in your No. 289 of April 16, 3 p. m. Office of Economic Warfare is in accord with this proposal as a mechanism for informally coordinating activities.

It is agreed here that such Committee should not have executive powers or engage in joint operations; or should the autonomy of our procurement mission be limited. However, we wish to make clear that there is no intention to curtail the Committee's usefulness by proscribing discussion of operating details such as questions relating to rail movements, price levels of commodities, etc. In fact, agreed recommendations on such items should prove extremely useful both here and in London. It is felt, moreover, that, through the pooling of information and informal discussions, it may be feasible to resolve possible conflicting needs of the two governments in various matters such as port priorities and inland transport. In such matters as

these members of the Liaison Committee will naturally in the first instance consult with the principal representatives in India of WSA <sup>60</sup> and MWT.<sup>61</sup>

On the foregoing basis the Consul General at Calcutta and Swerling are authorized to work out arrangements for such liaison committee with the local British representatives. Office of Economic Warfare designates Swerling as its representative on the Committee and, as indicated in your No. 239 [289], it is understood that Moseley will be the British representative.

Please instruct Calcutta to report steps taken to form Committee and keep the Department and the OEW informed of its activities.

HULL

REPRESENTATIONS IN SUPPORT OF THE APPLICATION BY THE UNITED PRESS FOR THE LEASE OF TELETYPE TELEGRAPHIC LINES IN INDIA

811.91245/7a: Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

Washington, March 31, 1943—midnight.

2009. United Press since December 1941 has been endeavoring—so far without success—to lease teletype telegraphic lines from the Posts and Telegraphs Department of the Government of India to serve prospective clients in India who include some of the principal newspapers in that country. On the other hand, Reuters leases such facilities thus creating a monopoly in favor of Reuters because of the fact that without the use of such leased wires it is impossible for United Press to supply a satisfactory news report to the newspapers of India. Should United Press transmit its service over telegraph lines open to the general public, it would mean that the UP service always would arrive at the newspapers at least 24 hours after the Reuters service had been delivered by leased wire.

The UP's request for such facilities has been denied on the ground that the present heavy demands on the telegraphic system for war purposes render it impossible to make any such wires available to the UP. UP believes that the wire facilities are available in India for lease to it, and it states that it is prepared to furnish the automatic typewriters over which the service would move if the Indian Government will agree to lease it the necessary wire facilities. In this connection it should be noted that Lend Lease has just received a request for 35,000 miles of wires for telegraph and telephone facilities in India. As a last resort the UP suggests that if the Government of

<sup>60</sup> War Shipping Administration.

a Presumably Ministry of War Transport (British).

India cannot be prevailed upon to provide the desired telegraph facilities it be allowed to lease a wireless circuit from Bombay to the interior points of India over which the UP could transmit its service to the principal newspapers of India. The UP in the latter circumstances would supply the necessary transmitter in Bombay and the necessary reception equipment in the other cities of India.

The UP feels, and we agree with it, that its request for wire facilities in India is only fair since Reuters is granted the fullest opportunity to sell and distribute its news service throughout the United States on the basis of the enjoyment of complete equality with the American news services in the use of all telegraph and other facilities, and in the terms and conditions therefor. The Department has ascertained from the A. T. & T.<sup>62</sup> that the company leases a number of teletype private wires to Reuters in this country.

I wish you would bring this matter personally to the attention of the Foreign Office and stress the fact that we attach a great deal of importance to it. We feel strongly that, in view of the fact that although we have not considered the principle of reciprocity in this respect as regards United Kingdom, British news agencies in the United States and its territories are placed on the same basis as American news services and in view of the highly desirable objective that there should be the freest possible interchange of information between the United States and the British Commonwealth of Nations, it is absolutely essential that American news services should be accorded the same facilities in these countries that are accorded to British news services in this country.

Please inform the Foreign Office that we shall not rest content until some solution is found to this problem and we confidently leave to you the best method of reaching this objective. Please telegraph Department the result of your intervention in this matter.

For your information, should the Foreign Office suggest that representations on the subject should properly be made to the Government of India by the American Mission at New Delhi, representations already made in that manner have thus far met with no favorable response.

HULL.

<sup>62</sup> American Telephone and Telegraph Company.

811.91245/19 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, April 30, 1943—8 p. m. [Received April 30—3:31 p. m.]

2993. Department's 2672, April 28, 3 p. m.<sup>63</sup> concerning United Press service in India. We took this matter up promptly with the Foreign Office, stressing its importance. Foreign Office, on considering the matter, found it necessary to consult the Government of India. Foreign Office is now awaiting word from the Government of India. We have been assured by the Foreign Office that it will do everything it can to give us a definite reply as soon as possible.

WINANT

811.71245/22: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, June 8, 1943—4 p. m. [Received 4:25 p. m.]

3874. Embassy's 2993, April 30, 8 p. m. Within the past few days we again impressed on Foreign Office the importance and urgency of providing United Press with adequate teletype telegraphic service in India. Foreign Office regrets that there has been so much delay in this matter. Its urgency Foreign Office says has been impressed personally on the Viceroy and Foreign Office has been assured that matter is under consideration by the Government of India. Foreign Office adds that it appears however that the question is a complicated one and while it will continue to press for a reply it fears that some further time may elapse before definite answer is received.

WINANT

811.71245/22: Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

Washington, June 10, 1943—10 p. m.

3621. Contents of your 3874, June 8, have been duly noted and communicated to United Press.

Please continue to impress upon British authorities importance which this Government attaches to United Press obtaining adequate teletype service in India.

HULL

<sup>63</sup> Not printed; it requested "a reply as soon as possible" to telegram No. 2009, March 31, supra.

811.91245/33: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary
of State

London, July 30, 1943—4 p. m. [Received July 30—12:20 p. m.]

4969. Department's 3621, June 10, 10 p. m. We approached Foreign Office again on United Press teletype telegraphic requirements in India and have just been told that a definite reply from the Government of India was expected shortly. Meanwhile, Foreign Office promises to continue to maintain pressure on Government of India.

WINANT

811.91245/32: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, August 27, 1943. [Received August 27—9:20 p. m.]

5650. Embassy's 4969, July 30, 4 p. m. Following communication just been received from Foreign Office.

"The correspondence which has recently taken place between the Government of India on the one hand and the United Press and Mr. Phillips <sup>64</sup> on the other has been made available to us, and I can assure you that His Majesty's Government are satisfied that the Government of India have examined the possibilities very thoroughly and have not dealt or attempted to deal, with the request of the United Press for the lease of teletype telegraphic lines on a discriminatory basis and that their inability to make such lines available to the United Press has been wholly due to the pressure of war conditions.

Bearing in mind the present congestion of the Indian telegraph system, of the delays to which telegrams whether military or civil, private or press, are liable and the increasing demands on that system which the development of the war against Japan will probably impose, His Majesty's Government feel bound to agree with the Government of India that the latter would not be justified in turning over for non-official use any of their own available equipment and civil requirements for the prosecution of the war effort of the United Nations in India. They therefore agree with the Government of India that the latter are in no position to consider the request of the United Press in regard to teleprinter circuits until their own needs, immediate and prospective, have been fully met.

As for the alternative proposal, that the United Press should be allowed to lease internal wireless circuits in India, the view of the Government of India, which His Majesty's Government regard as valid, is that in the present war time conditions consideration of

et William Phillips, Personal Representative of President Roosevelt in India (at this time temporarily in the United States); for correspondence on the Phillips Mission, see pp. 178 ff.

defense and military security preclude the transmission of news within India by wireless telegraph, since such transmissions are liable to interception by the enemy. It is moreover impossible to provide the large trained staff which would be required to pre-censor such messages."

WINANT

811.91245/31

Memorandum of Conversation, by Mr. Calvin H. Oakes, Assistant to the Adviser on Political Relations (Murray)

[Washington,] September 9, 1943.

Participants: Mr. William Phillips

Mr. Murray Mr. Oakes

Mr. Phillips inquired regarding the present status of the UP application for facilities in India which if granted would enable that organization to furnish Indian newspapers with a service competitive to Reuters. Mr. Phillips was informed that the Embassy at London had advised the Department under date of August 27 that the British Government supported the contention of the Government of India that because of lack of telegraph lines and because of security reasons affecting the proposed use of radios, UP's request for facilities could not be granted.

There was general agreement that the arguments of the Government of India and the British Government were not valid, and Mr. Phillips emphasized that in his opinion the matter should not be dropped. He stated that there was involved far more than the question of whether an individual American news agency should be allowed to function in India. It was in his opinion highly inadvisable that this Government should accept without protest a decision by the British or Indian government, based on arguments which did not appear to us to be sound, that an American organization should be excluded from competition in India with a British rival. The matter was aggravated in the present instance by the fact that the organization in question could render a real service to the many Americans now in India who had been sent there in connection with the common effort which the United States and Great Britain are making against the Axis.

It was decided that, after Mr. Phillips had had an opportunity to hear further from the UP with a view to reclarification of their position in the matter, a further communication should be addressed to the Embassy instructing it to make known to the Foreign Office the attitude of this Government.

811.71245/24 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

Washington, September 16, 1943—midnight.

5684. Your 5650 of August 27. Substance of your telegram has been discussed with representatives of United Press and Ambassador Phillips. It is the Department's desire that vigorous efforts be continued with a view to effecting a reconsideration of the decision reached by the Governments of the United Kingdom and India, and that there be emphasized to the Foreign Office the strong feeling of this Government in the matter. There are cited below considerations which should be presented to the Foreign Office:

- 1. While it is true that wireless transmissions from any point in India would be subject to interception by the enemy such interception could in no way give aid or comfort to the enemy since all material transmitted would have been precensored by the Government of India.
- 2. Further, nearly every despatch would have previously passed through British censorship in London or American censorship or both. It is the Department's understanding that all news despatches from this country destined for India pass through London whence they are sent by cable or radio to India.

3. Thus there would be double and in many cases triple censorship besides the fact that most news material would already have been transmitted by wireless throughout the world and thus would be

available to the enemy before distribution in India.

4. United Press recognizes that in certain Indian centers from which it has requested wireless transmission facilities there may not now be sufficient censorship and security personnel but it believes that in at least three of those centers, Bombay, New Delhi and Calcutta, adequate personnel for such control already is available. It is suggested, therefore, that at least for the time being transmissions be limited to those three points.

5. The wireless facilities which are being requested in India on behalf of United Press are available in the United States to any responsible British or other friendly foreign news agency desiring to

use them.

6. It was United Press' original intention and preference to offer to Indian newspapers a service of foreign news only. Prospective Indian newspaper clients of the UP have pointed out that UP must also be prepared to deliver a service of Indian news. Otherwise, because of the monopoly clause in Reuter contracts newspaper publishers using UP foreign service might not obtain any Indian news. If it were not for the Reuter monopoly clause the UP could enter the Indian field as a supplementary service, competing with Reuter in foreign news only—given facilities for distribution of even a foreign news service from the cable head at Bombay.

It is believed that the foregoing explanations satisfactorily dispose of the security problem involved. In the Department's estimation,

however, the whole problem of the operation of UP in India far transcends the question of any possible technical difficulties involved. It raises the question whether in the territories of the United Nations free competition will be allowed to enterprises of nationals of the United Nations on a basis of reciprocity. As has already been pointed out above should Reuters desire the use of the same kind of facilities in the United States that are being asked for UP in India it could obtain them without difficulty. While the Department is obviously not unmindful of the special circumstances obtaining at this time in India it should be pointed out that UP has no desire to render that situation more difficult by its presentation of news, and that furthermore, ample and adequate safeguards are provided by existing censorship both in England and in India. I hope, therefore, that when you bring this case again to the attention of the Foreign Office you will emphasize in an urgent manner the importance which the Department attaches to it.

As Ambassador Phillips is proceeding to London he will be available for consultation. As you know Ambassador Phillips is thoroughly familiar with all the aspects of this case. Please keep Department closely advised by telegraph of all developments in this case.

Repeated to New Delhi.

HULL

811.91245/36

The Adviser on Political Relations (Murray) to Mr. William Phillips, Personal Representative of President Roosevelt to India 65

Washington, October 16, 1943.

My Dear Mr. Phillips: With reference to the question of United Press facilities in India, the Mission reported on October 7, 1943 that the Far Eastern manager of the United Press, Mr. Morris, had felt that it was inadvisable to make further approaches to the Government of India on this subject pending an intimation from General Auchinleck <sup>66</sup> requested by Mr. Morris, as to whether in the General's opinion the desired facilities could be provided without jeopardizing national security. General Auchinleck recently informed Mr. Morris that he was not in a position to approve the United Press request. Mr. Morris infers that the General's reply was based on instructions from London.

The Mission reports that it feels that further approaches to the Government of India would be inexpedient at this time unless the efforts of the American Embassy at London meet with some success.

<sup>65</sup> Addressed to Ambassador Phillips in London, where he was acting temporarily as representative of the Secretary of State at the headquarters of the Supreme Allied Commander.
66 Sir Claude Auchinleck, British Commander in Chief in India.

The United Press case has unfortunately been further prejudiced with the Government of India through an incident which occurred some weeks ago. An American Army periodical in New Delhi, The Round-Up, has been publishing each week a column by Drew Pearson.67 Recently Pearson obtained, by means which have not yet been ascertained, a copy of a letter from John Fischer 68 to Leo Crowley 69 and quoted in his column those paragraphs critical of the Government of India. (I believe you saw a copy of this letter when in Washington.) Unfortunately the individual in the United Press responsible for sending to The Round-Up extracts from Pearson's Washington column included in the material sent to New Delhi Fischer's statements The Government of India has of course been as quoted by Pearson. somewhat outraged that an effort was made to publish this material in India and undoubtedly places much of the blame upon the United Press.

I am inclined to agree, therefore, that further representations by the Mission on behalf of the United Press would not be well received by the Government of India at this time.

Sincerely yours,

WALLACE MURRAY

## DELINEATION BY THE UNITED STATES OF ITS POSITION WITH RESPECT TO THE INDIAN FOOD CRISIS

845.5018/47: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, August 26, 1943—5 p. m. [Received August 26—3: 20 p. m.]

583. In a very frank conversation with Berry <sup>70</sup> last night, the Director General of Supply bitterly criticized the food policy of the Central Government and particularly the manner in which it is handling very serious famine conditions in Bengal. He said it had been obvious for a year that imports of wheat are only solution and added that six shiploads of wheat from Australia or elsewhere would remedy matters. He contends that United States or Britain should immediately make these ships and supplies available in view Bengal's strategic relation to war effort. People of Bengal who are daily dying of starvation in large numbers will, he said, eat wheat in absence of rice despite considerable contrary opinion. He added he had

James Lampton Berry, Secretary at New Delhi.

of Drew Pearson, American newspaperman, writer of a syndicated column entitled "The Washington Merry-Go-Round".

<sup>&</sup>lt;sup>68</sup> Senior representative in India of the Office of Economic Warfare.
<sup>69</sup> The Administrator, Foreign Economic Administration.

just come from conference with high ranking British General to whom he had said in substance:

"It is all very well for military to say 'Give us the stones to throw and we will do the rest' but how am I to get the stones from a hostile and starving population".

He said neither present Viceroy <sup>71</sup> nor British military appreciate the grave dangers involved in operating from a base where economic and political conditions are such as exist in India today. He expressed hope Wavell would view matter differently.

Mission requests cabled information whether wheat shipments to Calcutta have left Canada or United States or are contemplated and in what quantities. Local representative British Ministry War-Transport says wheat already shipped from Canada.

MERRELL

845.50/60

Memorandum by the Adviser on Political Relations (Murray) to the Chief of the War Commodities Division (Cissel)

[Washington,] August 28, 1943.

Mr. CISSEL: Much concern is felt in the Department and by the Mission at New Delhi regarding the serious food situation existing in India which is particularly acute at present in Bengal. People are reported to be dying daily in the streets of Calcutta of starvation, many of them having filtered into the city from the country areas which are described as foodless. In this connection a recent despatch from the Mission at New Delhi 22 contains the following statement:

"The steady incursion of famished villagers is partly responsible for the rising number of deaths by starvation in the streets of Calcutta. The Chief Minister of Bengal has publicly admitted that his only reason for not declaring Bengal a Famine Area is the impossibility of carrying out his Government's responsibilities under the Famine Code. The English President of the Calcutta Rotary Club has written to the local newspapers urging that starving people not be turned away from hospitals, when brought there in a state of collapse, and that the Municipality find some more adequate means of gathering the bodies of those who die in the streets. These grim reminders that famine is leaving its victims in the streets of the second city of the British Empire do not exaggerate the situation."

While the situation in Bengal has been aggravated by floods and hurricanes and hence is the worst, conditions of a very serious sort are understood likewise to exist in Madras and Bombay.

It is felt that the repercussions are obvious which may be expected upon military operations in an area where the population is both

<sup>&</sup>lt;sup>13</sup> The Marquess of Linlithgow, due in October to be succeeded by Field Marshal Sir Archibald P. Wavell.
<sup>12</sup> No. 164, August 6, 1943, not printed.

hostile and starving. Already a marked increase in crime and sabotage has been noted in some areas. The peculiarly strategic position of Bengal in regard to military operations against Japanese-held territory is also apparent.

With these considerations in view it is strongly recommended that an effort be made to prevail upon the Combined Food Board to set aside a contingent allotment of rice, which I understand might be possible through the utilization of stocks now in this country, to be used to alleviate the alarming situation existing in Bengal if shipping space can be procured.

I should greatly appreciate advice regarding the outcome of such representations in the matter as you may see fit to make.

WALLACE MURRAY

845.50/60

Memorandum by the Chief of the War Commodities Division (Cissel) to the Adviser on Political Relations (Murray)

[Washington,] September 1, 1943.

Mr. Murray: At a meeting of the Combined Food Board Committee on Rice held on August 30, I raised the question of the possibility of setting aside a contingent allotment of rice to be available for shipment to India. The British representatives expressed some surprise at the thought that there was any particular need for rice. They stated that there was an enormous deficit of cereals generally and that the problem was a matter of shipping not of supply, grains being available in Australia and other areas when shipping can be made available.

The British representatives stated that they understood that the cereal deficit was in the neighborhood of 2,000,000,000 pounds for the current year. It would be clearly impossible under the rice supply situation now existing to make available any amount which would be significant with reference to this deficit. Production of rice in the United States (which is at the present time the largest producer of rice for export) is estimated at 1,750,000,000, and of this amount approximately 50 per cent is required for consumption in this country and by the military services.

British representatives stated that it was their understanding that the need for rice specifically was most urgent in Ceylon and that they had been unable to obtain substantial amounts to satisfy this need because of the overall rice shortage. They agreed that they would query the United Kingdom authorities in London as to any specific need for rice in India.

Under the circumstances it would seem to me futile to attempt any further steps in connection with rice. It may be, however, that some

further action should be taken to attempt to arrange grain shipments to India from Australia. If you would like me to attempt something in this connection please let me know.

T. Ross Cissel, Jr.

845.5018/47: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, September 3, 1943—5 p. m.

425. Your 583, August 26, 5 p. m. The Department is informed by the India Supply Mission that no wheat has yet been shipped from Canada or the United States, that the ISM <sup>73</sup> is endeavoring to ship 5,000 tons during September, and that difficulties being encountered—including both shortage of ships and shortage of bags—render even this small shipment doubtful.

For your confidential information, it is not thought that American ships will be available to assist unless strong representations regarding the matter are made by the American military authorities in India. If the latter feel that the arrival of some grain from this continent would be helpful in forestalling developments prejudicial to such military effort as may be contemplated from India, a statement to that effect to the War Department by the CBI <sup>74</sup> Command would undoubtedly be very helpful. If you learn that any such representations are being made, the Department would appreciate being informed.

HULL

845.5018/48a: Telegram

The Secretary of State to the Consul General at Calcutta (Patton)

Washington, September 4, 1943—9 p. m.

676. There has been received at the Department, by reference from the White House, the following telegram, addressed to the President by Syed Badrudduja, Mayor of Calcutta:

"Acute distress prevails in city of Calcutta and province of Bengal due to shortage of foodstuffs entire population being devitalized and hundreds dying of starvation. Appeal to you and Mr. Churchill 75 in the name of starving humanity to arrange immediate shipment of food grains from America, Australia, and other countries."

You should in your discretion convey an appropriate message of acknowledgment to the Mayor, informing him that responsible officials of this Government have not been unmindful of the situation

India Supply Mission.
 China-Burma-India.

<sup>&</sup>lt;sup>75</sup> Winston S. Churchill, British Prime Minister.

described by him, but that, as the Mayor himself will undoubtedly realize, the shipment of grains is a matter dependent upon many factors complicated by the war. As the Mayor is perhaps aware, the British Indian authorities in this country are making efforts which it is hoped will be helpful in alleviating the situation. He may be assured that this Government will facilitate those efforts in every appropriate manner.<sup>76</sup>

HULL

845.00/9-943

Mr. William Phillips, Personal Representative of President Roosevelt to India, to the President 77

[Washington,] September 9, 1943.

My Dear Mr. President: Before leaving for London, I feel it my duty and my responsibility to express to you my concern with regard to the Indian situation. In previous letters from New Delhi I have dealt somewhat in detail with the growing resentment against the British among the political parties as a result of the political deadlock which is permitted to continue without hope that negotiations will be permitted among the leaders themselves or between the leaders and the British Indian Government.

While it is true that the political unrest largely affects only the more educated Indians, there is in addition a disturbing and even alarming situation developing among the uneducated masses, particularly in Bengal, on account of the famine. It should be borne in mind that the frontiers of Bengal touch those of Assam where American air forces are being concentrated in great numbers. In fact, Assam is the principal base from which our future efforts against Burma will be directed. Is it not therefore important that the attitude of the people near and around our principal base should continue to be friendly and cooperative? If only from the point of view of strategy, should we not avoid having a hostile population close to our important base and to our lines of communication? And vet, so far as I know, nothing has been done or is being done by the British Indian Government to remedy this situation which, in my estimation, has become serious. In this connection the following telegram recently received from our Mission in New Delhi is illuminating:

[Here follows text, except for last paragraph, of telegram No. 583, August 26, 5 p. m., printed on page 296.]

 $^{76}$  A letter based on this instruction was sent by the Consul General to the Mayor of Calcutta on September 13 (845.5018/52).

Relations (Murray) on September 9; copy forwarded by Mr. Murray to the Secretary of State on September 10.

Further information is to the effect that many of the rural areas in Bengal are foodless, with the villagers wandering into the cities to die there of starvation. Deaths from starvation on the streets of Calcutta are reported to have become so numerous that prominent European members of the community have addressed open letters to the municipal authorities requesting that more adequate means be found for the removal of the bodies. Similar letters have been addressed to the authorities in an endeavor to prevail upon the latter to provide means of assistance for persons taken to hospitals in a state of collapse from starvation and who because of their numbers are unable to gain admittance. It is reported also that in eastern Bengal—always a site of unrest—one finds much increased evidence of pro-Japanese sympathy among the peasants who are said to be hopeful of a Japanese invasion in the belief that the Japanese would bring with them rice from Burma. Instances of lawlessness throughout India occasioned by a desire to obtain food are said to be becoming of common and increasing occurrence.

I am venturing to bring this matter to your personal attention because I do not want anything in the records to appear to indicate an indifference on my part to a situation in India which might develop in such a way as to affect and even hinder our operations.

May I repeat that it is not alone the continuation of the political deadlock nor is it merely the famine conditions among the masses of Bengal that disturbs me, for, it is only too true, that in the past India has suffered from famines of similar severity. But it is the combination of the two, the deadlock and the famine, and the fact that there are Indians of high and low degree, many millions of them, who are resentful against their present conditions, hostile to the British because of the failure of the British to help them, and distrustful of Americans because of our close association with the British, that to me renders the situation of consequence to our military effort.

The remedy, if there is one, is for the British to open the door to negotiations and to do everything possible to lessen the famine conditions in the province of Bengal.

Faithfully yours,

WILLIAM PHILLIPS

845.5018/49 : Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, September 25, 1943—3 p. m. [Received 11:59 p. m.]

679. Reuters despatches published Indian press are giving widespread impression that US Government has received no information from its representatives in India on Bengal famine and is indifferent. Consul General's acknowledgment of Mayor Calcutta's telegram to President has not diminished criticism mentioned in Steele 78 despatch Chicago News which extensively quoted in Indian press through Reuters. Piecemeal and uninformed statements attributed to OFFR 70 and OLLA 80 are having unfortunate effect.

Cannot the Department issue a statement that distressing situation Eastern India has been fully reported by Mission and Consulate General since it began to develop last year; that former large American grain reserves have been depleted by large shipments to Russia, England, North Africa, Sicily to point of serious shortages at home; that pressure on shipping for these movements and for several war fronts is enormous; that we hope greater movement of surpluses from Northern India to Bengal will materially relieve distress until new crop December, and that meanwhile no opportunity to collaborate with British relief efforts will be overlooked and food for our forces in India will be supplied as fully as possible from United States.

For Department's confidential information Mission has impression our military here indifferent to Bengal situation and implications and regard them as exclusively British concern. Mission is apprehensive that growing Indian criticism of Washington ignorance and indifference may soon affect our prestige and economic as well as military operations more than the Army realizes. If any statement is made please telegraph Mission full text for India release to offset possible distortion by Reuters. It would also be helpful to stop statements in Washington by officials not concerned with India.

MERRELL

845.5018/56: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

> New Delhi, October 8, 1943-10 a.m. [Received October 9-6:30 a.m.]

727. Following is paraphrase of a note from External Affairs at dated October 4.

Recent expression by Consulate General to Bengal authorities of willingness to assist purchase and shipment wheat from America to Bengal deeply appreciated.

Government of India has made every effort to meet Bengal crisis but despite sympathy and utmost effort, His Majesty's Government has arranged for import of only 200,000 tons cereals owing immense difficulty obtaining ships. While any additional import very desirable, it is appreciated independent search for wheat and shipping

Archibald T. Steele, newspaper correspondent.
 Office of Foreign Relief and Rehabilitation Operations.

<sup>80</sup> Office of Lend-Lease Administration.

<sup>&</sup>lt;sup>81</sup> The External Affairs Department of the British Government of India.

from North America might prejudice shipping programs and that India's needs must be considered together with civil requirements of United Nations generally. If American authorities feel able to help, first step essential would appear to be discussion between them and representatives in Washington of British Ministry War Transport and Ministry Food.

Will you be good enough to approach your Government with view to initiating such discussion and say much appreciation would be felt by Government of India of any assistance found possible. (End of

paraphrase).

In acknowledgment Mission informed External Affairs substance its communication telegraphed Department. Mission added that while much information available in Washington on India food shortage, it suggests Government of India provide Mission with full statement actual steps taken to obtain wheat imports and shipping space and results together with statement requirements particularly for Bengal. Suggested this desired for transmittal to Washington to preclude loss time through inquiries from there. (End acknowledgment).

Mission not informed of any assurance by Consul General except that to Mayor Calcutta as instructed by Department.

This request fully discussed with Blyth. For Department's information but without prejudice to fullest consideration relief measures, Mission understands 35 new British vessels built United States and Canada will arrive India between now and end of year, also several other British vessels en route or on berth for India from America. All these vessels will continue on India run. Many of these are transferred to British registry on transfer program of about 15 months. Inasmuch as Australian Government has announced availability of wheat for relief India, most practicable course may be to send some of these ships for Australian wheat after discharging cargoes India.

Mission requests fullest information any decisions reached. It believes our military authorities in India do not contemplate proposing such assistance but will leave initiative to Government of India and British.

While Mission believes Bengal famine was in large measure avoidable and that situation could be improved now by more realistic administrative measures by Government of India, the Washington discussions may reasonably assume that the only alternative to large grain imports soon is situation predicted in Mission's background despatch September 3.82 Tendencies since then support that view.

Fischer 83 agrees that aside from any effect on military situation, disturbances or economic dislocation in Eastern India might seri-

No. 195, not printed.
 John Fischer, senior representative of the Board of Economic Warfare in India.

ously interfere American procurement and shipping of burlap, jute, mica, and commodities such as bristles, tin, and tungsten from China.

MERRELL

845.5018/63a: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, October 9, 1943-8 p. m.

538. Reference is made to the Mission's recent telegram <sup>84</sup> regarding the Indian famine and the impression conveyed by Reuters press items. The Department has considered it inexpedient to issue a formal statement on this subject. It is desired, however, that within the Mission's discretion the Mission and the India Office of OWI <sup>85</sup> publicize by such means as may be possible the following facts:

1) The impression conveyed by items in the Indian press that the United States Government is indifferent to the famine conditions prevailing in Bengal and that its representatives in India have failed to supply accurate information on the subject is entirely erroneous. Numerous and complete reports have been received from both the Mission at New Delhi and the Consulate General at Calcutta regarding the food situation as it has developed over the past year, the tenor of which has long occasioned this Government grave concern.

2) It should be apparent, however, that there is little that can be done in the United States toward furnishing supplies which could not be done better from other sources. There is no rice source in the Western Hemisphere that is of any significance whatsoever in relation to India's requirements, nor admittedly is there any large source open at the moment in the Eastern Hemisphere. Consequently, relief from the famine situation must come from equitable distribution of such foodstuffs as may now be within India or from the importation of wheat. There are larger supplies of wheat in Australia than there are boats to move this grain. Not only is the United States much further from India than is Australia, but at the present time both the West and East coasts of the United States are deficient in wheat. It would appear, therefore, that the most practical way in which the food situation in India could be alleviated, other than through such measures as might be necessary to effect a release of quantities of wheat understood to be withheld in India from public distribution by private speculators, would be the assignment of more shipping to move wheat, first from Australia, and secondly, as perhaps is now being done, from stocks in the United Kingdom. In view of the current distribution of world wheat supplies, there would be no advantage at all in attempting to move wheat supplies from North America to India. In any event, shipping between the United States and India is now subject to British control and it naturally rests with the British to determine to what extent available vessels might be utilized to carry foodstuffs from this country to India.

3) Despite these considerations, the Department of State has continually indicated its desire to assist in every appropriate way in

85 Office of War Information.

<sup>84</sup> No. 679, September 25, 3 p. m., p. 301.

alleviating the Indian food crisis. Efforts were made to secure from the all too inadequate rice stocks in this hemisphere an allocation of rice for India and the possibility of utilizing American shipping space was explored in the event that the shipment of any grain from this country to India was found to be practical or possible. Appropriate officials of the Government have invited suggestions from the British Indian authorities in the United States with regard to means by which this Government could be of help and had any means been perceived as practicable, suggestions would presumably have been made by the latter.

4) The United States Government has been prepared and remains prepared, both on humanitarian grounds and on the basis of its interest in India as one of the United Nations, to render any assistance in the matter which the exigencies of the war render possible.

This matter has been discussed with OWI and it is understood that that organization is advising Block \* of its concurrence.

Should dissemination of the above-mentioned facts be displeasing to the Government of India authorities, it may be made known to them that it is felt that the relations of the Government of India with Reuters are believed to be sufficiently friendly to have enabled the Government of India to prevent that news agency from publicizing items which have reflected unfavorably and unjustifiably on this Government's position with regard to the famine.

HULL

845.5018/49 : Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, October 9, 1943—9 p. m.

539. There are transmitted herewith for the strictly confidential information of the Mission certain additional facts which may be of interest to the Mission regarding the inability of this Government to be of material assistance in connection with the prevailing Indian famine (Reference Department's 538 of October 9):

In the programming of food supplies by the Combined Food Board in Washington, the responsibility in reference to Indian food requirements has, at the insistence of representatives of the United Kingdom, been left to that government. The British member of the Combined Food Board and British representatives on the commodity committees of the Board have depended on London for information on Indian requirements. Generally speaking, they have not appeared to be concerned regarding statements as to Indian needs presented through other channels. For example, the Combined Food Board Committee on Rice received urgent advice, through State Department channels, of a serious shortage in some districts of India. The British member

<sup>86</sup> Ralph Block, senior representative of the Office of War Information in India.

of the committee asked to have this advice checked in London, and later reported that there appeared to be a speculative movement of rice into stocks and that the Government of India was coping with the situation. Again, a representative of the Government of India in the United States on several occasions asked to appear before the Committee on Fats and Oils, but the British member of the committee objected to the committee receiving information on the Indian situation through that channel.

HULL

845.5018/59: Telegram

The Officer in Charge at New Delhi (Merrell) to the Secretary of State

New Delhi, October 11, 1943—7 p. m. [Received October 11—3:46 p. m.]

743. Reference Department's 538, October 9, 8 p. m. Release of statement deferred pending Department's reply to Mission's 727 October 8 unless Department instructs otherwise. External Affairs informs Mission their request made at instance His Majesty's Government after Food Department had requested His Majesty's Government to approach Government United States.

MERRELL

845.5018/59: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, October 13, 1943-7 p. m.

553. While the Mission may follow in so far as it considers desirable the phraseology of the Department's 538 of October 11 [9] in publicizing the facts mentioned therein (reference Mission's 743 of October 11), the Department intended the material in question as background upon which statements or press items could be built.

It has appeared to the Department that the result, perhaps unintended, of some of the British publicity in India is to shift the blame for the famine, in so far as the public mind is concerned, to alleged indifference on the part of this Government. The material supplied the Mission has been intended for use in correcting any impression that measures designed to prevent or relieve the famine properly rested with this Government or were practical for execution by this Government. The Mission will of course use its discretion in the methods to be adopted.

HULL

845.5018/49: Telegram

The Secretary of State to the Officer in Charge at New Delhi (Merrell)

Washington, October 13, 1943—8 p. m.

554. The Department understood from the Mission's 679, September 25, that reply to Mayor of Calcutta by Consulate General was being widely criticized in India because of its negative tone and that the impression conveyed by Reuters press items was encouraging this criticism. (Reference Mission's 727, October 8). It is felt that an inconsistency exists when that reply has been used as a basis for public criticism of the United States attitude as negative and indifferent, and when the Government of India privately describes it as a basis for deep appreciation. While it is realized that the Government of India will disavow responsibility for Reuters items, it is thought that in view of the friendly relations existing between Reuters and the Government of India this inconsistency might be discussed informally with the latter.

This Government is much concerned at the food shortage and is prepared to render any assistance which may be practicable or which exigencies of the war make possible. The Department's 538 of October 9 indicates, however, why the shipment of foodstuffs from this country to India is not, generally speaking, practicable. Furthermore, as also pointed out in that telegram, shipping between United States and India is now under British control and it therefore rests with the British to determine to what extent available space may be utilized for the transportation of any foodstuffs which might be sent from this country. You may also make known to the Government of India the position of the British representatives of the committees operating under the Combined Food Board (Department's 539 of October 9) with regard to action by that Board.

In view of these considerations and in view of the fact that the utilization of ships on the Australia—India run and the utilization of new British ships as suggested in the Mission's telegram under acknowledgment would appear also to rest within the discretion of the British authorities, the Department is unable to perceive any basis for the Government of India's belief that conversations between representatives of this Government and representatives in Washington of the British Ministries of War Transport and Food might usefully be initiated by United States officials. If, however, the British authorities feel that this Government can be helpful in any manner, the Department will welcome suggestions from them. The Department will of course also welcome any specific suggestions with regard to possible assistance by this Government which the Government of India authorities in New Delhi or in Washington may be able to make.

The Government of India may be informed in the premises.

AGREEMENT BETWEEN THE UNITED STATES AND THE UNITED KINGDOM FOR INDIA REGARDING JURISDICTION OVER MARITIME PRIZES BROUGHT INTO INDIAN PORTS

[For text of agreement effected by exchange of notes signed at London June 10 and September 24, 1943, and for President Roosevelt's proclamation of November 28, 1943, regarding this agreement, see Department of State Executive Agreement Series No. 489, or 59 Stat. (pt. 2) 1709.]

REPRESENTATIONS BY THE INDIAN AGENT GENERAL CONCERNING ENACTMENT BY THE STATE OF CALIFORNIA OF AMENDMENTS TO ITS ALIEN LAND LAW

811.5245/52

Memorandum of Conversation, by the Chief of the Division of Near Eastern Affairs (Alling)

[Washington,] April 10, 1943.

Mr. Creagh Coen 87 said that several Indian nationals residing in California had brought to the attention of the Agency General legislation which had passed the Lower House of the California Legislature and was now before a committee of the Upper House. Creagh Coen recalled that some years ago the California Legislature enacted legislation prohibiting aliens ineligible to citizenship from holding and working land in California. Apparently some Indian nationals had been able to evade the intent of this legislation by having property registered in the names of their wives, most of them women of Mexican origin who were eligible to citizenship. The act now before the California Legislature would prohibit aliens ineligible for citizenship from benefiting or profiting from land held in the names of spouses who are eligible for citizenship. I asked Mr. Creagh Coen if he could furnish us with copies of the original act and the legislation now proposed. He said that he was seeking such copies and would send them to us next week.

Meanwhile, he said, he had checked with the Chinese Embassy, which had had no similar complaints from its nationals in California. However, the Chinese Embassy had informed Mr. Creagh Coen that within the past few weeks, when the State of Arkansas proposed to enact legislation discriminatory to aliens ineligible to citizenship, the Department had successfully intervened in preventing the enactment of such legislation.

I told Mr. Creagh Coen that as soon as we receive the copies of the papers which he was to send we should be glad to look into the matter to see what if anything could be done.

<sup>&</sup>lt;sup>87</sup> Of the Indian Agency General.

811.5245/57

Memorandum of Conversation, by the Chief of the Division of Near Eastern Affairs (Alling)

[Washington,] April 14, 1943.

While calling on another matter today, the Indian Agent General <sup>88</sup> referred to the question of legislation now before the California State Legislature involving what Indian nationals there consider discriminatory treatment. This matter had been taken up with me a few days ago by Mr. Creagh Coen of the Indian Agency General.

I told the Agent General that I did not know what could be done—that the subject obviously was a very delicate one. I added that it might be possible for us to take the question up informally, which I thought would be a better approach than any formal communication to the California authorities. The Agent General said he thought it was much better to handle the question informally and, in that connection, he said that if we thought it would be helpful he was perfectly prepared to go to California himself and discuss the question with the Governor. He said he would do this in a most informal and off-the-record way. He believed that he could convince the California authorities by such discussions that the proposed legislation was most undesirable.

I told the Agent General that I should be glad to pass this suggestion along to see what other Officers in the Department thought of it.

811.5245/41

The Indian Agent General (Bajpai) to the Assistant Secretary of State (Berle)

F.104/43

Washington, April 24, 1943.

DEAR MR. BERLE: As arranged yesterday in the course of our conversation, I am sending you an aide-mémoire on the subject of the Bill introduced in the Senate of California, of which certain provisions are likely to affect Indians in that State adversely. I understand that the Bill has already passed the Senate and is now under consideration by the Judiciary Committee of the Lower House. The matter is, therefore, of some urgency and I should be grateful if it could receive your early and sympathetic attention.

Yours sincerely,

G. S. BAJPAI

ss Sir Girja Shankar Bajpai.

No record of conversation found in Department files.
 Enclosure printed below.

## [Enclosure]

The Indian Agency General to the Department of State

## F. 104/43 Memorandum

According to Sections 1 and 2 of the Alien Land Law of the State of California, adopted in November 1920 91 (see appendix I), aliens not eligible for citizenship may not acquire, possess, enjoy and transfer real property or any interest therein in the State. The Senate of California has recently adopted an amending Bill, Section 11a whereof reads as follows:

"Whenever leases, cropping agreements, or any other agreements to acquire, possess, enjoy, use, cultivate, occupy and transfer real property for farming or agricultural purposes or to transfer in whole or in part the beneficial use of said lands are made in the name of the wife or child of any alien mentioned in Section 2 of this act, or made in the name of any other person, and when any such alien mentioned in Section 2 of this act is then or thereafter allowed to remain or go upon the land, farm and cultivate same and enjoy directly or indirectly the beneficial use of such said agricultural lands or obtains or has a beneficial interest in or use of the proceeds received from the sale of the agricultural crops produced on said lands, then any person signing or entering into any such agreement with knowledge that any such alien shall be allowed or permitted to farm and cultivate such land and enjoy directly or indirectly the beneficial use of such agricultural lands or have a beneficial interest in or use of the proceeds received from the sale of the agricultural crops produced on said lands or any person who allows or permits any such alien to farm and cultivate such lands and enjoy directly or indirectly the beneficial use of such agricultural lands or obtain or have a beneficial interest in or use of the proceeds received from the sale of agricultural crops produced on said lands shall be guilty of violation of the terms and provisions of this act, and upon conviction thereof shall be punished in the manner provided in Sections 10 and 10a hereof, and the Attorney General or the district attorney of the proper county shall have the power to institute injunction proceedings in the name of the people of the State of California against any and all such persons for the purpose of enjoining and restraining them from carrying on farming operations on any agricultural lands in the State of California, under the terms and provisions of any such said agreements, contracts, or leases, as hereinbefore provided."

The amending Bill is now before the Judiciary Committee of the Lower House of the State. It has been represented that, as Indians are not eligible for citizenship, the amendment, if allowed to become law, would prevent them from cultivating land held in the name of a wife or child or some other person eligible for citizenship. Precise statistics of the number of persons likely to be affected or the area of land held by Indians by eligible proxy are not available. According

of For correspondence regarding the passage of the California Land Law of 1920, see Foreign Relations, 1920, vol. III, pp. 1 ff.

to such information as is available, however, the number of British Indian subjects who might be hit by the proposed amendment is between 80 and 100 while the area held by these persons through proxy is stated to be about 11,000 acres held under lease and 4,500 acres held in ownership. Details of the territorial distribution of this area are:

	Leased	Owned
Imperial Valley	10,000  Acres	2,000 Acres
(Los Angeles Con-		
sular District)		
Fresno (Central	500 A cres	1,200–1,300 Acres
California)		ACC 23 ACC 1040
Stockton (Northern		400 Acres
California)	2002 Da 2003 24 W.	2000 ACOUNT - 20
Marysville (Northern California)	300-400  Acres	800  Acres
California)		

- 2. It is presumed that the amendment is primarily aimed against Japanese nationals. Indians, however, like the Chinese, who would also appear to be affected, stand in a different category from the Japanese. They are nationals of a country which is at war with Japan and allied, in a strenuous endeavour, with the forces of the United States of America in the endeavour to defeat Japan. It is submitted that this consideration is sufficiently important by itself to justify a request for the exclusion of Indian nationals from the scope of the proposed law. Were economic reasons needed to support this request, it would be legitimate to point out that the number of Indians involved is both small and likely to diminish. Their ownership or occupation of land, as at present, and its continued cultivation could not, therefore, be in any way in conflict with the interests of the rest of the community.
- 3. Opinion in India is especially sensitive on the subject of the rights and privileges of Indian nationals resident overseas. The enactment of a law of the kind in question would come as a severe shock to all sections of the Indian public. It is earnestly hoped, therefore, that action to avert the inclusion of Indians in California in the scope of this law will be found feasible.

G. S. BAJPAI

[Washington,] April 24, 1943.

[Subenclosure]

## APPENDIX I

Alien Land Law.

The people of the State of California do enact as follows:

Section 1. All aliens eligible to citizenship under the laws of the United States may acquire, possess, enjoy, transmit and inherit real

property, or any interest therein, in this state, in the same manner and to the same extent as citizens of the United States, except as otherwise provided by the laws of this state.

Section 2. All aliens other than those mentioned in section one of this act may acquire, possess, enjoy and transfer real property, or any interest therein, in this state, in the manner and to the extent and for the purpose prescribed by any treaty now existing between the government of the United States and the nation or country of which such alien is a citizen or subject, and not otherwise.

811.5245/39a: Telegram

The Secretary of State to the Governor of California (Warren)

Washington, April 28, 1943.

The Indian Agent General, official representative in the United States of the Government of India, has brought to my attention a bill which is understood now to be before the California Legislature which would apparently prevent any alien ineligible for citizenship from cultivating land held in the name of his wife or children. The Indian Agent General has expressed apprehension that the contemplated legislation would cause considerable hardship to British Indians residing in California and would have the doubly unfortunate effect of arousing at this time a feeling in India that the United States is unconcerned with the practical application of the high principles expounded in the Atlantic Charter <sup>92</sup> and other official declarations on the subject of equality of opportunity.

The Department of State is reluctant to bring into question any measure under legislative consideration by California or any other State but feels that in this instance and at this time the proposed legislation would, if enacted, have serious repercussions, not alone in India but in other United Nations, on our unity of aims and purposes. Assurance of full and unreserved collaboration by all the United Nations in the prosecution of the war will in large measure depend, as you will readily understand, upon a firm confidence in the integrity of the United States and steady faith in the broad humanitarian principles which have been expounded by this Government. Any deviation therefrom will be seized upon for propaganda purposes by the enemy, who may be expected to magnify out of all proportion to its true significance any act founded on racial discrimination and to capitalize the issue to our grave detriment, particularly in the countries of the Orient.

<sup>&</sup>lt;sup>22</sup> Joint statement by President Roosevelt and British Prime Minister Churchill, August 14, 1941, Foreign Relations, 1941, vol. 1, p. 367.

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In the circumstances, may I ask you to use your good offices in cautioning the sponsors of the present measure of the probable serious consequences to our large national interests of the enactment of the proposed legislation and to urge them to weigh carefully these considerations before pressing the matter further. It occurs to me that one possible solution of the question would be to insert in the bill a provision making the legislation inapplicable to nationals of members of the United Nations. Such a provision would make the measure inapplicable to British Indians and Chinese, among others.

I should be most appreciative if you would give me the benefit of your advice in this important matter.<sup>93</sup>

CORDELL HULL

811.5245/39a: Telegram

The Secretary of State to the Governor of California (Warren)

Washington, June 4, 1943.

I refer to my telegram of April 28 regarding a bill which was then understood to be before the California Legislature regarding the cultivation of land by aliens ineligible to citizenship and about the possible effect of which on British Indians residing in California the Agent General for India had expressed apprehension. You kindly telegraphed me on the same date that the subject would receive your careful attention.

As issues of national concern are involved I should greatly appreciate such information regarding developments in connection with the proposed legislation as you may be able to send me at this time.

CORDELL HULL

811.5245/53: Telegram

The Governor of California (Warren) to the Secretary of State

Sacramento, June 5, 1943. [Received June 6—11:25 a. m.]

Reference your telegram of June 4, regarding amendments to California Alien Land Law. As originally introduced, this bill may have been susceptible to the inferences of those who object to its approval, but as amended it does not in any way change the definition of an alien whose ownership of California land is prohibited by the existing California statute, nor does it place any greater restrictions on aliens than are contained in the present law. All the bill attempts to do is to improve the enforcement procedure in order to eliminate abuses

<sup>&</sup>lt;sup>89</sup> In a telegram of April 28, Governor Warren acknowledged receipt of the Secretary's telegram and stated that the "matter to which you refer will receive my careful consideration." (811.5245/39a)

and evasions which were so prevalent among the Japanese residents of California prior to Pearl Harbor. I assure you that everything prohibited by these proposed amendments is now prohibited by the existing statute.

We have had no difficulties either before or after Pearl Harbor with nationals of any of our Allies. On the other hand, the Japanese made use of the loose language of the present statute to acquire control of property surrounding airports, aircraft factories, bombing bases, lighthouses, vital necessary public utility installations, port facilities, and even entrances to military cantonments. It is to prevent any repetition of such conditions, particularly if Japanese are to be permitted to return to California during period of war, that military and law enforcement officers and defense officials urge approval of this pending legislation, as essential to the safety of our State, which has been designated as a combat zone.

My letter follows.94

EARL WARREN

811.5245/43

The Governor of California (Warren) to the Secretary of State

Sacramento, June 4, 1943. [Received June 9.]

Dear Mr. Secretary: I am enclosing a confirming copy of the telegram I have today sent you <sup>95</sup> in reply to your wire of June 4, 1943, regarding the bill which was passed at the recently adjourned session of the California Legislature amending the Alien Land Law of this State.

The bill is Senate Bill No. 140. Since receiving your telegram of April 28, 1943, regarding the same subject matter, I have given the legislation my personal attention and consideration. The bill passed the Senate of the California Legislature on March 23, 1943; on April 19, 1943 it passed the Assembly; and on April 23, 1943 it was delivered to me for my consideration. The bill makes several amendments to the Alien Land Law of California which—as you know—has been on the statute books of this State since 1920. As I stated in my telegram of even date, the measure does not enlarge the class of ineligible aliens subject to the provisions of the existing law; it merely attempts to improve the enforcement procedure, in order to eliminate abuses and evasions which were widespread among Japanese residents of California prior to the outbreak of war with that nation.

Immediately after Pearl Harbor a survey was made of the ownership of real property in this State by Japanese, and we were shocked

<sup>94</sup> Infra.

<sup>95</sup> Dated June 5, supra.

to find that, through evasions of the Alien Land Laws, the Japanese in many communities had placed themselves in positions where they could have destroyed essential public utilities, war industries, and—in many instances—military installations and means of communication. It is my belief that it was these findings more than any other factor which impelled the military authorities to evacuate all Japanese from California.

These ownerships of land by Japanese nationals were acquired, not in open and flagrant defiance of the Alien Land Law, but through connivance and subterfuges made possible by the weaknesses of the language in the existing statute. As stated in my telegram of this date, it is to remedy these conditions and to prevent their recurrence—particularly in view of the possibility of a return of the Japanese to California during the period of the war—that the amendments proposed by this bill are necessary at the present time. I desire to assure you that there has been no thought or intention on the part of the sponsors of the legislation that it should have the effect of casting any additional burden upon the nationals of any of the United Nations, or that it should be used to cast any such burden upon them.

For your information, copies of the existing law and of the bill passed by the Legislature are enclosed.<sup>96</sup>

Should you desire any further information on the subject, I shall be glad to furnish it to you.

Very truly yours,

EARL WARREN

811.5245/43: Telegram

The Secretary of State to the Governor of California (Warren)

Washington, June 19, 1943.

I desire to thank you for your letter of June 4 and your telegram of June 5, 1943, in which you set forth the purport and intention of Senate Bill No. 140. While I fully appreciate the circumstances occasioning passage of this Bill by the California Legislature, I should like again to emphasize that there is reason to believe that as British Indians and Chinese will be adversely affected, repercussions inimical to the interests of the United Nations may be expected through the exploitation of what will in the Orient be deemed racial discrimination contrary to the professed ideals of this Government. I should therefore greatly appreciate further consideration on your part of the possibility and desirability of having included in the Bill a phrase exempting from its provisions the nationals of members of the United Nations. As nationals of our Allies would be relieved thereby of any additional hardship there would be greatly diminished such op-

<sup>96</sup> Not reprinted.

portunity as would otherwise exist for unfavorable propaganda on the part of those unfriendly to or suspicious of the aims of the United Nations.

CORDELL HULL

811.5245/43: Telegram

The Secretary of State to the Governor of California (Warren)

Washington, July 7, 1943.

I refer to my telegram of June 19 regarding certain aspects of Senate Bill No. 140. The Department of State has now received a communication on the subject from an East Indian association in California. In order that this communication may be answered appropriately, and that a reply may be made to the Agent General for India in connection with the representations originally made by him on the subject, I should greatly appreciate such further advice from you as may be pertinent at this time. If there have been no further developments, may the substance of your earlier communications on the subject be transmitted to the interested parties?

CORDELL HULL

811.5245/46

The Governor of California (Warren) to the Secretary of State

SACRAMENTO, July 8, 1943. [Received July 15.]

My Dear Mr. Secretary: Your wire of June 19, in response to my letter of June 4 concerning Senate Bill 140, was received after my departure for the East to attend the Governors' Conference. I have just returned and this is my first opportunity to answer your wire personally.

I appreciate the importance of legislative action by the several states being consistent with the interests of our Allies of the United Nations, and we in California would not intentionally take any action, which fairly construed, might be considered to adversely affect those interests. Certainly there was no such intention on the part of our Legislature in the enactment of Senate Bill 140. On the contrary, it was designed to strengthen the procedural sections of the Alien Land Law in order to prevent abuses and evasions, which were so prevalent among Japanese residents of California prior to Pearl Harbor. The substantive rights of the Chinese and British Indians are not affected by the amendment, as everything prohibited by the new statute was prohibited under the law prior to amendment.

The statute still provides, as it did before, that,

<sup>97</sup> Not found in Department files.

"All aliens other than those mentioned in section one of this act may acquire, possess, enjoy, use, cultivate, occupy and transfer real property, or any interest therein, in this State, and have in whole or in part the beneficial use thereof, in the manner and to the extent, and for the purposes prescribed by any treaty now existing between the government of the United States and the nation or country of which such alien is a citizen or subject, and not otherwise."

The land that the nationals of the countries in question are entitled to hold, therefore, depends in the last analysis upon the treaty between this country and the country of which the aliens are nationals.

Before receiving your wire, I had signed Senate Bill 140 and it is now Chapter 1059 of the Statutes of 1943.

Assuring you of our desire to cooperate with the State Department in every possible way, and with best wishes, I am

Sincerely,

EARL WARREN

811.5245/46

The Secretary of State to the Governor of California (Warren)

Washington, August 9, 1943.

MY DEAR GOVERNOR WARREN: I have received your letter of July 8, 1943, in which you inform me that your signature has been affixed to Senate Bill No. 140, and in which you discuss certain aspects of the bill.

I am grateful to you for the explanation of the basis and purpose of this bill, as set forth in your several communications on the subject. The Department will convey to those persons who have communicated on the matter with it, the substance of your remarks. Your portrayal of the subject will, I am confident, be most helpful in alleviating such bitterness and resentment as may exist regarding the bill's passage.

With my appreciation of your expression of good wishes, I am Sincerely yours, Cordell Hull

811.5245/46

The Secretary of State to the Indian Agent General (Bajpai)

The Secretary of State presents his compliments to the Honorable the Agent General for India and refers to representations made by the Agent General in regard to a bill, known as Senate Bill No. 140, passed by the Legislature of the State of California. It has been the Agent General's opinion that the interests of British Indians resident in California would be adversely affected by the bill in question.

As a result of the representations on the subject made by the Agent General, correspondence has ensued between this Department and the Governor of California, in which the objections as perceived by the Agent General were brought to the Governor's attention. The Governor has, however, now informed the Department that he has affixed his signature to the bill which has become Chapter 1059 of the California Statutes of 1943.

In discussing the bill in question, the Governor assured the Department that it had been designed only to strengthen the procedural sections of the Alien Land Law of California in order to prevent further evasions of a sort which, according to the Governor, were extremely prevalent among Japanese residents of California prior to Pearl Harbor. It is the Governor's contention that the substantive rights of British Indians in California are not affected by the bill, as everything prohibited by the new statute was prohibited under the law prior to amendment. The Governor has added that the bill was passed because of a feeling that the security of the State demanded it, and with every desire to refrain from any action which fairly construed might be considered as adversely affecting the interests of nationals of our Allies.

It is realized, with regret, that the information as transmitted herewith may not be entirely satisfactory to the Agent General as presumably his interest has centered more in the possible effect of the measure upon British Indians than in its intent and purpose. The Department is confident, however, that the Agent General will recognize that, as the measure has now become law and as there is no contravention of provision of treaty, there is no further action in the matter which the Department of State can take.

Washington, August 9, 1943.