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**Jawaharlal Nehru's Interim Government,
1946–47: An alternative historical
assessment**

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Teaches at the OP Jindal Global University, Sonipat.



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Jawaharlal Nehru's Interim Government, 1946–47: An alternative historical assessment*

Rakesh Ankit

Introduction

The literature on the independence and partition of India and its aftermath has tended to ignore or belittle the Interim Government. This is the case as much with the classical corpus on the struggle between Indian nationalism and British colonialism, as with subsequent historiographical waves revisiting 1947 through the prisms of region and religion, province and locality. Mainstream historiographies in Britain, India, and Pakistan have described the Interim Government in their own 'nationalist' image. How can one explain this uniformity across time, space, and ideology except by stating the obvious that the closing period of British rule is understood almost solely through the prism of partition and its aftermath? This makes reflection on the Interim Government tangential and as just further evidence for the 'inevitability' of partition.

However, politics and governance moved still on different tracks even in 1946 and this paper, part of a larger attempt to study a unique and crucial government of modern India and offering a glimpse of this multiplicity, shows an arrangement that governed amidst politics and effected a transition amidst the turmoil of 1947. In doing so, it emphasizes the 'transitional' and 'transnational' character of the Interim Government and moves away from the binaries of 'national-colonial' and 'secular-

* Paper presented at a Seminar in the Nehru Memorial Museum and Library, 21 May 2015.

communal'. By showing something of the Interim Cabinet-in-action, this paper seeks to illuminate aspects of the postcolonial 'transmission of power' in India that was shaped as much by legacies of empire as by visions of independence, as much by an enduring colonial 'official mind' as by diverse nationalist elements, and as much by elite networks of 'continuity' as by social agents of 'change'.

One way to bring out the work that the Interim Government did is to move along the viceroalties of Archibald Wavell and Louis Mountbatten, as this paper does. They both headed it for a little more than five months each. Within this period, the months from November 1946 to June 1947 were especially important as some of the major achievements of the Interim Government that left lasting legacies took place then as this paper presents. This paper bases its research on Wavell's journal, relevant *Transfer of Power* volumes, India Office records, hitherto overlooked files containing minutes of the Interim Government's cabinet meetings in the Mountbatten Papers (Hartley Library, Southampton) and supplementing them with private papers held at the Nehru Memorial Library, and published memoirs.

Interim Government under Wavell, 2 September 1946 to 22 March 1947

On 1 September 1946, Jawaharlal Nehru sent Wavell a list indicating portfolios for the Interim Government. It comprised Nehru (External Affairs and Commonwealth Relations), Baldev Singh (Defence), Vallabhbhai Patel (Home, Information, and Broadcasting), John Matthai (Finance), Asaf Ali (Transport, Communications, and Railways), Rajendra Prasad (Food and Agriculture), Jagjivan Ram (Labour), Shafaat Ahmad Khan (Health, Education, and Arts), Ali Zaheer (Legislative, Posts, and Air), C Rajagopalachari (Industries and Supplies), Sarat Bose (Works, Mines, and Power), and CH Bhabha (Commerce). It was not an all-Congress conglomerate, as Bhabha, Baldev, and Matthai were minority representatives. Congress would have liked to keep Finance but Rajagopalachari was 'very much averse to taking

charge', given the heavy responsibility.¹ That day, in their first meeting as prospective colleagues, India's participation in the upcoming session of the UNO was among the first official matters Wavell and Nehru discussed; quite appropriate given Nehru's international outlook.² The first file that Wavell received from the new government was about South Africa from Nehru. The new External Affairs Member was 'quite definite' that New Delhi could not make an approach to General Jan Smuts 'on the lines suggested' by London.³ Pethick-Lawrence, Secretary of State for India, had written that '...Smuts might be persuaded to discuss a new agreement on Indians in the country [if] Government of India would drop their reference to the UNO'.⁴ This expected defiance was enough for Foreign Minister Ernest Bevin to complain about the Interim Government's readiness '...to accept a measure of UK control in foreign affairs'.⁵ While Nehru was 'against making any approach to Smuts on the South Africa question',⁶ in doing so he was building upon the efforts of Dr NB Khare-led Indian Overseas Department over 1944–45;⁷ he was more amenable to the American approach to take diplomatic relationship at the ambassadorial level, something that Wavell was not too enthused about.⁸

The first meetings and decisions of the new government set a 'businesslike and sensible' tone. Nehru was emphatic in his decision to stop bombing tribal Waziristan,⁹ Patel got on 'all right' with Norman Smith, the Director of Intelligence Bureau,¹⁰ and

¹ 1 September 1946, Nehru to Wavell, Item No. 237, pp. 380–2, *The Transfer Of Power in India, 1942–47* (London: HMSO, 1970–82), Volume VIII

² Ibid., 1 September 1946, Wavell's note, Item No. 238, pp. 382–4

³ 3 September 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR (BL)

⁴ 21 August 1946, Pethick-Lawrence to Wavell, No. 15321, L/PJ/8/305, IOR

⁵ 4 September 1946, Cabinet CM (46) 79th, L/PS/12/4631, IOR

⁶ 13 September 1946, Pethick-Lawrence to Wavell, L/PO/10/23, IOR

⁷ RN Banerjee, 'Three Decades in the ICS', Raj Nigam (ed.) *Memoirs of Old Mandarins of India*, Delhi: Documentation Centre, 1985, p. 17

⁸ 6 and 16 September 1946, L/PS/12/2639, IOR

⁹ 11–13 September 1946, Penderel Moon (ed.), *Wavell: The Viceroy's Journal*, Oxford: OUP, 1973, pp. 349–50

¹⁰ Ibid., 5 September 1946, p. 347

Matthai, whom Wavell considered ‘the most capable and intelligent of Ministers’, briefed the Viceroy about India’s greatly deteriorated financial position and the consequent ‘danger of inflation’. Among others, Jagjivan Ram surprised Wavell by his grasp of the contentious subjects under his department like the ‘resettlement of soldiers, labour unrest [and] the position of the Scheduled Castes’.¹¹ Shamaldharee Lall (ICS 1919 and Labour Secretary) later remembered how schemes such as Civil Pioneer Corps, Employment Exchanges, Labour Health Insurance and Miners’ Provident Fund pioneered by BR Ambedkar were all patronized by Ram, Ambedkar’s successor. Lall, ‘at first rather apprehensive as to [Ram’s] attitude to the work determined by his [politically opposed] predecessor’, was pleasantly surprised.¹² NC Shrivastava (ICS 1935 and Under-Secretary, Labour) also recalled how a post-war Reconstruction Committee set up in 1943 and Labour Tribunals of 1944 became the bedrock of the Interim Government’s plans to resettle the demobilized personnel of the British Indian Army.¹³

This paradigm of ‘continuity’ was a hallmark of the Interim Government as some of the initial problems that occupied its attention were all the issues that plagued the post-1947 Nehru government. These were question of food imports from near (Burma) and far (Argentina, Canada, and Australia), the presence of Indian troops from Indonesia to Iraq, and the issue of de-control, protection duties, export charges, and bills for investigation into tax-evasion, bribery, and corruption. Especially on food policy, as DS Bakhle (ICS 1929 and Secretary, Civil Supplies in 1946), remembered how, ‘...with minor exceptions, there was hardly any change of substance’.¹⁴ If Smuts and South Africa was the first foreign policy skirmish for Nehru and Wavell,

¹¹ Ibid., 13 and 17 September 1946, pp. 350–1

¹² S Lall, ‘An Indian Civil Servant’, KL Panjabi (ed.) *The Civil Servant in India*, Bombay: BVB, 1965, p. 19

¹³ Shrivastava, ‘ICS and Development Administration’, Raj Nigam (ed.), p. 316

¹⁴ DS Bakhle, ‘The Error of the Government and the Trial of the People’, KL Panjabi (ed.), op. cit., p. 234

then the conduct of Governor Robert Francis Mudie in Sind emerged as the first domestic battle. Nehru 'objected' to Wavell about the part Mudie was playing between the Congress and the League.¹⁵ Wavell replied that the Governor-General's control on provincial governors was 'in his personal capacity'. Nehru responded that this 'old position' was no longer tenable as 'Sind [had] its repercussions elsewhere and the Cabinet [could not] remain a silent spectator'.¹⁶ This last point was itself a bone of contention as the Congress seemed to under-appreciate 'the extent of provincial autonomy' in the Government of India Act, 1935.¹⁷

Anticipating these early exchanges, Pethick-Lawrence's India Office had issued a circular that '...it is HMG's declared intention to treat the Interim Government as much as possible as if it were the Government of a Dominion'.¹⁸ Wavell too had made some changes '...in the Rules of Business to conform with the spirit of...the new Government'. It was no longer the duty of the departmental secretaries to be in touch with him directly; that obligation was now on the ministers. Although Nehru was not technically the Prime Minister then, Wavell recognized him as such.¹⁹ This had its limits though; Nehru's desire for the 'withdrawal of Indian troops' from abroad prompted little response from Claude Auchinleck, the C-in-C. Annoyed, he complained to Wavell that it was 'difficult to function in the dark' about the Defence and Political Departments.²⁰ The withdrawal of Indian troops from Indonesia was also related to the question of importing rice from there given the critical food situation in India and, taking initiative, Nehru sent Kewal Panjabi (ICS 1922 and later Food Secretary) to Indonesia.²¹ As he put it to Stafford

¹⁵ 5 September 1946, Nehru to Wavell, Item No. 259, pp. 422, *TOP*, Volume VIII

¹⁶ *Ibid.*, 8 September 1946, Nehru-Wavell exchange, Item Nos. 280 and 281, pp. 448–9

¹⁷ *Ibid.*, 5 September 1946, George Abell to Wavell, Item No. 262, p. 425

¹⁸ 16 September 1946, Monteath's note, L/PJ/7/4933, IOR

¹⁹ 10 September 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

²⁰ 18 September 1946, Nehru to Wavell and Wavell to Pethick-Lawrence, L/WS/1/1052, IOR

²¹ KL Panjabi, 'My Experiences in the ICS', KL Panjabi (ed.), p. 101

Cripps, his friend and the 'India-hand' in the Attlee Cabinet, '...we are not just caretakers for a brief period'.²² Indeed, the American Famine Commission, visiting in 1946 lauded the subcontinent's highly successful system of procurement and rationing in place since the Bengal Famine of 1943. Under the Interim Government, India postponed famine without imports for six months despite a shortage of seven million tonnes of foodgrains.²³

Bevin's displeasure notwithstanding, the Interim Government got its way, more or less, like a Dominion Government on a range of matters such as the establishment of a UK High Commission in India, separate representation in Nepal and Afghanistan, and exchange of ambassadors with America.²⁴ Even when Wavell 'disliked' Nehru's proposal to have Krishna Menon visit Europe as his 'personal representative' and carry a message from Nehru about food to the Soviet Foreign Minister Molotov, as especially 'ill-advised and ill-timed',²⁵ he acquiesced in it. It was a steep learning curve for both sides. Nehru too was resisting 'opportunities to make points against the British'.²⁶ For instance, he dropped his insistence on an immediate withdrawal of Indian troops from abroad and supported Wavell on a commercial air agreement with America.²⁷ The Americans 'were allowed to operate three routes across India' but New Delhi secured its main point, which was 'to retain some control over the capacity of the services'.²⁸ Pethick-Lawrence at the India Office too was busy with his own juggling act. He wanted to protect the 'discretionary powers' of governors and the viceroy but at the same time thought it 'desirable' to consult the Interim Government 'on matters falling in that field'. He agreed that Nehru could not see all the important correspondence between the Political Department and

²² 20 September 1946, Nehru to Cripps, CAB 127/143, TNA (Kew)

²³ RA Gopalaswami, 'Initiatives and Implementation in ICS', Raj Nigam (ed.), *op. cit.*, p. 83

²⁴ See File L/PS/12/4045, IOR

²⁵ 23 September 1946, Wavell to Pethick-Lawrence, L/PS/12/4045, IOR

²⁶ 1 October 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

²⁷ 9 October 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

²⁸ 13 November 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

the states as that would tantamount to infringing paramountcy and yet wanted to invest his membership with real meaning. He was worried about Krishna Menon's activities especially his meeting with Molotov for wheat but could not persuade the Attlee Cabinet to divert 100,000 tonnes of Canadian wheat to India.²⁹ Pethick-Lawrence was also annoyed when Nehru directly approached Aung San over the matter of Indian troops in Burma in mid-October.³⁰ Nehru's reply on this matter illustrates the uneasy coexistence of the British officials and the Indian politicians in the realm of external affairs during the Interim Government:

I am not unaware of our relations with HMG. But I do not understand how those relations come in the way of our conferring with the present government of Burma on a common matter of interest. We shall naturally keep HMG informed.³¹

In mid-October, with the League having 'made up their mind to come in', the stage was set for a reconstruction of the Interim cabinet.³² From 12 to 23 October 1946, three-way negotiations between Wavell, Jinnah, and Nehru on portfolios for the incoming League members dominated the political record,³³ as the historical literature shows. These political difficulties notwithstanding, major structural initiatives continued and the government approved Patel's proposal of the formation of the future IAS and Nehru's proposal of the formation of a Foreign Service.³⁴ During this time it also abolished Gandhi's pet target since 1930, the salt tax,³⁵ send a delegation to the Preparatory Committee on Trade

²⁹ 4 October 1946, Pethick-Lawrence to Wavell, L/PO/10/23, IOR

³⁰ 11 October 1946, Pethick-Lawrence to Wavell, L/PO/10/23, IOR

³¹ 11 October 1946, Nehru to Wavell, Item No. 438 (enclosure), pp. 707–8, *TOP*, Volume VIII

³² 14 October 1946, Penderel Moon (ed.), op. cit., p. 359

³³ See pp. 704–5, 709–10, 721–2, 726, 729–30, 733–4, 740, 742, 763–4 *TOP*, Volume VIII

³⁴ 15 October 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

³⁵ 15 October 1946, Oebderek Moon (ed.), op. cit., p. 359; 22 October 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

and Employment of the Economic and Social Council of UNO led by RK Nehru (ICS),³⁶ and decide that nine Gurkha battalions officered by Indians would be employed in the future Indian Army.³⁷ Matthai, meanwhile, got a list of prominent industrialists from GD Birla. Except MA Ispahani ('Leaguer'), GL Mehta (finance officer of the princely state of Gwalior) and RK Shanmukham Chetty ('very much disliked in Congress'), it had names of all the subsequently famous houses of the license-permit era: Goenka, Tata, Mohta, Premchand Roychand, and Kasturbhai Lalbhai.³⁸

The tug-of-war between Wavell and Congress finally ended on 23 October when the latter offered Finance and Commerce to the League,³⁹ and Jinnah accepted them along with three other portfolios.⁴⁰ For these, he chose Posts and Air, Health and Legislative. He nominated Liaquat Ali to Finance, Ibrahim Ismail Chundrigar to Commerce, Abdur Nishtar to Posts and Air, Ghazanfar Ali to Health, and JN Mandal to Legislative.⁴¹ It was also agreed that Nehru would continue as leader of the House and Nishtar would be leader of the Council of State.⁴² With the coalition in place a Cabinet Coordination Committee was created.⁴³ Issues that were stuck such as like sterling balances negotiations could now move forward and here Wavell was

³⁶ 18 October 1946, Pethick-Lawrence to Wavell, L/PO/10/23, IOR

³⁷ 30 October 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

³⁸ 21 October 1946, Subject File Serial No. 40, Rajagopalachari Papers (V Instalment), NMML

³⁹ 23 October 1946, Nehru-Wavell correspondence, Item Nos. 494–96, pp. 777–85, *TOP*, Volume VIII

⁴⁰ *Ibid.*, 24 October 1946, Wavell-Nehru correspondence, Item Nos. 503–04, pp. 800–01 and Wavell to Pethick-Lawrence, Item Nos. 506 and 509, pp. 803–04

⁴¹ *Ibid.*, 25 October 1946, Wavell-Jinnah correspondence, Item Nos. 512–13, pp. 806–07

⁴² *Ibid.*, 26 October 1946, Wavell to Pethick-Lawrence, Item No. 521, pp. 825–6

⁴³ *Ibid.*, 30 October 1946, Nehru-Wavell correspondence, Item Nos. 528–29, pp. 835–8

satisfied to learn that both Patel and Liaquat adopted a similarly generous attitude towards London.⁴⁴ On the eve of swearing-in of the League Members, Wavell's thoughts summed up the challenge for the Interim Government:

Coalition Government...will be sworn in tomorrow under ominous auspices—the riots in East Bengal, restlessness in Bombay and Calcutta, the deep mistrust between the Party leaders...That an agreement has been reached at all is something of an achievement.⁴⁵

On 26 October 1946, the assembly started and the new cabinet took its place. On the first afternoon, Matthai 'backed up a speech by Liaquat on a resolution on Bretton Woods'.⁴⁶ Four days later, Wavell chaired the first meeting of the new cabinet in which a 'not-on-party-lines-at-all' discussion took place to set up a Joint Consultative Committee to deal with matters of common administrative concern to British India and the states.⁴⁷ The India Office moved swiftly to take advantage of this governmental honeymoon. It sought an 'interim reciprocal convention for the protection of commercial interests' between India and the UK, while getting 59,000 tonnes of cereals from America for India for the last quarter of 1946.⁴⁸ In November 1946, Wavell's reports to London usually had 'one cheerful item', which related to the 'really well' functioning of the Interim Cabinet. These meetings in New Delhi were in stark contrast to the devastating communal situation in Bengal and Bihar. In the first week of November, the cabinet dealt with proposals '...for encouraging small savings, establishment of a Price Fixing Committee, instructions to India's UN delegation about trying to secure a seat for India on the SC,

⁴⁴ *Ibid.*, 30 October 1946, Wavell to Pethick-Lawrence, Item No. 527, pp. 834–5

⁴⁵ 25 October 1946, Moon Penderel (ed.), *op. cit.*, p. 364

⁴⁶ 30 October 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

⁴⁷ 5 November 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR; 30 October 1945, Penderel Moon (ed.), *op. cit.*, p. 367–8

⁴⁸ 1 November 1946, Pethick-Lawrence to Wavell, L/E/8/4120 and L/PO/10/23, IOR

demobilisation and establishment of a Railway Protection Force...'.⁴⁹ Matthai encouraged Wavell by telling him that if the coalition 'could keep together for the next month or two it might turn out all right'. Nehru and Liaquat spoke 'sensibly' on most matters, while Rajagopalachari and Nishtar were their 'loquacious' colleagues.⁵⁰ In spite of all the feeling between the parties, Rajendra Prasad on agriculture, Jagjivan Ram on labour, Nishtar on telecommunications, and Chundrigar on cotton exports, each knew their departmental affairs as much as they were caught up in the Bihar and Bengal disturbances.⁵¹

In the third week of November, Wavell reported that '...curiously enough Cabinet meetings continue to pass in a sensible atmosphere...'⁵² and noted, '...if only the leaders were as reasonable outside Cabinet as inside it...'.⁵³ In December, when Wavell was away in London, John Colville officiating in his place reported that '...in spite of the state of party feeling, I must say that all the Cabinet meetings have been friendly and correct...'.⁵⁴ At this time, the feeling was—as the journalist B Shiva Rao wrote to the veteran liberal leader Sir Tej Bahadur Sapru—that this 'transition stage will be longer than we think [and] the Interim Government must press forward'.⁵⁵ Arguably the biggest concern, as Wavell returned, was the 'famine threat' and Rajendra Prasad was among the first ministers the Viceroy met. Prasad 'wanted Turkish wheat urgently'. The first cabinet meeting of 1947 was held on 3 January and discussed ways to pay for grain imports.⁵⁶ Soon, Liaquat was preparing budget estimates, the cabinet discussed and accepted the report on the RIN mutiny, the coal

⁴⁹ 6 November 1946, Penderel Moon (ed.), op. cit., p. 373

⁵⁰ Ibid., 12–13 November 1946, p. 376

⁵¹ Ibid., 20–22 and 25 November and 27 December 1946, pp. 380–1, p. 383 and p. 400

⁵² 22 November 1946, Wavell to Pethick-Lawrence, L/PO/10/23, IOR

⁵³ 27 November 1946, Penderel Moon (ed.), op. cit., p. 383

⁵⁴ 23 December 1946, Colville to Pethick-Lawrence, L/PO/10/23, IOR

⁵⁵ 18 December 1946, Rao to Sapru, Correspondence File, B Shiva Rao Papers, NMML

⁵⁶ 2–3 January 1947, Penderel Moon (ed.), op. cit., pp. 404–05

report was passed, and possibilities of thorium and uranium extraction in Travancore were raised.⁵⁷ In mid-January, Nehru and Liaquat put their heads together on the question of INA release, control of tribesmen, withdrawal of British troops from India, the Damodar valley project, and other irrigation and power projects like Kosi, Narmada, and Hirakud.⁵⁸ This display, howsoever fleeting, could not have been more timely for, the subcontinent was heaving with food distribution breakdowns, lack of textiles, labour troubles, and slow developmental plans. At this time with Asaf Ali appointed as India's first ambassador to America there was another reshuffle. Maulana Azad came in as Member, Education; Rajagopalachari was moved to Industries and Supplies, and Matthai went from there to Transport and Railways. The new cabinet met on 15 January and discussed 'the report on planning'—later to become the bedrock of India's First Five-Year Plan.⁵⁹

The next cabinet meeting saw Baldev Singh recommending release of all convicted INA men and restoration of their pay for the period when they were fighting the British in the north-east. The cabinet was united on these concessions and wanted to announce them before 23 January when Sarat Chandra Bose was holding a meeting in Calcutta in memory of his deceased brother and the INA leader, Subhash Chandra Bose. This was one matter on which Wavell, Auchinleck, and London were equally 'firm' and the Viceroy believed that '...if we all stand firm, my Cabinet will not force the issue and may even be encouraged to stand up to the left-wing'.⁶⁰ There were other issues too on which they remained united like 'the possibility of labour trouble, railway and coal strike', as there remained matters in which 'the communal element obtruded itself' like press ordinance, which

⁵⁷ *Ibid.*, 7–8 January 1947, pp. 406–07

⁵⁸ 14 January 1947, Wavell to Pethick-Lawrence, L/PO/10/24, IOR and 23 January 1947, Wavell to Pethick-Lawrence, Item No. 299, pp. 534–5, *TOP*, Volume IX

⁵⁹ 9 and 14–15 January 1947, Penderel Moon (ed.), *op.cit.*, pp. 409–11

⁶⁰ *Ibid.*, 20 January 1947, p. 412

the League was convinced was a ‘device of Patel’s to muzzle *Dawn*’.⁶¹ Wavell faced more difficulty in his last month on the combined ‘demand for withdrawal of British troops’ and the ‘INA business’, than any inter-Congress-League squabble and the cabinet passed key orders on rice procurement and wheat import.⁶² As Matthai remembered, neither on ‘day-to-day administration’ nor on ‘questions at issue between India and Britain’ was there ‘any difference’: ‘the principal cause of dispute was the administration of the Home Department’.⁶³

The next political crisis, triggered by the League’s rejection of the Constituent Assembly on 1 February 1947, came just as the budget session was beginning. The cabinet, however, was still capable of discussing significant long-term matters such as ‘the strength of the post-war Indian Army’ and the budget figures, which showed a deficit of Rs. 68 crores.⁶⁴ A key component of the budget was its allocation for defence. Baldev and Auchinleck had sought Rs. 146 crores but Liaquat and the Finance Department were offering Rs. 90 crores. Wavell and the cabinet sided with Liaquat and held that India would ‘have to speculate on a period of peace’. Another aspect was the control of foreign exchanges where again the cabinet put up a united front. Finally, the question of the Secretary of State services, their withdrawal and compensation was looming large now. There were nineteen departments in the Government of India in 1947 excluding the political and legislative branches but including the Cabinet Secretariat. Of these nineteen secretaryships, 14 were held by British officers and 5 by Indians. These fourteen held by the British needed to be replaced soon by Indians.⁶⁵ Another matter, which saw the Interim Government in ‘fairly lively’ action in the month of February, was the question of the post of Indian High

⁶¹ *Ibid.*, 21 January 1947, p. 413

⁶² *Ibid.*, 22, 24, 27 and 30 January 1947, pp. 414–15

⁶³ Matthai Manuscript, Accession No. R-10823 (Roll 1), John Matthai Papers, NMML, pp. 1–8

⁶⁴ 1 and 8 February 1947, Penderel Moon (ed.), *op. cit.*, pp. 416–18

⁶⁵ 12 February 1947, Wavell to Pethick-Lawrence, L/PO/10/24, IOR

Commissioner in the UK and its transfer from the Commerce Department to the External Affairs Department.⁶⁶ This decision, challenged by Chundrigar as the League wanted to send Nazimuddin to London, symbolized the expansion of the External Affairs Department under this government, belying its interim status. In November 1946 there were 34 diplomats (14 Indians) of various standings representing New Delhi abroad. By February 1947 India had initiated discussions for diplomatic relations with France and the USSR, among major powers. In March a priority list of countries was drawn for diplomatic exchange. In April, 15 Emergency Commissioned Officers were selected for the first batch of Foreign Service for which Sir Akbar Hydari was serving in an advisory capacity.⁶⁷

From mid-February 1947, budget proposals over-shadowed everything else in matters of governance. To meet the aforementioned deficit the Finance Department had proposed new taxes in the form of a Business Profits Tax, an increased Corporation Tax, a changed Super-tax, a Dividend Tax, and a Capital Gains Tax. Liaquat also proposed a 'high-powered tribunal to deal with tax evasion'. Wavell arranged a meeting with Nehru and Matthai to discuss these proposals on 17 February, when '...all went well, the meeting was amicable and the proposals were accepted'.⁶⁸ So much so that Wavell wrote in his diary that '...one would certainly never imagine from the atmosphere of friendly discussion that each side was demanding the withdrawal of the other...'.⁶⁹ Much ink has been spilled around the politics on Liaquat's budget of 1947. The financial reality was less dramatic. On 28 February the full Cabinet heard the budget proposals. It was presented in the Assembly the same day and was followed by a largely non-party lines discussion. Liaquat was supported by diverse figures such as NV Gadgil and Tanizuddin Khan.⁷⁰ As Maulana Azad put it in his memoirs: 'We were not

⁶⁶ 12 and 26 February 1947, Wavell to Pethick-Lawrence, L/PO/10/24, IOR

⁶⁷ See File L/PS/12/4644, IOR

⁶⁸ 17 February 1947, Penderel Moon (ed.), op. cit., p. 421

⁶⁹ Ibid., 26 February 1947, p. 424

⁷⁰ See File L/E/8/5502, IOR

against Liaquat Ali's proposals in principle [but] having secured [our] assent, he proceeded to frame [extreme] specific measures...Patel and Rajagopalachari were violently opposed to his budget'.⁷¹ RN Banerjee (ICS 1920 and Home Secretary 1947–48) recalled:

[Liaquat's budget] was treated [by the Congress] as a Muslim budget aimed primarily against Hindu capitalists...This view was not shared by the officials. Even a casual comparison would show that Liaquat Ali's budget laid the foundation of the socialistic regime of the Congress...Nehru's sympathy was for the budget. He was less hostile to [it] than other non-Muslim Congress members of the Cabinet.⁷²

It was a full week later that the crisis erupted. On 5 March Nehru, Patel, and Bhabha sent in minutes, dissenting from the record of the Cabinet meeting of the 28th. Wavell was especially incensed at Nehru who had agreed with the proposals earlier as well, on 17 February. It appeared to Wavell that the Congress was now 'trying to rat or hedge' in the face of the budget's unpopularity with its 'big business supporters'.⁷³ The budget was handed over to a Select Committee. Here, Liaquat 'carried his proposals through with some modifications of the Business Profits Tax'.⁷⁴ Matthai, who had during his brief tenure of the Finance Department himself asked the Central Board of Revenue to examine possible sources of revenue, would elaborate on the controversy thus:

The underlying idea behind the proposals was [to replace] the Excess Profits Tax in view of the large estimated deficit. With this view, I agreed...Industrial profits were still ruling high and large-scale evasion was still in progress. Conditions in this respect had in fact not materially changed since the

⁷¹ Maulana Abul Kalam Azad, *India Wins Freedom*, Hyderabad: Orient Longman, 1988, pp. 188–90

⁷² Oral History Transcript, RN Banerjee (Acc. No. 366), pp. 107–8, NMML

⁷³ 5 March 1947, Penderel Moon (ed.), op. cit., p. 425

⁷⁴ *Ibid.*, 17–18 March 1947, pp. 429–30

war ended and it was obvious that the principal assumption on which Sir Archibald Rowlands had based his budget beliefs in the previous year, that deflation was round the corner, was entirely falsified...I believe that in the conditions of early-1947 the taxes were logically justified but viewed against the romantic background of the budget speech produced a psychological impression.⁷⁵

Wavell's last cabinet meeting began on 19 March 1947 and was dominated by the INA case. He pre-empted his colleagues by announcing his 'intention to overrule, in the light of the effect on morale of the Army', their assent for the release of the prisoners.⁷⁶ The departing Viceroy's last meeting was with his Member, Finance. On the evening of 22 March, he saw Liaquat and advised him to reduce the rate of the proposed Business Profit Tax from 20 per cent to 16 ½ per cent, which Liaquat accepted, 'provided Congress agreed to support all other Budget proposals', which, in turn, they did. Theirs had been, as HM Patel, the Cabinet Secretary, later felt, an '...emotional reaction [with] no serious justification...to have made such a big issue...I do not think there was anything that could be taken as an attack on Hindu Commerce...'.⁷⁷ Upon his return to London Wavell met with the India and Burma Committee on 28 March and issued the following two-line appreciation:

Proceedings in the Cabinet had been conducted in a friendly, good-humoured and practical manner. This, however, had not drawn the Congress and Muslim League closer together.⁷⁸

⁷⁵ Matthai Manuscript, Accession No. R-10823 (Roll 1), John Matthai Papers, pp. 1–8

⁷⁶ 19 March 1947, Penderel Moon (ed.), op. cit., p. 431; 20 March 1947, Wavell to Pethick-Lawrence, L/PJ/10/83A, IOR

⁷⁷ Ibid., 22 March 1947, Penderel Moon (ed.), op. cit., p. 432; Oral History Transcript, HM Patel, (Acc. No. 90), p. 12, NMML.

⁷⁸ 28 March 1947, IB (47) 16th Meeting, L/PJ/10/78, IOR

Interim Government under Mountbatten, 22 March to 14 August 1947

Perhaps the least explored aspect of Louis Mountbatten's viceroyalty in India is his stewardship of the Interim Government. The most telling illustration of this is the fact that whereas in his predecessor's *Journal*, there are sixty references to the Interim Government, in the premier biography of Mountbatten by Philip Ziegler, there is not a single mention of it in the 5 chapters dealing with Mountbatten's viceroyalty in India, though, between 22 March and 14 August 1947, Mountbatten was the *chief executive of the last government* of a united British India. Even after Partition plan was announced and focus shifted to the Partition Council, the Interim Government continued till mid-August and bequeathed legacies to independent India not the least of which was the budget. Indeed, the one and only item on the agenda of Mountbatten's first cabinet meeting on 25 March was the budget. By now, agreement had resulted on three of Liaquat's taxation proposals: the Business Profits Tax, the Capital Gains Tax, and the Dividend Tax.⁷⁹ The one remaining discord was the investigation commission for tax evasion. Nehru 'accepted the principle of investigation' but worried that it might become an 'inquisition'. In reply, Liaquat's suggestion of a cabinet committee to examine the specifics was agreed upon and Mountbatten nominated Liaquat, Prasad, Matthai, and Rajagopalachari to go into the bill, clause by clause.⁸⁰

Next day (26 March), Mountbatten had his second cabinet meeting and the minutes record an impressive amount of work done, belying the temporary or divided nature of the cabinet. The first item was the question surrounding protection for cotton industries in the country. Chundrigar, Commerce Member, presented the Tariff Board's report which had recommended that 'protection should be withdrawn'. Rajagopalachari, the Industry

⁷⁹ 25 March 1947, MB1/D56 (1), Mountbatten Papers, Hartley Library, Southampton

⁸⁰ 26 March 1947, MB1/D127 (1) and 27 March 1947, MB1/D56 (1)

and Supplies Member however, considered it desirable that protection should be continued for one year. A debate ensued in the course of which it became clear that in 1947–48 at least, the industry would not have to face any real competition from abroad as there was a global shortage of cotton. Keeping this in mind, the cabinet approved the Commerce Department's proposals. If this can be construed as a straight face-off between Congress and League with the latter prevailing upon the former's concern, fed as those were by the Birla–Bajaj combine of Congress' financial backers with cotton being their flagship industry, then the second issue of protection to the grinding wheels industry saw inter-party wires being crossed. Here, the Tariff Board had recommended that the infant industry should be protected by an import duty of 80 per cent. The Inter-departmental Committee headed by Liaquat, on the other hand, was of the view that it was undesirable to levy so high a duty on imports. Chundrigar and Rajagopalachari were on the same side on this, disagreeing with Liaquat. A third matter was that of iron and steel industry where the question was whether new production should be in state or private hands and what should be the target of production for the next five years. Rajagopalachari, later a critic of license-permit Raj, was of the view that government-owned units should be set up and only if they failed, should private parties be considered. With Nehru and Liaquat agreeing, the Cabinet approved the suggested target of five million tonnes of steel and decided that two new steel producing units each of 500 thousand tonnes capacity should be set up by a government corporation. The seed was sown for the future heavy industrial complex.⁸¹ The final matter was a request for troops from the Nizam of Hyderabad for manning power stations in the princely state, as a communist-inspired strike was threatened. Ordinarily assistance of this nature was not afforded to Indian states but Baldev Singh opined that he would like to assist in this case as three of Indian Army's cantonments located nearby could be affected too. Accordingly, the cabinet authorized the employment of troops.⁸²

⁸¹ 26 March 1947, MB1/D56 (1)

⁸² 26 March 1947, MB1/D56 (1)

A similar spirit of cooperation was evinced when, upon Eric Coates' departure as Cabinet Secretary in end March, Liaquat agreed to HM Patel's appointment after having initially asked Mountbatten for a British successor.⁸³ This pace of work was kept up till early April. On 2 April, Nehru made clear his aversion to use air bombing against the tribesmen in the NWFP as suggested by Governor Olaf Caroe and supported by Auchinleck and, more than that, asserted his and the central government's right to issue such orders.⁸⁴ Next day brought the next meeting where the recommendations of the Central Pay Commission arrived and the cabinet decided to increase the minimum wage, dearness allowance, and maximum pay, in view the country-wide labour troubles of 1946. Following this Mandal, Member Legislative, desired to expedite on the codification of Hindu Law. A committee had been appointed back in 1941 and now the cabinet agreed to introduce a bill in the ongoing session setting in motion what Nehru finally achieved in 1951. Also, during this time a couple of key appointments were made. Liaquat agreed to appoint eminent physicist Dr Homi J. Bhabha as chairman of a Council of Scientific and Industrial Research committee. In turn, the Congress members agreed to the appointment of Nishtar to the Defence Committee of India for post-war demobilization discussions. Finally, Chundrigar reported that Robert Hutchings, leader of the Indian delegation at the International Wheat Conference in London, had informed him that against India's requirements of 2.25 million tonnes in 1947–8, it was being offered 1.5 million tonnes at a higher price of 160 cents. The cabinet agreed to these terms, reluctantly.⁸⁵ By now, Mountbatten had already succeeded on one front where Wavell could not. He had persuaded Liaquat and Nehru to form appointment committees,⁸⁶ which were working amidst increasing communal

⁸³ 28 March 1947, MB1/D127 (1)

⁸⁴ 2 April 1947, MB1/D56 (1)

⁸⁵ 3 April 1947, MB1/D56 (2)

⁸⁶ 8 April 1947, Mountbatten to Liaquat and 14 April 1947, Nehru to Mountbatten, MB1/D127 (1); external comprising Nehru, Liaquat and Matthai and internal comprising Patel, Liaquat and Baldev Singh.

mayhem, on major issues of economic planning, size of India's post-war armed forces, and pay/compensation of the Secretary of State services. Matthai told Mountbatten that 'Cabinet Committees, so violently opposed...were working with the utmost success...Liaquat and Nehru could work together'.⁸⁷

Liaquat and Nehru were working better than expected but on the other hand Liaquat, Baldev, and Auchinleck were finding it difficult to do so. On 9 April, Baldev Singh asked for an additional Rs. 5 crores for the expansion of the navy and the air force. Liaquat replied that he had agreed to a defence budget of Rs. 102.5 crores, which was Rs. 2.5 crores more than could really be spared. He could not give the additional amount because revenue for 1947 was not likely to exceed Rs. 200 crores. Of this, Rs. 45 crores would meet the debt charges while Rs. 15 crores would go for expansion of the Foreign Service and the implementation of the recommendations of the Pay Commission. Besides this, Rs. 19 crores would be lost by the abolition of the salt duty. Against this, Corporation Tax was expected to yield Rs. 4 crores, Super Tax Rs. 2½ crores, Capital Gains Tax Rs. 2 crores and the Business Profit Tax was expected to yield Rs. 12 crores. Rs. 140 crores would thus be left of which the defence department now wanted Rs. 107.5 crores. It would not be possible for the Interim Government to run on the balance of Rs. 32 crores. The cabinet accepted Liaquat's arguments. This left Baldev Singh unhappy.

Nehru brought up the question of enlistment of Gurkhas in the British Indian Army. It was on 23 October 1946, that it was decided Gurkhas would be retained in the post-war Indian army and that London should be informed since New Delhi was opposed to their employment of Gurkhas. Liaquat argued that the decision to retain Gurkhas in the post-war Indian Army had been taken before the League Members became a part of the Interim Government. The majority view of the Defence Consultative Committee, with which he was in agreement was that Gurkhas should not form part of the Indian Army. He felt that '...it was

⁸⁷ 4 April 1947, Mountbatten's interview with Matthai, Item No. 74, p. 122, *TOP*, Volume X

objectionable to employ *foreigners* when we had sufficient manpower available in the country...'. Mountbatten stalled this by asking Baldev Singh to prepare a paper setting out the arguments for and against the employment of Gurkhas in the Indian Army. One of the important steps of the Cabinet was to take up the issue of a threatened strike by ordnance employees from UP against retrenchment. Baldev suggested a hard-line approach, which was accepted by the cabinet which agreed that the government was not bound to give six months' pay as gratuity to all persons retrenched and would not give pay for certain strikes and lock-outs. Working hours would not be reduced to 42 hours a week as demanded, unions would not be recognized unless they accepted rules, and cases against employees charged with assault and breach of peace would not be withdrawn. The one complication of this otherwise straight trade union versus government battle was that the UP government apprehended that if the strike did take place, it might take a communal turn. During the war workers had to be recruited wherever available and strict adherence to communal representation was not possible. Retrenchment, however, was effected now in such a way that communal representation was maintained. The result was that Hindus were being retrenched and they threatened to strike.

Thereafter, the Commodity Prices Board recommendations were made. On the question of the level of purchase price of rabi for 1947–8, Chundrigar said that he could not understand why the Sind Government's proposal to raise the statutory maximum price for wheat to the same level as that fixed for the Punjab should be rejected. During discussions that followed it became clear that Sind's proposal was aimed at changing the existing policy that no provincial government should make profit on the sale of food grains and also this could result in similar demands from other provinces. It was felt undesirable to modify a policy that was working satisfactorily and thus set a bad precedent. Liaquat agreed with this view, another instance of amicable settlement of cross-party decision as the Sind Government was of the Muslim League. Finally, on the sterling balance negotiations, Liaquat informed that London had invited him to

come to the UK in the latter half of May, and Liaquat proposed to go as head of India's delegation with two other cabinet members, the RBI Governor, and a body of non-official advisers drawn from the legislature and the chamber of commerce. The cabinet agreed and Nehru's opinion was sought as to which two Cabinet members would accompany Liaquat.⁸⁸ With such intensive and substantial meetings under his belt, it was natural that Mountbatten's second personal letter as well as a separate update to Pethick-Lawrence reported 'smooth' meetings.⁸⁹ Nehru's department in particular was moving ahead. By May, envoys were nominated to Ceylon and Malaya in consultation with Liaquat and Chundrigar and diplomatic representation to Europe and Nepal was being considered; MK Vellodi was given acting charge of London in agreement with Chundrigar, and Girja Shankar Bajpai was selected as Secretary-General, External Affairs and Commonwealth Relations.⁹⁰

In the next meeting, on 17 April, Mountbatten brought up the question of the employment of Gurkhas in the Indian Army that had already proven to be a point of friction. Whether India should employ foreigners in its army and should India show special consideration to Nepal? This became a matter of political principle for the Defence Committee. While Liaquat '...thought it wrong and even dangerous in principle for subjects of a foreign country to be employed...', he accepted that '...owing to past association of Gurkhas with the Indian army, Nepal's position was different'. He was willing to take Gurkhas domiciled in India in the army, 'as a token of friendship to Nepal'. Nehru's contention was that it was a decision that '...did not mean any new departure in our policy but rather the continuance of an existing practice...'. *Ergo*, Mountbatten reminded Nehru that in '...reconsidering this matter [New Delhi] was not entirely a free agent....', because of the UK

⁸⁸ 9 April 1947, MB1/D56 (2)

⁸⁹ 9 April 1947, Mountbatten's Personal Report No. 2, L/PO/6/123, IOR and 11 April 1947, Mountbatten to Pethick-Lawrence, L/SG/7/914, IOR

⁹⁰ 14 April 1947, (VV Giri to Ceylon and John A Thivy to Malaya), 28 and 30 April 1947, Mountbatten to Nehru, 1 May 1947, Nehru to Mountbatten and 7 May 1947, Mountbatten to Nehru, MB1/D127 (1)

Government's priorities. Liaquat countered that the employment of Gurkhas would affect the number of Indians recruited, especially in the Punjab. Gurkhas should come in the category of caste Hindus otherwise the position and share of the scheduled castes would also be affected. Mountbatten said that the possible effect on the Punjab could be mitigated and the view of the majority clearly was to recruit the Gurkhas. Liaquat wanted it '...recorded that he and the Muslim League were opposed to having any foreign nationals in the Indian army'. The Congress might have won this battle with the League but it was about to lose the war against London. Nehru was told that the UK Government's desire to continue their links with Nepal could not be contested. Turning to other matters, Nehru mentioned Asaf Ali, Indian ambassador to US, representing India at the special meeting of UN General Assembly on Palestine on 28 April. Liaquat, surprisingly, agreed to this proposal. One would have thought the Muslim League would not easily allow a Congress-Muslim to represent India on the key Arab–Jew question in a world forum.⁹¹

On 23 April, Rajagopalachari once again brought up the very important expansion plan of the cotton industry. Announced in May 1946, it was now deemed 'over-restrictive' and he sought the cabinet's approval to his proposal to issue licences to persons who could produce satisfactory evidence of being able to import spindles within eighteen months. The cabinet approved it and also decided that administrative measures should be taken to guard against any regionally lopsided expansion. Another issue Chundrigar took up was the proposed compulsory scheme of insurance against civil commotion and riot risks that the commercial community demanded given the prevailing disturbed conditions in the country. Patel had made a suggestion to this effect to Liaquat. Chundrigar had consulted the Association of Insurance Companies in Bombay and had found them agreeable to cooperating with the government. The cabinet decided that a draft scheme should be prepared by the Commerce Department.

⁹¹ 17 April 1947, MB1/D56 (2)

Another key decision by Nehru was to bring up the transfer of Persian Gulf administration under the direct control of London and the special session of the UN on Palestine—matters on which there was unanimity of opinion.⁹² The cabinet was eager to shed the Persian burden and support the Palestine cause. On the crucial question of compensation to officers of the Secretary of State's services and comparable personnel in the defence, the cabinet, under the leadership of Patel showed unanimity in dealing with London. Liaquat had consistently lent strong support to Patel on this matter vis-à-vis Wavell and he continued doing so now against Mountbatten making it a proper Delhi versus London issue.⁹³ At the end of his first month in India, Mountbatten had come to the conclusion that the Congress and League Members were 'statesmanlike in Cabinet [but] demagogue when in public'.⁹⁴

On 30 April, the key question of sterling balances negotiations emerged. Liaquat had earlier discussed it with Nehru and they had agreed that Matthai should be requested to serve on the Indian delegation. As regards the other cabinet member, after toying with the name of Bhabha, Nehru had agreed to Rajagopalachari on Liaquat's insistence.

Perhaps the best example of inter-departmental unity was seen on the next item: 'counteracting communist activities on Railways'. Matthai began by saying that about forty per cent of railway workers were under communist influence and there was unanimity on exercising close control on them. The Pay Commission's recommendations were to be given effect by a coordinated action between different departments.

Another non-contentious matter was the development of North-East Tribal Areas, for which Nehru recommended appointing Verrier Elwin and Mountbatten agreed.⁹⁵ On 6 May,

⁹² 23 April 1947, MB1/D57 (1)

⁹³ 24 April 1947, MB1/D57 (1)

⁹⁴ 24 April 1947, Mountbatten's Personal Report No. 4, L/PO/6/123, IOR

⁹⁵ 30 April 1947, MB1/D57 (1)

the creation of a selection board for Foreign Service, under the present rules of communal representation, and constitution of a Cabinet Committee for the same was cleared. This received the approval of Nehru, Chundrigar, and Baldev Singh.

The proposal to set up a permanent Tariff Board was considered, bringing together Chundrigar and Rajagopalachari.

Jagjivan Ram's and Liaquat's departments produced the Coal Conciliation Board's report while the Defence Committee of Nehru, Nishtar, Baldev and Auchinleck drafted a plan for war on the assumption that India would not be engaged in a major war before 1957.⁹⁶

And thus, Mountbatten's trip to London in mid-May, otherwise an exhaustively covered affair, also saw him deliver an over-looked tribute to the Interim Government at the India Committee: 'The Interim Government had, perhaps, worked more successfully than [either] Congress [or League] would admit'.⁹⁷ Upon his return on 28 May various department reports were discussed. Prasad drew attention to the fact that the position of food grains in the country was a matter of grave anxiety. Nehru brought up Smuts' intransigence and reported diplomatic approaches from Burma, Nepal and Belgium. The most important item was taken up last: the sterling balances negotiations where the cabinet approved Liaquat's suggestion that while princely states could not send a representative, they could have an adviser attached to the delegation.⁹⁸ With the announcement of the Partition Plan on 3 June, however, the Interim Government was overtaken by first, a Special Committee and then, from 1 July, by the Partition Council with its Steering Committee and ten expert committees.⁹⁹ Nevertheless, neither did it stop existing nor did it stop meeting. Of course, it was not the same anymore and a 'standstill' agreement was adopted whereby no member could pass any order that was likely to be objected by the successor

⁹⁶ 6 May 1947, MB1/D57 (1)

⁹⁷ 20 May 1947, IB (47) 26, MB1/D191

⁹⁸ 28 May 1947, MB1/D57 (1)

⁹⁹ See File MB1/D127 (2)

governments. The kind of not so crucial topics that the Interim Cabinet could tackle now is clear from the agenda for the meeting on 11 June. The list contained exploitation of North Andaman forest areas by private corporations; recommendations of a panel on woollen industry; removal of control from coconut oil; imposition of control on *vanaspati*—it was the one thing on which Rajendra Prasad had ‘strong opinions’¹⁰⁰; order against inflammatory speeches; loan of rice from Burma and wheat from elsewhere, and sending a delegation to the FAO conference in Paris.¹⁰¹

Some topics still brought out the old, coalitional spirit, for instance the report of Indian shipping committee: a straight Indian versus Foreigner issue, Import policy: another Indian versus Foreigner issue and financial assistance to be granted to Indian students abroad. However, when Prasad wanted the cabinet’s confirmation of the brief to be sent to the Indian delegation to the International Wheat Council, Liaquat pointed that India would be a surplus country in food grains and Pakistan a deficit country after August and, therefore, ‘...any commitments entered into by the Indian Delegation should be binding only on [India]...’.¹⁰² The Interim Cabinet that used to meet on successive days in March and more than once a week in May was now meeting once in ten days. Nevertheless, when in July, Nehru discussed expansion of Assam Rifles and Patel brought up expansion of provincial police, Liaquat supported the proposals. Other questions such as the pensions of members of services other than the ICS/IP, especially the railways, to be tackled by a committee comprising of Patel, Liaquat, and Matthai; acquisition of a cruiser for the Indian navy from the RIN, to be handled by Nehru and Baldev after Liaquat agreed to it by making clear that its purchase would be conditional upon its cost not being set off against sterling balances; Afghan claims on the NWFP to be handled by Nehru after Liaquat agreed

¹⁰⁰ Lobo-Prabhu, ‘Commitment to Covenant and Country’, Raj Nigam (ed.), op. cit., p. 187

¹⁰¹ 11 June 1947, MB1/D57 (1)

¹⁰² 25 June 1947, MB1/D58 (1)

to it having been assured of Nehru's hard-line against the irredentist claims of Afghanistan—could still bring about some impression of a government also intending to govern.¹⁰³

However, increasingly, items were either being deferred or taken away from the Interim Cabinet. On 9 July the setting up of the income-tax investigation commission was deferred until after 15 August. Matters which fell under international obligations were to be discussed by the Partition Council. Demands by provinces and states for arms were given to the Armed Forces Reconstitution Committee. Retrenchment of personnel in the Defence Department and ordnance depots was to be on hold until after 15 August. Only the inauguration of the UK BOAC route to Ceylon via Karachi and Bombay was undertaken as an exception to the 'standstill agreement'.¹⁰⁴ Food control however saw the Interim Government in action deep into July 1947, when it created a Food Grains Policy Committee chaired by Sir Purshotamdas Thakurdas. Both Rajendra Prasad and his predecessor JP Shrivastava had tried to break controls but had made little headway and left the problem to the post-47 government.¹⁰⁵ On 16 July, at the last cabinet meeting, Mountbatten read the epitaph of the Interim Government thus:

[It] was not a Coalition in the ordinarily accepted sense and the partnership had been a technically difficult one...made easy, however, by the sense of statesmanship displayed.¹⁰⁶

Conclusion

How then to assess the record of the Interim Government? In absolute terms, it fell apart and Partition took place. This became a standard line of attack on it. It has been presented as a virtual 'paralysis' and 'standstill'; characterized as a 'prelude to partition'

¹⁰³ 4 July 1947, MB1/D58 (1)

¹⁰⁴ 9 July 1947, MB1/D58 (2)

¹⁰⁵ Lobo-Prabhu, 'Commitment to Covenant and Country', Raj Nigam (ed.), op. cit., p. 186

¹⁰⁶ 16 July 1947, MB1/D58 (2)

that was 'short but painful...hardly sweet'; understood as an 'impossible collective', an 'unreal coalition', even a 'house on war' and termed a 'disservice' done to India by Wavell.¹⁰⁷ To some of the partisans, it was a 'farce-facade-total failure'.¹⁰⁸ And yet, as we read above, the Interim Government, in its own way, was a bridge in the transition from empire to dominions in British India; a process that these judgements made in the light of Partition do not account for. JM Lobo-Prabhu (ICS 1928), who looked after Nehru when he was imprisoned in 1934 at Dehradun and rose to become the first Custodian of Evacuee Property in 1947, has left his succinct opinion of the Interim Government:

Truly one could not care less, because whoever was on top, [we] were engaged as usual...Mountbatten broke like thunder but apart from dividing men and machines, papers and tables; the work went on as usual.¹⁰⁹

Dinshaw Nargolwala (ICS 1939) was told in November 1945, when he was posted to Calcutta from Bombay: '...you are a setting Sun in Bombay and a rising Sun in Calcutta. You will find the same faults in Calcutta and the same type of officers...'.¹¹⁰ The same can be said for the interim transition period: British India was a setting sun, independent India the rising. Both had similar faults and similar figures. After all, seven out of eleven provinces of India did not see partition and the British-established government machines remained intact there. The Interim Government's interactions with these provincial governments coalesced around maintaining law and order in the face of feared Communist influence in Madras, industrial and agrarian labour unrest in UP, the rise of Hindu communalism in CP, fear of famine

¹⁰⁷ See the biographies of Nehru by Michael Brecher, Stanley Wolpert and Judith Brown; Patel by Rajmohan Gandhi and writings on Partition and Independence of India by Ayesha Jalal, Anita Inder Singh, RJ Moore, Joya Chatterji and Sumit Sarkar.

¹⁰⁸ See the memoirs of Penderel Moon, Shahid Hamid and Dharma Vira.

¹⁰⁹ Lobo-Prabhu, 'Commitment to Covenant and Country', Raj Nigam (ed.), op. cit., p. 187

¹¹⁰ SD Nargolwala, 'Civil Servants had to be Generalists and Specialists', Raj Nigam (ed.), op. cit., p. 243

in Bombay, and deterioration of law and order in Bihar—each as much an issue in 1946 as in 1948. At the same time, Orissa, a young and new province, was embarking on major development plans sanctioned by the Interim Government. Indeed, a key entry-point into that interim period is to look at these provincial governments in the non-partitioned provinces through a prism of ‘continuity and change’.

Externally, as recently celebrated,¹¹¹ Nehru’s government was busy establishing an international identity, while not yet independent, with India’s Delegation to the UN in 1946 and the Asian Relations Conference in 1947 being the highlights. Samar Sen (IFS 1947) was one of the officials assigned to the UN Delegation and later recalled ‘several dilemmas and difficulties’ in ‘having to serve Vijayalakshmi Pandit as the leader of the Indian delegation and yet [be] under the general administrative control of Girja Shankar Bajpai [India’s Consul-General in US]’.¹¹² Any study of the Interim Government, then, that moves *beyond* independence, shifts *besides* Partition and goes *above* the resultant nation-states, offers an alternative genealogy of present-day India along precisely such dilemmas and difficulties.

¹¹¹ See, Manu Bhagavan, *The Peacemakers* Harper Collins India, 2013.

¹¹² Samar Sen, ‘Even at the Risk of Life’, Raj Nigam (ed.), op. cit., p. 350