Ministers' attention is drawn to the extremely secret nature of the attached paper on Indian Policy (C.P.(47) 1) which will be discussed in Cabinet at 11 a.m. on Tuesday, 7th January. The Prime Minister has directed that this paper, which is for the personal information of Ministers only, should be returned to the Cabinet Office immediately after the Cabinet at which it is discussed.
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C.P.(47) 1

4th January, 1947

CABINET

INDIAN POLICY

Memorandum by the Prime Minister

The India and Burma Committee have now revised the draft statement on Indian policy which the Cabinet considered on 31st December. I attach the revised draft for consideration by my colleagues.

C.R.A.

Cabinet Office, S.W.1.

1. It has long been the policy of successive British Governments to work towards the realisation of self-government in India. In pursuance of this policy an increasing measure of responsibility has been devolved on Indians and today the civil administration and the Indian Armed Forces rely to a very large extent on Indian civilians and officers. In the constitutional field the Acts of 1919 and 1935 passed by the British Parliament each represented a substantial transfer of political power. In 1940 the Coalition Government recognised the principle that Indians should themselves frame a new constitution for a fully autonomous India, and in the Offer of 1942 they invited them to set up a Constituent Assembly for this purpose as soon as the war was over.

2. His Majesty's Government believe this policy to have been right and in accordance with sound democratic principles. Since they came into office, they have done their utmost to carry it forward to its fulfilment. The declaration of the Prime Minister of 15th March last which met with general approval in Parliament and the country, made it clear that it was for the Indian people themselves to choose their future status and constitution and that in the opinion of His Majesty's Government the time had come for responsibility for the government of India to pass into Indian hands.

3. The Cabinet Mission which was sent to India last year spent over three months in consultation with Indian leaders in order to help them to agree upon a method for determining the future constitution of India, so that the transfer of power might be smoothly and rapidly effected. It was only when it seemed clear that without some initiative from the Cabinet Mission agreement was unlikely to be reached that they put forward proposals themselves.

4. Those proposals, made public in May last, envisaged that the future constitution of India should be settled by a Constituent Assembly composed, in the manner suggested therein, of representatives of all communities and interests in British India and of the Indian States.

5. Since the return of the Mission an Interim Government has been set up at the Centre composed of the political leaders of the major communities and it is exercising wide powers within the existing constitution. In all the Provinces Indian Governments responsible to Legislatures are in office.
6. It is with great regret that His Majesty's Government find that there are still differences among Indian politicians which are preventing the Constituent Assembly from functioning as it was intended that it should. It is of the essence of the plan that the Assembly should be fully representative. The failure of Indian politicians, who have all expressed an eager desire to be rid of British control, to agree among themselves even on the machinery for deciding on the constitution to replace the existing form of Government must create an unfavourable impression on world opinion.

7. His Majesty's Government desire to hand over their responsibility to authorities established by a constitution approved by all parties in India, but unfortunately there is at present no clear prospect that such a constitution and such authorities will emerge. The present state of uncertainty is fraught with danger and cannot be indefinitely prolonged. His Majesty's Government wish to make it clear that it is their definite intention to effect the transference of power in India by a date not later than the middle of 1948.

II

8. For the last century peace and security have been assured to the people of this great sub-continent, now containing over four hundred million people, by the Government of India under British control. Continued peace and security are more than ever necessary today if the full possibilities of economic development are to be realised and a higher standard of life attained by the Indian people.

9. His Majesty's Government are anxious to hand over their responsibilities to a Government which, resting on the sure foundation of the support of the people, is capable of maintaining peace and administering India with justice and efficiency. They once more urge all parties to sink their differences in order that they may be ready to shoulder the great responsibilities which will come upon them next year.

10. But if a new constitution has not been worked out by then in accordance with the proposals made by the Cabinet Mission in May last, which represent the greatest measure of agreement attainable after months of hard work, His Majesty's Government will have to consider to whom the powers of the Central Government in British India should be handed over, whether as a whole to some form of central Government for British India, or in parts to the existing Provincial Governments, or in such other way as may seem most reasonable and in the best interests of the Indian people.

III

11. Although the final transfer of authority may not take place until the middle of 1948, preparatory measures must be put in hand in advance. It is essential that there should be no falling off in the efficiency of the civil administration and that the defence of India should be fully provided for.
But inevitably, as the process of transfer proceeds, it will become progressively more difficult to carry out to the letter all the provisions of the Government of India Act 1935. Legislation will be introduced in due course to give effect to the final transfer of power.

12. In regard to the Indian States, as was explicitly stated by the Cabinet Mission, His Majesty's Government do not intend to hand over their powers and obligations under paramountcy to any Government of British India. It is not intended to bring paramountcy, as a system, to a conclusion earlier than the date of the final transfer of power, but it is contemplated that the relations of the Crown with individual States may be adjusted by agreement.

13. His Majesty's Government will negotiate with the successor authorities agreements in regard to matters arising out of the transfer of power.

14. If any members of the large European community in India should wish to send their families home for the time being, arrangements will be made to enable them to do so. But His Majesty's Government believe that British commercial and industrial interests in India can look forward to a fair field for their enterprise under the new conditions. The commercial connection between India and the United Kingdom has been long and friendly, and Britain has a great contribution to make towards the development of Indian industry. This hope that British commerce will flourish in the new India on a basis of goodwill and common interest is strengthened by the known attitude of responsible Indian leaders.

IV

15. The association of the peoples of Great Britain and India has achieved much in its long history that is notable and enduring for good. The step now announced marks the climax in the long period of deliberate preparation and development which has been the dominating feature of this association for many years past. When the voluntary cession of power has taken effect, and the responsibility of the British Parliament has ceased, the future of India and its success and prosperity will depend on the wisdom and statesmanship of the Indian leaders.

16. His Majesty's Government cannot conclude this statement without expressing on behalf of the people of this country their good will and good wishes towards the people of India as they go forward to this final stage in their achievement of self-government. It will be the wish of everyone in these islands that, notwithstanding constitutional changes, the association of the two peoples should not be brought to an end; and they will wish to continue to do all that is in their power to further the well-being of India.