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STATEMENT BY THE DELEGATION OF INDIA ON THE PAKISTAN DELEGATION'S  
AMENDMENT TO ARTICLE 75 AND ON THE SPEECH OF THE PAKISTAN DELEGATE  
IN SUPPORT OF THE AMENDMENT

The following communication received from the delegation of India is submitted for the information of delegates:

1. With reference to the amendment proposed by the Pakistan Delegation to Article 75 of the draft Charter (document E/CONF.2/C.6/2/Add.5 of 4th December 1947) and the speech made by Mr. M. H. Gazdar, Delegate for Pakistan, in Committee VI (Organisation) on 16th December, 1947, the full text of which has been circulated (document E/CONF.2/INF.68 dated 19th December, 1947), the Indian Delegation wishes to make the following statement.

2. The Pakistan Delegation have proposed the substitution of the words "India and Pakistan" for "India" occurring in sub-paragraph I (a) of Alternative A of Article 75 of the draft Charter, and the Pakistan delegate has described this as a purely "verbal amendment". In support of this amendment, the Pakistan Delegation have stated that the Preparatory Committee has used the word "India" in the sense of India before partition throughout the Charter. This statement is incorrect. At the time when the draft Charter was finalised at Geneva, India was already partitioned, and India and Pakistan had come into existence as two independent Dominions. Throughout the Charter, therefore, India has been used in the sense of the Dominion of India. That is why wherever it was found necessary to refer to pre-partition India, the Charter does so by qualifying "India" by words like "as at 10th April 1947" or "before partition" as has been done at pages 59, 65 and 67. There could, therefore, be no doubt that "India" in Article 75 refers to the Dominion of India and not to pre-partition India, and consequently the amendment proposed by the Pakistan Delegation is one of substance and not a purely verbal amendment as stated by the Delegate for Pakistan.

3. The decision of the Preparatory Committee to include India in sub-paragraph (a) of paragraph I of Alternative A and in sub-paragraph (a) of paragraph 5 of Alternative C was based on a careful consideration of India's relative economic importance after partition. The Committee

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unanimously agreed that, even after partition, the Dominion of India retained her position as one of the eight countries of chief economic importance and that the Dominion was accordingly entitled to a non-elective seat on the Executive Board, should the principle of non-elective seats be adopted. (Vide the Proceedings of Commission B on the 17th August, 1947, and the speech of Sir Raghavan Pillai, Leader of the Indian Delegation, in document E/PC/T/B/PV/31 dated the 17th August 1947). The contention of the Pakistan Delegation, therefore, that India secured this recognition on the basis of her pre-partition status is entirely without foundation.

4. Before the Preparatory Committee decided to include the Dominion of India among countries of chief economic importance, the Indian Delegation circulated to other Delegations a statement giving the relevant facts and figures regarding the relative economic importance of the new Dominions of India and Pakistan. This statement is reproduced below as part of this statement for the information of the Delegations to this Conference. The Delegate for Pakistan has suggested that the ratio of 2 : 1 between the Dominions of India and Pakistan has been used by the Governments of the two Dominions for partition purposes and that if the same ratio were used in this case, the Dominion of India, in point of economic importance, would rank below Argentina, Italy, Australia and Sweden (Document E/CONF.2/C.6/SR.13 dated 17th December, 1947). The Indian Delegation wishes to point out that there has been no agreement between the Governments of India and Pakistan adopting the ratio of 2 : 1 for the purpose of determining the relative economic importance of India in relation to Pakistan. On the contrary, under an agreement just concluded on the division of cash balances between the two Governments, Pakistan has been allotted roughly 18.75 per cent of the balances. Indeed, for the present purpose, the ratio is not a matter of agreement, but one of statistical fact, and is, therefore, to be determined on the basis of figures, for population, national income and external trade of India and Pakistan respectively, as has been in the statement of the Indian Delegation reproduced below. What is more important, however, is that even if, for the sake of argument, the figures in the statement below were to be re-calculated on the basis of the ratio suggested by the Pakistan Delegation (namely, India : Pakistan = 2 : 1), due allowance being made for the trade between India and Pakistan, which after partition becomes the foreign trade of each, the Dominion of India would still rank among the first eight countries of chief economic importance and thus continue to be  
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entitled to a non-elective seat, should the principle of non-elective seats be adopted.

5. The Pakistan Delegation have suggested that if India is allotted a non-elective seat on the Executive Board, she should share it with India on the analogy of the seat allotted to the Customs Union of Belgium, Luxembourg and the Netherlands. The Indian Delegation wishes to point out that the trade and customs relations of India and Pakistan are at present governed by a stand-still agreement which is limited in duration to the period ending the 28th February next, and that no analogy could be drawn between this temporary arrangement and the "Benelux" Customs Union. India and Pakistan may enter into permanent or long-term arrangements in future to cover their mutual trade and it is to provide for such arrangements that the Indian Delegation has proposed an addition to Article 94 of the draft Charter. But the fact remains that no such arrangement is at present in existence. In the circumstances India cannot be expected to commit herself to joint representation with Pakistan on the Executive Board merely on the ground that in the past they formed parts of one country.

DOCUMENT E/PC/T/173 DATED THE 15TH AUGUST, 1947, CIRCULATED AT  
GENEVA AFTER PARTITION OF INDIA AND BEFORE THE PREPARATORY  
COMMITTEE DECIDED TO INCLUDE THE DOMINION OF INDIA AMONG  
COUNTRIES OF CHIEF ECONOMIC IMPORTANCE

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"INDIA'S RELATIVE ECONOMIC IMPORTANCE BEFORE AND AFTER PARTITION

With reference to Part B, paragraph II (b) of the Report of the Committee on Voting and Membership of the Executive Board and paragraph 1 (a) of the text of Article 72 recommended by that Committee (E/PC/T/143), the Indian Delegation wishes to circulate the following statistical data to show that in order of economic importance the Dominion of India will rank at least as high as India did before partition.

Before Partition

The relative economic importance of India before partition is indicated by the following figures given on page 11 of the document E/PC/T/143.

Foreign Trade (average 1938/39 and latest 12 months available)	...	27 points
National Income, 1940	... ..	<u>24 points</u>
Total:		<u>51 points</u>

On the basis of these figures, India before partition ranked seventh, the first six countries being United States of America, United Kingdom, Union of Soviet Socialist Republic, France, Canada and the Netherlands.

After Partition

1. National Income

The national income of the whole of India including Pakistan has been estimated at \$12,000 million. The population of Pakistan amounts to 69 million or 18 per cent of the total population of India including Pakistan, which is 386 million (1941 Census). On the basis of this ratio, the points to be assigned to the Dominion of India on account of national income at the rate of 2 points for every \$1,000 million, work out to 20.

2. Foreign Trade

The average foreign trade of India including Pakistan in 1938/39 and the latest twelve months amounted to Rs. 4,560 million, or roughly \$1,370 million, which, at the rate of 20 points for every \$1,000 million, is equivalent to twenty-seven points.

3. The average foreign trade of the two ports of Pakistan, namely, Karachi and Chittagong during the same period was approximately Rs. 636 million, or \$191 million, which is equivalent to four points.

4. Therefore, if no account is taken of the trade between the Dominions of  
/India and

India and Pakistan, the points to be assigned to the Dominion of India on account of foreign trade would be twenty-three.

5. The trade between the Dominions of India and Pakistan will, however, be part of the foreign trade of each. It is estimated on the basis of the average for 1938/39 and the latest year, that Pakistan will export to the Dominion of India at least 4.85 million bales of raw jute valued at Rs. 50<sup>4</sup> million and at least 560,000 tons of wheat valued at RS. 96 million. It is estimated, further, that exports of sugar from the Dominion of India to Pakistan will amount to at least 134,000 tons valued at Rs. 56 million. These figures are based on actual trade movements and involve no speculation as to the future. The total trade between India and Pakistan on account of these three commodities only, namely, jute, wheat and sugar, would thus amount to at least Rs. 656 million or \$197 million, which is equivalent to four points. If only two more points were added to cover only a part of the trade in the numerous other commodities such as cotton piece-goods, cotton, rice, hides and skins, coal, jute manufactures, oilseeds, tea etc., the additional points to be allowed to the Dominion of India on account of its trade with Pakistan would be six.

6. The total number of points to be assigned to the Dominion of India on account of its foreign trade on the basis of the preceding two paragraphs would, therefore, be ~~twenty~~ twenty-nine. The net result is as follows:

National Income of the Dominion of India	20 points
Foreign Trade of the Dominion of India	<u>29 points</u> (minimum)
Total	<u>49 points</u>

7. The above estimates have been made on the most conservative basis and are intended to serve only the immediate purpose. They will suffice to show that the Dominion of India taken by itself and independently of any customs relationship it may have with Pakistan will by no means rank lower than seventh in order of economic importance and would in fact rank much higher if all relevant factors were taken into account. The Dominion of India, therefore, should not have been excluded from the list of countries given in paragraph 1 (a) of the text of Article 72 recommended by the Committee."

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