Dates of Recording 7-8-1970.

### G.L.MEHTA

## Mr. Shanker

Shri G.L.Mehta is an eminent economist, a leading authority on Indian commerce and industry, author of several books and articles and a public speaker reputed for his wit and humour. He has had several contacts with Mahatma Gandhi and other national leaders since his student days.

A graduate and subsequently an Honorary Fellow of the London School of Economics, Mr. Mehta started life as a journalist, having been Asstt. Editor of Bombay Chronicle from 1923 to 1925 and later for over 20 years, until 1947, served the leading shipping firm - Scindia Steam Navigation Co. as its Calcutta Manager for most of the time.

Since 1937, Mr. Mehta has attended several international conferences in various capacities, chiefly as the President of the Federation of Indian Chamber of Commerce and Industry.

He was a member of the Indian Constitution Assembly in 1947, President of Indian Tariff Board from 1947 to 1950, Member of Planning Commission between 1950 and 1952 and Chairman of the Tariff Commission during 1952.

For six years, from 1952 onwards, Mr. Mehta was India's Ambassador to U.S.A. and concurrently as India's Ambassador to Mexico.

In 1959, Mr. Mehta was awarded the distinction of Padma Vibhushan by the President of India.

Mr. Mehta was Chairman of Hindustan Shipyards Ltd. and National Shipping Board from 1958 to 1963 and a member of the Board of Directors of AIR INDIA and Indian Airlines between 1965 and 1967.

At present nearing 70, Mr. Mehta holds with distinction the important office of the Chairman of the Credit and Investment Corporation of India Ltd., besides being the Chairman of Indian Investment Centre, New Delhi. Wix He is also actively associated as Chairman, President or Director with a number of Cultural, Scientific and industrial organisations in Bombay.

## PART I

Mr. Mehta commences his reminiscences with his recollections of various events and personalities associated with the freedom movement since his

student days and while he was associated with the Scindia Steam Navigation Co.

# Shri Mehta

After finishing my studies in Bombay University, I proceeded to study at the London School of Economics and after my return from there I joined as Asstt. Editor of the Bombay Chronicle as I was very fond of journalism. The Editor that time was Syed Abdulla Brelvi, a well-known, nationalist, Muslim leader who was like a member of our family. For nearly a year from Oct. 1925 Pothan Joseph, who was at that time one of the brilliant journalists of India, was Joint or Associate Editor. When I joined the Bombay Chronicle, I was once deputed to cover the first session of the Legislative Assembly in 1923 (February/March) when the Swaraj Party under Motilal Nehru made its debut (entry) into the Legislature. I then came in contact with Pandit Motilalji who impressed me as a very dignified and rather witty person. I had also the opportunity of knowing other leaders, including Shri Vithalbhai Patel, who was previously Mayor of Bombay and subsequently became Speaker of the Legislative Assembly. I had the opportunity to come into contact with some other leaders also.

Earlier than this, when I was at school, it was in 1915 that I first had the opportunity of meeting Gandhiji with my father. He had just returned from South Africa and, if I remember right, I met him at the Marwari Vidyalaya in Bombay. He was squatting on the ground and we did accordingly. He made one remark which I still remember. He said, referring to the untouchables, for whom he coined the expression Harijans later, he said he called them 'suppressed classes' rather than depressed classes' and added that this phrase had been given to him by C.F. Andrews. That year there was a session of the Congress, presided over by Sir S.P. (Satyandra Prasad) Sinha, who afterwards became Lord Sinha, and Gandhiji spoken there. In those days there were no microphones or loud-speakers and when Gandhiji came on the rostrum wearing a turban and a long Kathiawari kind of dress, he was vocitorously cheered because of what he had done in South Africa. But his voice did not carry very much, and, being very young at that time, we were rather disappointed because we could not hear him. On the other hand, the voice of Surendranath Banerji carried through the whole pandal (enclosure for meeting) and reverberated in the pandal. I still remember the kind of speech that he made proposing before the Congress session, that Sir Pherozeshah Mehta, who was called the 'Lion of Bombay' and one of the foremost leaders of the Liberal

Party or Moderate Party at that time, passed away.

While I was in the Bombay Chronicle I was one of its two or three principal editorial writers. I did not look to the news side or anything but was mainly concerned with the writing of editorials. And directly I came into touch at that time with some of the leaders in Bombay, one of whom this present generation would not remember but the r quite an institution in his time - Lakshmidas Raoji Tersi. He was in many ways a remarkable man, though occasionally eccentric in his behaviour but he was a very devoted social worker. It was during this time also - and I remember in May 1923 - that I first had the privilege of meeting Subhas Chandra Bose. We had a common friend, Dilip Kumar Roy, a well-known musician at that time, who afterwards went to Pondicherry . Dilip Roy and myself travelled together by steamer, where I was coming back from Europe and we made friends on board. He told me about Subhas Chandra Bose, as one of the most remarkable men who was up and coming. I went to the A.I.C.C. session which was being held in Bombay and, somehow instinctively felt, looking at the rostrum, that the particular person must be Subhas Bose. His was really a striking figure and face. Subsequently I met him and we had a little talk in a small office at Meadow Street, of a gentleman who afterwards became a Member of Parliament and with whom I was on friendly terms until he passed away - B.Das of Orissa. Subhas Bose then explained to me that he and his party, which was led by Deshbandhu Das, were in favour of change in the policy, that is going into the legislatures, while Rajaji was the leader of the 'No-Change Party'. Subhas Bose told me that if they were making a mistake in this, they would find out something else but to have no-change was a negative policy. I also recollect that that was the first time I heard Rajaji speaking. He made a speech in support of khadi being compulsorily worn by Congressmen and he made, in his usual way, a neat speech with short, crisp sentences which I can never forget.

I served in the <u>Bombay Chronicle</u> for about two and a half years but I found that journalistic work was telling on my health, but apart from that, my circumstances were such that I had to find some other work. Accordingly I joined the Scindia Steam Navigation Co., of which my father was one of the promoters and a Director - a foundation Director and was Director almost—until he passed away. I joined the Rangoon office of the Scindia Co. as Asstt. Manager and, after nearly two years, went to Calcutta where I served for 20 years. Altogether I was for 22 years in this Co. and during this period I also represented the Indian Chamber of Commerce on the Calcutta

Port Commissioner's Pilot Advisory Committee, Light-house Committee and several other bodies, Apart from what we tried to do to build up Indian shipping, in the face of competition and opposition of British Shipping interests—and when we did not have a national Government — we also tried to see that there was Indianisation of Port Trust services, marine services and pilot services and so on, and we tried also for the employment of the Dufferin cadets — trained in the Marine Training Ship 'Dufferin' which is in Bombay — on various services. I was also very active at that time in the Indian Chamber of Commerce in Calcutta, where again I came in touch with some of the leading businessmen and industrialists of the time.

In 1939-40 I was elected President of the Indian Chamber of Commerce and subsequently in 1942-43 I was elected President of the Federation of Indian Chambers of Commerce, which is the apex body comprising all the Indian Chambers of Commerce. This was a very historic and stormy year. It was the year in which Japan declared War and there was fear of Japanese invasion on one side. In order to enlist India's co-operation, a mission was sent out under Sir Stafford Cripps and the first mission, as is well known, failed. At that time I used to be President of the Federation of Indian Chambers (of Commerce) and, in that capacity, I recollect that I met Col. Louis Johnson who was sent as President Roosevelt's representative to India. \* Subsequently, Gandhiji decided to have the 'Quit India' Movement which convulsed the country and the commercial community was in difficulty at the time because, on the one side, they did not like to be declared seditious and, on the other side, the sympathy of most of the businessmen was with the national movement. Gandhiji wrote a letter to Lord Linlithgow and went on a fast unto death. I remember that at that time - I believe it was March 1943 - we had an All-party Conference in Delhi presided over by Sir Tej Bahadur Sapru. were the late Mr. N.M. Joshi who was the President of the Trade Union Congress, Mr. K.M.Munshi and myself, as President of the Federation, and Rajaji and others attended this conference. I spoke at this Conference and I was delighted to find that Rajaji was very appreciative of my speech. However, this did not lead to Gandhiji's release. And, subsequently, it was when he was in a very dangerous condition of health that he was released.

During that period of 'Quit India' Movement I came more closely in touch with Rajaji, particularly because he was favouring the Congress or Hindu leaders agreeing to the principle of Pakistan. As is well know, Gandhiji was opposed to the 'Quit India' Movement also. In December 1942, Sir Tej Bahadur Sapru convened a conference of some leaders in Allahabad and I was among the

invitees. It was there that I also met Master Tara Singh and several other leaders, among whom was Mr. B. Shiva Rao, the well-known journalist, Pandit Kunzru and others. This was really in order to find out what could be done to bring about an end of the deadlock between the Congress and the Government.

Among the national leaders who was always very kind and partial to me was Sardar Vallabhai Patel. I came to know him quite early and much more since 1930. I always used to meet him when he came to Calcutta on various occasions and I was privilaged to enjoy his affection. The first time I met Pandit Jawaharlal Nehru was at the time of the Congress session in Karachi in 1931 after the Gandhi-Irwin Pact. I went to see him and spoke to him about the inequity of commercial safeguards, as they were being imposed, which would prevent the development of national industries. He was that time most courteous and cordial. After that I had occasion to meet him several times and after this 'Quit India' Movement was called off and he had come to Calcutta, he came and dined at my place.

Before I met Louis Johnson in Delhi, in March 1942, I had also seen Jawaharlalji when he told me about some of the talk he had with Col. Louis Johnson. Louis Johnson left, the United States Government sent Mr. William Phillips, a career diplomat, who was also called the President's Representative. my capacity as President of the Federation, I had occasion to meet him more than once and, particularly at the time of Gandhiji's fast, we tried to enlist his sympathy. He struck me as a very experienced, able but discreet diplomat. I met Mr. Phillips subsequently in 1944 December when I had been to Boston. During the War I had gone to attend an international business conference and went to Boston to see the Massachusetts Institute of Technology, as I was a member of a committee appointed by the Government of India to devise a scheme for establishing higher technological institutes in the country. Incidentally, it was as a result of the recommendations of this committee that these five I.I.T's (Indian Institutes of Technology) in Bombay, Madras, Kanpur, Kharagpur and Delhi have been constituted. I am since 1965 Chairman of the Board of Governors at I.I.T. at Powai, Bombay. Mr. Phillips had a very cordial talk with me at that time. Also, during my term of office in Washington when I once went to Boston, Mr. Phillip had a dinner for me of an association - whose name, if I recollect rightly, was East India Association - and he then proposed a toast to the Prime Minister of India, Mr. Nehru, which was enthusiastically received. He also presented to me a copy of his book on his reminiscences as a diplomat.

So far as Gandhiji was concerned, I came into contact with him several times and I can mention certain incidents of our meetings.

### PART II

## Mr. Shanker

Mr. Mehta continues his reminiscences with recollections of his contacts with Mahatma Gandhi.

# Shri Mehta

I saw Gandhiji for the first time in 1915. Subsequently I had occasion to meet him, sometimes along with my father, when, for instance, he was recuperating after his operation in the Sassoon Hospital after his first term of imprisonment. This was in May 1923. But when we were in Calcutta we had opportunities of meeting him more frequently and knowing him more intimately, mainly because his Personal Secretary, who was like his son, Mahadev Desai, was a great friend of my eldest brother Vaikunth Bhai and was like a member of our family. I shall mention only one or two instances of my meetings with Gandhiji. One was when he was on his tour for Harijan work and we went to see him at Kharagpur Station, where he was changing trains and waiting for about four or five hours. He was very pleased to see my wife and myself. Incidentally, he knew my wife's father and mother in Ahmedabad. My wife's father was Sir Ramanbhai Nilkanth, a very well-known social reformer and a Gujarati man of letters and my mother-in-law, Vidya Gouri Nilkanth was the first Indian graduate, shall I say, or first certainly Hindu graduate in Gujarat and certainly one of the first Indian women graduates in the whole country and Gandhiji had great respect for them. What struck me at that time was that despite all his other serious preoccupations, like a householder he enquired whether adequate arrangements had been for our meals that evening. I recollect also that a young Bengali asked him in English: "Bapu, are you progressing?" And Gandhiji smilingly said: "You mean progressing physically or mentally?"

Then when I had been to the United States during the War - 1944 November - December - to attend an international business conference. I met Louis Fischer who gave me a book called 'Empire' which was banned in India. I readily agreed. I put it in my large overcoat pocket and nobody asked me. When I went to see Gandhiji to report to him about my impressions of my talks with various people in United States and about their reactions

about the Indian national movement, I gave this book to him and I told him candidly that I had smuggled it, which made him burst out in laughter. He told me subsequently that the gist of what I said was that the real battle for India's freedom would have to be fought within the country and not outside.

Then again when after his release from the Aga Khan Palace, he was recenperating at Juhu, I once went to see him and I told him that I wanted to make him laugh. He said this was very good because most people came to tell him their tales of woe. I told him that there was a competition in the New Statesman of England in which the last words of living men were to be mentioned. I said: "You are included there" And if I had his permission I would like to read out. So he said: "Certainly". There were three last words but I remember only two. The first one was - Gandhiji's last words were: "I am not doing this at least to embarrass the British." He burst out laughing hearing this. And the third one was: "Oh, Death. Why so violent?" And he became rather grim at hearing it and I felt sorry that I read it, because, as I afterwards found, (that) this was truly prophetic, because his death was violent. And he was most kind during those days. My daughter was ill (and) he came to see her twice. I went to discuss with him some things, including one personal matter. I had been offered the post of Industrial Advisor to the Government of India and I had declined it when Gandhiji was in the Aga Khan Palace and the Congress Working Committee was all in jail. I told him that some businessmen had told me that if I had consulted Gandhiji he would have permitted me to take up such a post. He told me that my decision not to accept it was hundred per cent right. Subsequently, I was offered this post again, but since I had consulted Gandhiji and he had agreed with me, I did not accept it.

There were several other incidents which I could remember but I remember one when I went to see him in Sevagram. This was, I believe, in 1941 or so before the 'Quit India' Movement. I had gone to consult him with regard to the Immigration Law against Indians in Burma. He told me that he was prepared to issue a statement on this and gave me a draft of what he had prepared. He told me that if I had any suggestions to make, I could make those corrections and suggestions and give him back at half-pest four that afternoon. I went to see him because I had only one or two small amendments to make. When it was 5 O'clock, there was a gong and Gandhiji said: "Guess, what this must be for?" So I said, "Sir, I don't know. This must be time for your meals", because he used to have early meals in the

evening and then go out for a walk. He said: "You know, my entourage here thinks I am overworking. So I have to stop. So now you will have to go." And then he said: "Do you know, an astrologer has said that I am destined to live 100 years." This was, of course, known later and later on he did write about it also, but at that time it was not known. And then he said: "If for nothing else, at least, for the reputation of that astrologer I am going to make a try" and laughed.

The last time I met him was only a week before his assassination. I was in Delhi in connection with the work of the Tra Tariff Board with which I was connected and I just went to pay my respects to him. I found xxxx from his face that he was extremely worried and distressed. Sardar Patel, and Maniben Patel were sitting opposite to him and I was very sorry that I disturbed him and I said that I had no work at all. Then he greeted me. This was the last occasion on which I saw him.

When I was with the Scindia Co. I had occasion to go to the Legislative Assembly sessions to educate some of our legislators in regard to problems of shipping. At that time I came in touch with several leaders, although I cannot say that I was in any way close to them. One of the persons I met at that time was Mr. Jinnah. I must say that in those days - I am talking of 1928-29 and later 1934-35 - he was most courteous and talked on equal plane although he had his peculiar ways of speaking.

Among other leaders whom I remember well was Lala Lajpat Rai, who used to speak frequently in the Legislative Assembly, although I thought that, like Bipin Chandra Pal, his speeches were more appropriate for, mass meetins than in a Legislature. But the Legislative Assembly that time consisted of some of the best people in India and the Treasury Bench also was quite brilliant. One of the very witty speakers, I remember those days was Sir Victor Sassoon, who represented the Bombay Millowners Association and the Indian commercial community was represented by Sir Parshotamdas Thakurdas and for some time by G.D.Birla. Later on the Congress Party entered the Legislature with Bhulabhai Desai as the Leader. Those days also I used to visit Delhi and see the Legislature at work. The person who impressed me most in those days and with whom I cultivated some personal relationship and who was most kind to me until his end, was Pandit Gobind Ballabh Pant. And I had genuine respect for him. He created a tremendous impression in the Opposition benches. I also met Mr. Satyamurti who was one of the stormy petrels of the Congress Party at the time. There were several other leaders at that time who made a mark, including Tulsi Goswami, Diwan Chaman Lal and others who were also quite formidable in Opposition. One of the persons, who, though not belonging to the Congress Party, was a true nationalist and one of the best leaders of the Opposition I have ever seen, was K.C.Neogy, who was afterwards Ministers of Relief and Rehabilitation and Commerce Minister, in the Union Government and subsequently a Member of the Planning Commission.

# PART III

### Mr. Shanker

Shri Mehta continues his reminiscences with recollections of his membership of the Constituent Assembly of India during 1947.

## Shri Mehta

I had gone to attend an international conference in Geneva in April 1947 which led to the general agreement on tariffs and trade. It was a Government delegation although I represented, in a sense, the Federation of Indian Chambers. On my return to Calcutta, where I used to stay, in June that year, I got a letter from Sardar Vallabhai Patel stating that four representatives had to be sent to the Constituent Assembly from what is now called Saurashtra, two representing the princes and two from the State people's side and he said that he would like me to be one of the representatives from the State people's side. I wrote to him that I had not taken any part in the State people's movement but if he wanted I would consider that. This was because my original native place is Bhavnagar (in Saurashtra) which is an Indian State and my family was connected with the Bhavnagar State as Diwans for nearly four or five generations. In fact, there is a college named after my grandfather, called Samaldas College in Bhavnagar, where Gandhiji studied for about three or four months and his name is in the college roster. My father came and settled in Bombay in 1900, 70 years ago. To revert to the story, I told Sardar Patel that if it wash his desire I would obey his orders. The State People's Conference also asked me and Balwantrai Mehta, who was subsequently Chief Minister of Bhavnagar, also wrote to me. It was because of this that I became a member of the Constitution Assembly from July 1947.

I was a member on the historic occasion of transfer of power in the midnight session (August 14/15, 1947). I think the speech that was made by Jawaharlal Nehru in that session was really memorable. His words that we have a tryst

with destiny still ring in one's years. Lord Mountbatten also made a remarkable speech. I shall never forget either that midnight session or the next morning when Jawaharlal Nehru unfurled the tricolour flag on the Red Fort. I was struck by some of the legal luminaries who took part in the debates in the Constituent Assembly - men like Sir B.N.Rao, Sir Alladi Krishnaswamy and then also K.M.Munshi, T.T.Krishnamachari and several others who contributed to the framing of the Constitution of India. I spoke only once, that is really a speech that I... I intervened once or twice but a long speech I made only once on Federal-State relations, from the Royal Commission in Canada on Federal - State relations and laying stress particularly on the economic sources which would tend towards centralisation. As I was reading from my notes, Mr. H.V.Kamath got up and interrupted and asked whether a member was entitled to read out his speech. Dr. Rajendra Prasad, who was then President of the Constituent Assembly, said: "The Hon. Member is not reading from any speecht he has some notes from which he is reading out". I retorted that I did not have the eloquence of Mr. Kamath but since this was a maiden speech I should be allowed to I recollect that this speech was appreciated among others by the late Sir Gopalaswamy Ayyangar who was one of the right-hand men advising Jawaharlal Nehru at the time. I did not take any other active part in the Constituent Assembly. In the meantime, about October 1947 when the Assembly had gone into recess and I was in Darjeeling for a brief holiday, I received a telegram from the Secretary of the Commerce Ministry Mr. N.R. Pillai, that the Government wanted to appoint me as the President of the Tariff Board and would I come to Delhi immediately to settle this matter? There upon I went to Delhi and accepted this offer although before our national Government was formed I had declined two or three offers and consequently I resigned from the Constituent Assembly.

I might mention as a matter of interest that while I was about to join the Constituent Assembly, on the midnight of 30th June/1st July 1947, when I was in Bombay, I received at midnight a trunk call from Dr. Profulla Ghosh who was the first Chief Minister of West Bengal after Independence, stating that he was putting my name as the Finance Minister of West Bengal Government and said that this was not a request; this was an order and that it had the approval of Sardar Patel, Dr. Rajendra Prasad and Acharya Kripalani who had all approved this and could not say 'No'. I told him that it was not possible for me to agree like that, particularly as I had been asked by Sardar Patel to go to the Constituent Assembly. He said

115

he would defer decision for twenty-four hours. Next day I phoned to Sardar Patel at Delhi and asked his advice. He told me that I should accept both for the time being and give up one later. But I was not inclined to take to politics and after propuse thanks, I declined this offer. Subsequently, after about three weeks or so when I was in Delhi, for the Constituent Assembly meeting, Acharya Kripalani phoned to me from Calcutta again and that the Cabinet was being re-shuffled and that I should accept the Finance Ministership. Next morning again I saw Sardar Patel and told him that it was not possible for me to do this and I wanted to ask his advice. He told me that I could act according to my wishes and decline this offer. So, the second time also I declined the offer to join the Cabinet, because I did not want to go into active politics.

I might mention, I mean if it does not seem immodest, that in 1945 June, after the release of the Congress Working Committee, subsequent to the 'Quit India' Movement, when there was a Simla Conference, convened by Lord Wavell, the Congress Working Committee had put up my name in the panel for Finance Minister, since they had to have a parity between Congress and non-Congress, and (between) Hindu and Muslim members. And as I was not a Congress member, but they had confidence in me, they put my name. However, this proved quite infructious. I should mention that I have never subsequently been offered - although I would have declined even otherwise. I was a member of the Constituent Assembly my name was frequently for the post of Finance Minister or Industry Minister or both. I once went up to Gandhiji and told him that if my name was put up to him he should reject it and take it out. He was surprised and said: "Why". I said: "Sir, I do not claim to know much about finance." He said: "I thought you were an expert in it." I said: "I have no desire to take up a post in which I cannot really equit myself creditably." And I said: "I am interested in industry, but that also does not mean that I want to be an Industry Minister. But if there is any other work that I could do for industrial development I was prepared to do so." Gandhiji appreciated this very much and he said, when I asked his forgiveness for talking about myself, he said: "If you do not talk about youself, who will". And then..

Side(b)

### Mr. Shanker

Shri G.L. Mehta continues his reminiscences with recollections of his membership of the Constituent Assembly of India during 1947.

### Shri Mehta

When I was appointed President of the Tariff Board in October-Nevember 1947

115

he would defer decision for twenty-four hours. Next day I phoned to Sardar Patel at Delhi and asked his advice. He told me that I should accept both for the time being and give up one later. But I was not inclined to take to politics and after propuse thanks, I declined this offer. Subsequently, after about three weeks or so when I was in Delhi, for the Constituent Assembly meeting, Acharya Kripalani phoned to me from Calcutta again and that the Cabinet was being re-shuffled and that I should accept the Finance Ministership. Next morning again I saw Sardar Patel and told him that it was not possible for me to do this and I wanted to ask his advice. He told me that I could act according to my wishes and decline this offer. So, the second time also I declined the offer to join the Cabinet, because I did not want to go into active politics.

I might mention, I mean if it does not seem immodest, that in 1945 June, after the release of the Congress Working Committee, subsequent to the 'Quit India' Movement, when there was a Simla Conference, convened by Lord Wavell, the Congress Working Committee had put up my name in the panel for Finance Minister, since they had to have a parity between Congress and non-Congress, and (between) Hindu and Muslim members. And as I was not a Congress member, but they had confidence in me, they put my name. However, this proved quite infructions. I should mention that I have never subsequently been offered - although I would have declined even otherwise. I was a member of the Constituent Assembly my name was frequently for the post of Finance Minister or Industry Minister or both. I once went up to Gandhiji and told him that if my name was put up to him he should reject it and take it out. He was surprised and said: "Why". I said: "Sir, I do not claim to know much about finance." He said: "I thought you were an expert in it." I said: "I have no desire to take up a post in which I cannot really equit myself creditably." And I said: "I am interested in industry, but that also does not mean that I want to be an Industry Minister. But if there is any other work that I could do for industrial development I was prepared to do so." Gandhiji appreciated this very much and he said, when I asked his forgiveness for talking about myself, he said: "If you do not talk about youself, who will". And then..

Side(b)

## Mr. Shanker

Shri G.L. Mehta continues his reminiscences with recollections of his membership of the Constituent Assembly of India during 1947.

### Shri Mehta

When I was appointed President of the Tariff Board in October-Nevember 1947

I immediately resigned my membership of the Constituent Assembly because I was then a Government official. But after that, when in 1948 January I had been to see Pandit Jawaharlal Nehru, because he had sent for me, he asked whether I was prepared to go to Canada as High Commissioner. I told him that it was difficult for me to do so and then I related to him the talk that I had with Gandhiji about my being unable to accept any post in the Government. He laughed and he said: "You know, because you know certain things, you know your limitations. A politician never knows his limitations; because he can talk on any subject, he thinks he knows every subject." And then I told him that even he thought of establishing some machinery or board or commission, for planning, I would be interested, because that is the subject that was dear to my heart. He kept this in mind and when the Planning Commission was constituted in 1950 March, he sent for me from Bombay - as I was then on the Tariff Board - and offered me membership of the Planning Commission, which I accepted.

# PART IV

# Mr. Shanker

Shri G.L.Mehta continues with his reminiscences by recalling his membership of the Planning Commission from 1950-1952.

## Shri Mehta

The Planning Commission had Prime Minister Nehru as Chairman, Mr. G.L.Nanda, who is now Railway Minister, as Deputy Chairman and among the members were Dr. C.D.Deshmukh, who subsequently became Finance Minister, Shri V.T. Krishnamachari, myself and Shri R.K.Patil as members. We divided our work in some kind of systematic manner; Shri Deshmukh was in charge of Finance and Economic Affairs, I was in charge of Industry, Commerce and Transport, Shri V.T.Krishnamachari of Natural Resources and Scientific Research and R.K.Patil in charge of Food and Agriculture. Each of us had a division to ourselves as a Chief of Division. We used to meet pretty frequently, sometimes once in a day. Incidentally, Mr. Nanda, who was afterwards taken in the Cabinet, was in charge of Labour and Social Welfare. The Planning Commission at that time worked harmoniously and as a team and there was very good feeling between the members. However, it was looked upon with some amount of misgivings and suspicion on the part of some of the Ministers as well as officials of the Government. Particularly, at a

very early stage, it hed to a conflict between the Finance Minister, Dr. John Mathai, and Mr. Deshmukh and also the Prime Minister. It is well-known that Dr. Mathai soon resigned his post and it was after this that Deshmukh was appointed Finance Minister. I have no direct knowledge as to the exact issue on which Dr. Mathai resigned, because he had been having several differences with Prime Minister Nehru on financial policy. But it was made out as though he resigned on the issue of the interference of the Planning Commission, as it was said, with the day-to-day administration of the Government. But even if he had some reservations on the subject, he had evidently no objection to associating himself with its inception because he himself made the official announcement of the appointment of the Planning Commission in, Budget speech.

As I mentioned at the start, apart from the Prime Minister himself, no Cabinet member or Minister was in the Planning Commission and the members were presumed to be persons with some knowledge and background of the work they were to do. Members of the Planning Commission were given a Cabinet status in the control of Precedence and I was told that this was one of the points to which Dr. Mathai strongly objected. We attended most of the meetings of the Economic Committee of the Cabinet which were presided over by Shri Rajagopalachariar (Rajaji) who, afteer termination of his office as Governor-General, had returned to Delhi in May-June 1950, at the special request of Prime Minister Nehru and functioned as a Minister without fortfolio for some time and subsequently became Home Minister. After the General Elections of 1951-52 and the departure of Rajaji from Delhi, Mr. C.D.Deshmukh presided over the meetings of the Economic Committee of the Cabinet. On two or three occasions I also attended full Cabinet meetings to which I was invited. One of these occasions was a discussion about nationalisation of Civil Aviation, which subject fell within my portfolio.

From March-April 1950 until April 1951, the Commission consulted various groups of persons, such as representatives of industry, labour, economists, technicians and others. We had a special Consultative Committee whose meetings were held about twice a year, but individual members consulted persons whom they wanted to while several representatives of industry and commerce themselves came and discussed specific questions with me from time to time. So far as the Industry Division was concerned, we had set up a number of committees dealing with specific industries, such as, paper, chemicals, engineering (material) etc., whose meetings were convened in

order to determine targets of production, review of capacity and go into specific questions, both technical and financial. These meetings proved useful and their results can be seen in the report that was published by Mr. (now Sir) Penderell Moon. I might add that Mr. Nagaraja Rao was the Chief of my Division and his assistant was a young man called Vyaslow. From about March-April to July 1951 we worked hard on the Draft Report of the Planning Commission and it was signed on July 7, 1951 and released to the public for study and criticism. Subsequently, this report was given final shape, But this was not until November 1952 and the final Report of the First Plan was published about that time. However, by that time I had gone to Washington, as I had been appointed India's Ambassader to the United States and relinquished charge of the Planning Commission in August 1952.

Early in 1952, after the first General Elections, Mr. Nehru wanted Mr. Nanda to be a member of the Working Committee of the Indian National Congress to help him. Except Ministers, members of the Planning Commission were not in active politics. No Government official, as the members of the Commission were, could be a member of the Working Committee of the Congress. Mr. Nanda was, therefore, persuaded by Mr. Nehru to join the Cabinet and consequently he could be on the Working Committee of the Congress. We had thus three Cabinet Ministers on the Planning Commission, namely Prime Minister Nehru, Finance Minister, Mr. Deshmukh, and Mr. Nanda who was subsequently made Labour Minister. This change changed considerably the original character of the Planning Commission, which was presumed to be a set of independent individuals, acting as advisers who were not concerned with day-to-day policy or administration. Subsequently, however, the whole complexion of the Planning Commission changed.

I must make one point here. It is frequently argued that a Planning Commission should only formulate and lay down broad lines of policy and should not be concerned with their implementation or administration. This is largely true. However, we found, even at the very beginning of our work that the question of control of textiles, for example, created some difficulty as the Planning Commission wanted to be consulted and give its advice, since the structure of Elanning would necessarily depend on such issues. A joint meeting of the Cabinet Ministers and members of the Planning Commission was convened at Sardar Patel's residence in June 1950, although I happened to be in Bombay for a few days at the time and could not attend it.

I believe it was at this meeting that Dr. Mathai took umbrage at what he thought was interference of the Planning Commission in the normal working of Government and is reported to have said that "our fears about the Planning Commission are being realised much sooner than he had expected." Although this was probably not the only reason of his resignation, it is possible that he resented the appointment and intervention of the Planning Commission and so resigned subsequently.

I believe that, on the whole, the Draft Outline of the First Plan was fairly realistic and carefully wrw worked out. We had, as the Economic Adviser of the Planning Commission, but actually as Chief of the Economic Division of which Mr. Deshmukh was the head, a well-known economist who has unhappily passed away, Prof. J.J. Anjaria. His Asstt. Chief of Division was Dr. K.N.Raj who is now Vice 1 Chancellor of Delhi University. One criticism that was made against the Planning Commission at the time was that it did not provide, a new steel plant. Actually the Planning Commission did recommend the creation of steel capacity in the country, although whether it was to be in the public sector or private sector was, if I remember right, left open at the time. When the Draft Report was published it met with the usual, rather superficial and hasty criticism because nobody had studied it carefully and the criticisms appeared on the very next day. But I have reasons to believe that the First Plan created quite a favourable impression among economists abroad as well as among international institutions like the World Bank and the International Monetary Fund. They felt that some kind of broad outline of the Plan with an order of priorities was essential for a developing country like India. It is, of course, possible to differ on specific issues and also criticise the implementation of the Plans but I cannot help feeling that the idea and concept of planning were quite essential in our conditions.

### PART XV

## Mr. Shanker

Shri G.L.Mehta was India's Ambassador to U.S.A. and Mexico from 1952 to 1958. He gives his recollections of this important diplomatic assignment.

## Shri Mehta

When I was called by Prime Minister Nehru and asked whether I would go as Ambassador to the United States I told him that while I highly appreciated

this offer, I was not conversant fully with various issues of foreign affairs and suggested one or two names of persons who could be sent there. He said one of them, K.M.Panikkar, would not be acceptable to the United States Government. I asked for a couple of days to consider the matter to which he readily agreed. I consulted Mr. Nanda who was Deputy Chairman of Planning Commission and Mr. Deshmukh, for whom I had high regard, and both of them told me that I should go. And indeed I learnt from Prime Minister Nehru also that he had consulted them and they both felt that it was desirable that I should accept this offer. I might add that my appointment at the time was received very favourably in the press and, so far as I know, not a single newspaper criticised it but, on the other hand, welcomed it. The New York Times, to my surprise, wrote a very fine editorial about my appointment. I left India, along with my wife and two unmarried daughters on 3rd or 4th September 1952 for London and by AIR-INDIA. There we were very cordially received by Mr. B.G.Kher, who was then India's High Commissioner who entertained me to dinner at his residence and also a lunch at the High Commission. I also gave a talk at the High Commission at which Mr. Kher presided. From England we went to the United States - that is from Seuthampton to New York - by steamer Queen Elizabeth and after reaching New York and staying there a couple of days we went to Washington. I recollect that in Washington at the station - we went by train - at the Union Station, as it is called, I was received by the Chief of Protocol, Mr. Siemens, and some of the Commonwealth Ambassadors, including the Ambassador of New Zealand and the Ambassador of Pakistan, the late Mr. Mohammad Ali. This is the usual formality for incoming ambassadors.

After a couple of days I called on Mr. Dean Acheson, who was Secretary of State. I found that he had read some details about my biography and had learnt that I had written some humorous skits and had collected them in two volumes, the first one of which was called <a href="From Wrong Angles">From Wrong Angles</a> and the other <a href="Perversities">Perversities</a>. After the formal introduction and welcome, during the course of conversation, Mr. Acheson said to me: "Mr. Ambassador, how I wonder, you could write books like <a href="From Wrong Angles">From Wrong Angles</a> and <a href="Perversities">Perversities</a> without having worked in our State Department". He said that he had hoped that before he relinquished charge, the Kashmir problem would be settled, but it seemed rather difficult. On about 14th or 15th September (1952) thereabouts, I presented my credentials at the White House to former President Truman. I had gone in <a href="mailto:tam">tam</a> Indian dress with him - <a href="mailto:achkan">achkan</a> - and the presentation of credentials in the United States is quite informal. I had a

letter of appointment from our President, Dr. Rajendra Prasad, which I presented to President Truman and he in return gave me another letter of authorisation. I recollect that just before me was the new Soviet Ambassador, Zinyubin, who was there almost all the time I was in Washington. The usual protocol is that the person who comes earlier to Washington presents his credentials first and although we were in the same steamer from Sonthampton to New York, Mr. Ziryubin apparently went straight to Washington and consequently presented his credentials a little earlier. I had only, very informal talk with President Truman. He showed me a small statuette of Mahatma Gandhi which had been presented to him that day or a day earlier by an Indian Film Producers' Delegation, which had gone to Washington and had called on him.

I told President Truman that we had followed his rather astaishing victory expected at the selections with interest because everybody had his rival to win. This was a reference to President Truman's election in 1948 with Mr. Dewey when actually it was first announced that Dewey had won. Mr. Truman told me that the same thing was going to happen again and the Democrats would win. Actually, an Ambassador is not supposed to attend formal functions until he presents his credentials, because until them him/is called Ambassadordesignate. It is only after he presents his credentials that he is called Ambassador proper.

I was in the United States for five years and eight months. I went there in September 1952 and relinquished charge in May 1958. I was also concurrently accredited to Mexico as Ambassador, which I visited about five or six times. And, towards the end of my term of office, I was also accredited as Minister Plenipotentiary to Cuba, which I visited twice. During my stay in the United States, I must have visited about 26 or 28 States and mainly on some speaking engagements to the Foreign Policy Association or to some University and so forth. By visiting States, I mean visiting some place in one of the States - one cannot visit the whole of the State.

I must have visited at least 60 or 70 Universities. This I did also because I wanted to meet our Indian students at the various centres. At that time there were only about 1200 to 1400 Indian students in the United States.

My experience as Ambassador to the United States was a very rewarding experience for me. In no other capacity would I have been able to see the country and meet such distinguished people as I was fortunate enough to do. I should also say that I found the American people informal, hospitable,

generous and patient - patient in the sense (that) they were prepared to listen to the argument of the opposite side. At that time there were some differences between the Indian and American foreign policies and attitudes, one of the most conspicuous being the question of the admission of China in the United Nations. Americans had very strong feelings about it and I had to explain, as calmly and honestly as I could, the reasons for the Indian attitude. I should say that everywhere I was treated with courtesy. The only adverse experience I had was when I was once going to Mexico on one of my annual visits and at Houston, there was a peculiar mix-up in which the waitress at the restaurant of the airport considered me to be a negro or black man and asked me, very politely though, whether I would go in the other room which was really reserved for V.I.P. people. I thought that this was because the restaurant people knew that I was Indian Ambassador to the United States. However, later when I reached Mexico city, next day I was told by a phone-call, which I received from New York at about three in the morning that this had raised a storm in the United States, because they thought I was insulted. Subsequently, I received handsome apologies from the Mayor of Houston, several Chambers of Commerce and many other bodies and from several towns and cities in the United States. I did not pursue this matter but I afterwards learnt that the waitress was transferred or dismissed, especially because it was an international port and, under federal law, no such discrimination was possible and also because it was thought that this was an insult to the Indian people. Apart from this incident I do not recollect any such unpleasant event during my career. It is for others to decide how far I succeeded in my efforts to bring about good-will and understanding between the United States and India. I must have delivered round the country about 500 speeches and out of them I made a selection and published (these) in a book-form on my return to India. The book is called <u>Understanding India</u> published by Asia Publishing House. It ran/two editions but now I believe it is out of print. I hope I am not immodest if I say that on relinquishing charge, Prime Minister Nehru wrote an appreciative letter to me and in the next year's Awards, that is in 1959 January 26, I was awarded Padma Vibhushan by the President of India for my work in the United States. Altogether my recollections of the United States are pleasant and I made many friends there and I still have very friendly feelings for the people of the country, though, I must add, that, I differ very sharply over the policy of the U.S. Administration at present in regard to military and economic aid to Pakistan.

It is often forgotten that the Unisted States was one of the countries which showed active sympathy with the people of India in their movement for self-government or independence. Indeed the press and public opinion always felt sympathetic to India and there was the India League of America, established years ago, consisting of people like Louis Fischer, Pearl Buck and several others to support India's cause. There are also other bodies around the country. But, even earlier than that, many Indians went to the United States, and on the Western coast, that is the Pacific coast, they established a centre in San Francisco. There was the well-known Ghadar Movement and Lala Lajpat Rai, who was virtually externed from India, went and settled in San Francisco for some years and he carried on a campaign to educate American public opinion about India's fight for freedom.

During the Second World War, President Roosevelt spoke to Winston Churchill, I believe, more than once, stating that a political settlement must be arrived at with the accredited representatives of the people of India, if a total war was to be waged and India's sympathy was to be fully enlisted in the War. Churchill did not at all like this and it is stated that when in Cairo, President Roosevelt tried to mention India, Churchill fumed at his mouth according to Madame Chiang Kai-Shek's report. 'And even be ofore Independence, when Japan entered the War, President Roosevelt sent his personal representative, first Louis Johnson and subsequently William Phillips to India. They could not be called Ambassadors, because India did not have an independent status, but the United States wanted to recognise the special importance of India, particularly as it was threatened on the eastern side by Japan. And India sent its special representative, who was Sir Girja Shanker Bajpai and who was then called India's Agent-General in Washington. Thus India and United States established some kind of semidiplomatic relations even before Independence during the War. Both Louis Johnson and William Phillips strongly supported India's case and particularly the Congress point of view. Louis Johnson was declared persona non-grata by the British Government and had to be recalled. William Phillips also got into hot waters for his support, particularly as the letter that he wrote to President Roosevelt leaked out. And there was genuine rejoicing in the United States when India attained independence. And, I believe, I am correct in saying that Washington was the first place where India opened its Embassy and when Prime Minister Nehru visited the United States in 1949 he was given a tremendous reception.

Also I should like to mention that the United States has actively assisted India's plans of development, had come to the aid of India at the time of the food crisis and at the time of the Chinese attack (1962). Nevertheless, the view-points of the two countries on several issues of foreign policy have affined and they have not been able to see eye to eye in the United Nations on many questions. Nevertheless, I believe, that among the people of the two countries there is a friendly feeling towards one another.

Among the Indian leaders who are most highly respected in the United States, the most outstanding, of course, is Gandhiji. Gandhiji's movement of passive resistance or civil disobedience and non-violence and non-co-operation were all followed keenly and Gandhiji's concepts and techniques inspired the Legro leaders, the most conspicuous among them being Martin Luther King. Martin Luther King had acknowledged in his writings and his biography the debt that he owed to Gandhiji and it was after he read some Gandhiji's writings that he was convinced that the Negro Movement should be a nonviolent one and should assert the civil rights of the negroes in a pacific manner, that means not necessarily constitutional but even by breaking the law, but suffering the consequences oneself rather than resort to any violent methods. And it is a tragedy that, like Gandhiji, Martin Luther King was assassinated. There have been other negro leaders who had/been following Gandhiji's techniques, but apart from that persons like the late Rev. Holmes, Louis Fischer and I could mention several American leaders who had genuine respect for Gandhiji and appreciated the great contribution that Gandhiji made for a kind of peaceful settlement between peoples through his own method of non-co-operation.

## PART VI

### Mr. Shanker

As a writer and speaker in English, Shri Mehta, and as one who has come in close contact with prominent Britishers, in the course of your distinguished career, what is your assessment of the various sections of Indians towards the British and British institutions before and after Independence?

### Shri Mehta:

This is a large question, which, I am afraid, I cannot answer very briefly without over-simplifying matters or giving an opinion which might sound superficial.

I feel that the transfer of power from the British to Indian hands took place with an amount of good-will which in other cases would have been rare. For this, in my judgement, credit is due mainly to Mahatma Gandhi, for the kind of non-violent struggle he waged, because while he did insist on national independence, he was never racial in his outlook and about violence. But also credit is due, in my opinion, to the British, because they are essentially constitutionally minded and there is a democratic public opinion which put pressure on the Government, and particularly to Lord Atlee and the Labour Government, which recognised the signs of the times and agreed to transfer power. Now, during the last twenty-four or five years since Independence, British and Indian attitudes on certain questions have at times differed, but, I should say, x in many ways and respects they have also been able to co-operate in the United Nations and elsewhere. The issues on which Britain and India have differed have been mainly issues a like, racial regime in South Africa or in Rhodesia.

And, so far as economic co-operation is concerned, the British investments in India are still the largest - I believe, nearly 40-42 per cent of the total foreign investments in India. And, even now, some of the firms which are either predominantly British or which are Indo-British ventures, are expanding. There have, however, been not only misunderstandings but differences on specific issues, whether on trade and industry. But, I think, we have to recognise that such differences are bound to arise between two independent sowereign, and even friendly, countries. Differences arise between United States and Britain, Britain and France and France and Germany or Germany and England and so on. So that one should not exaggerate these differences every time because these differences do not necessarily mean a It was a wise Irishman, Sir Horace Plunkett, who once said about Irish history that it is something that the Irish should forget and the British should remember. In other words, we should not always harp on our past grievances or that the British whanks ruled over us so long as that they did this and that wrong thing. They did also many right things. And in any event, (during) the last twenty-five years they have not interfered in a manner in which it could, destroy our own national purposes. Therefore, I think, if we believe that our destinies are in our own hands, we should not all the time harp on British mistakes.

I also think that Britain and India should not take each other for granted. The difficulty has been that since we were associated in one way or another

as rulers and the ruled for hundred-and-fifty or hundred-and-seventy years, we believe that we know each other. But new generations have new problems, new attitudes and we must recognise that in the changed atmosphere of independence, the relations between the people of the United Kingdom and the Government of the United Kingdom and the Government and people of India are bound to change. There would be upsand downs as between two countries in their relations, but I still believe that, except for certain chronic anti-Britishers or those who not want good relationship with any Western country, there is a considerable amount of genuine good feeling among Indians about the British.

I do not know what exactly is the attitude of the British people is but, from the I have seen recently of their attitude in regard to the issue of East Bengal, they have appreciated India's stand. I should also like to add that there is a certain amount of feeling amongst many Indians that because it is the Congress and the Hindus that got independence many British people, particularly those who had association with India, either in government or in business, are sub-consciously, if not consciously, are pro-Pakistani. I do not know what credence to give to this but I have heard from some intellectuals that this is not at all true.

## Mr. Shanker

Shri Mehta continues with his observations on Indians of various sections towards the Britishers and British institutions.

#### Shri Mehta

Since the Congress and the Hindus were mainly responsible for the attainment of India's independence, there are several people in this country-not all of whom are chronically anti-British, who believe that the British are, at heart, pro-Pakistani. But I heard from some intellectuals that this is absolutely untrue. They rate India much higher in every way and have genuine regard for our leaders like Gandhiji and our late Prime Minister Nehru. The fact is that in a country like India there is still not adequate responsible or informed opinion on various issues and it is also possible to raise a frenzy or hysteria on specific questions, so that one should not judge what the feeling of the people is by some stray episode or some temporary difference of opinion. I still believe that large sections of Indian people have friendly feelings towards the people of Britain.

The fact is, in regard to the rule of Law, the debt that India owes to the

British system is immense. In fact I could almost say that India got this concept of the rule of law from the British. Similarly, an independent judicial system which is prevalent in the democratic countries is also an inheritance from the British. Then, deliberately and consciously, the founding fathers of the India's constitution adopted the parliamentary system of government and the various democratic procedures. Even now in Parliament members fall back on May's Parliamentary Practice in quoting precedents, just as in our Supreme Court and the High Court they have resort to concepts of Anglo-Saxon jurisprudence.

Besides, whether one likes it or not, I personally believe that English has been a cohesive and unifying force in this country. It may be that we should have our national language now but there is no doubt that English has become a common language of at least the educated people and it has had tremendous influence on our thinking. It is not merely a question of literature. I think English concepts of freedom, right of the individual, and the whole idea of democracy were all imbibed through the works of men like John Stuart Mill and others in by-gone days and even when Gandhiji adopted the word 'civil disobedience' he borrowed that word from Thoreau. So too the various movements had some kind of inspiration from, British struggle or, Irish struggle or the American War of Independence. In other words, these concepts have been imbibed. Of course, a new generation is growing up and I do not know whether the kind of concepts which influenced and inspired the earlier generation would now be prevalent among the younger people, but I do hope that while we should try to have our own political and economic systems, according to our own conditions and needs, there are many lessons we can learn from countries which have made a success of, democratic form of government.

### Mr. Shanker

Thank you very much, Shri Mehta, for your interesting reminiscences of the freedom movement, of your contacts with prominent Indian leaders, particularly Mahatma Gandhi, and of your six years as Ambassador to U.S.A. and Wexico, and for your informed and objective observations about the attitude of Indians towards Britishers and British institutions before and after Independence.