One of the manifestations of the deepening of the general crisis of capitalism after the Second World War is the sharpening of the colonial crisis. This sharpening is expressed, as pointed out by Com. A. A. Zhdanov, "in the rise of the powerful movement for national liberation in the colonies and dependencies. This has placed the rear of the capitalist system in jeopardy. The peoples of the colonies no longer wish to live in the old way. The ruling classes of the metropolitan countries can no longer govern the colonies on the old lines" (from the speech at the conference of the representatives of the nine Communist parties, in September, 1947).

The sharpening of the crisis of the colonial system had a very powerful influence on India's national liberation movement. After the termination of the war, the anti-imperialist movement which had been in existence before and during the war, grew stronger and took such forms as threatened the British colonial rule.

The conditions of the working people of India, who were starving even before the war, grew far worse during the war period. On account of the imperialist exploitation and feudal survivals prevalent if the Indian villages, there was a food shortage in the country, making it necessary to import food from outside. The famine which was raging throughout India, assumed catastrophic proportions in Bengal. After the war, famine spread to South and Central India. Poor tenant farmers were driven from their land because of the debts they owed to the landlords and money-lenders, and were deprived of all the means of earning their livelihood. The condition of the working class also grew seriously worse. Food articles grew dearer more than two times in 1947 as compared with 1939, and at places 3 to 3½ times, while the wages remained almost stationary.

Hatred towards the British enslavers reached its climax. It was manifested in mass demonstrations of protest in Calcutta and in Bombay in the autumn of 1945, in the tremendous increase in strike struggles (in 1946 nearly 2 million workers participated in strikes) and in the discontent in the army and the navy. The mutiny of the ratings in the R.I.N. which broke out in February 1946 was supported by mighty strikes in solidarity with it, in which more than 300 thousand workers participated; by strikes in the Air Force and "mutinies" in various army units (in Jubbulpore, and Dehra Dun). In Bengal, Bihar and in a number of states in South India, the peasant movement against the landlords spread widely.
The upsurge of the national liberation movement in India was not isolated. The successes of the democratic and national liberation movement in China, exercised a great influence on the development of the anti-imperialist struggle in India. The fight for independence, spread to Indonesia, Viet Nam, Burma, Ceylon and all other countries of South Asia. The attempts to suppress the national liberation movement with military force resulted in colonial wars, as far example, in Indonesia and Viet Nam.

Already during the period of the national liberation struggle which followed the first world war, India big bourgeoisie and landlords, alarmed at the growing working class movement and the development of peasant revolution, entered into an agreement with the British imperialism and betrayed the interests of their own country.

Com. Stalin pointed out in 1925, "In the conditions of existence of such colonies as India, the basic and new thing consists not only in the fact that the national bourgeoisie has been split up into the revolutionary and the compromising parties, but above all in the fact that the compromising part of the bourgeoisie has already come to a settlement with imperialism on the main questions. More afraid of revolution than of imperialism, more anxious about their money bags than about the interests of their own country, this section of the bourgeoisie which is the wealthiest and most influential has completely gone over to the camp of the irreconcilable enemies of the revolution, by forming a bloc with imperialism against the workers and peasants its own country". (Marxism and National Colonial Question, page 209, 1939 Russian Edition).

Now after the Second World War, the big Indian bourgeoisie is having recourse to a number of new manoeuvres on account of the new upsurge of the national liberation struggle. Speculating on the anti-imperialist movement of the masses, it is trying to bargain with the British ruling circles for a number of concessions. They did not want real independence of the country as they are afraid of anti-imperialist revolution. At the same time, the big bourgeoisie is making all efforts to keep the mass movement under its influence and prevent the working class from leading it. By extensively utilising the anti-imperialist and social demagogy, the big bourgeoisie appeals to the masses to follow the Indian National Congress and its leaders -- Gandhi and Nehru.

The British ruling circles who formerly tried to depict the Indian struggle as a movement engineered by a handful of agitators and instigators, not having deep roots in the people, were forced to admit, as it is evident from the speeches of a number of labour ministers during 1946, that the movement had assumed a mass character and was threatening to sweep off the British domination. With a view to preventing the collapse of their rule in India, the British colonial masters decided, first of all to go in for some concessions to the Indian big bourgeoisie and in the second place to intensify
their traditional policy of splitting the national-liberation movement on religious and communal lines, by setting Hindus and Muslims against each other.

In March 1946, a political mission composed of three British Ministers headed by Pethick Lawrence, the Secretary of State for India, was sent to India. The Mission worked out to plan about the form of government for India, which provided for her partition into Hindu and Muslim States. British imperialism calculated on maintaining its position in India by contraposing these States to each other and relaying upon the India feudal Princes.

However in the summer of 1946, the British ruling circles could not reach a compromise with the Indian bourgeoisie on the basis of Pethick Lawrence’s plan. The Indian National Congress whose leadership represented the Indian big bourgeoisie, but had at that time a mass following, opposed the division of the country on religious and communal basis and demanded that a declaration granting complete independence to India be made. The National Congress agreed to accept Pethick Lawrence's plan only as a basis for consideration later in the Constituent Assembly. The Muslim League accepted this plan, but it could only count on the support of a minority of the population. But cleverly manoeuvring, the British ruling circles tried to aggravate differences between the Congress and the League and by inciting Hindu-Muslim riots to increase pressure on the bourgeois leadership of the Congress.

In June 1946 the Muslim League declared that it would boycott the convocation of the All India Convocation of the All India Constituent Assembly and start a struggle for the formation of the independent Muslim State of Pakistan. Then Lord Wavell, the Viceroy requested Jawaharlal Nehru, the President of the National Congress to form a Cabinet, leaving 5 places therein for the representatives of the League. The National Congress this time accepted the Viceroy's proposal and Nehru formed a Provincial Government.

The formation of the Provincial Government with Nehru at its head served as an excuse for the Muslim League to launch a campaign for the formation of an independent Muslim State. 16th of August 1946 was declared as a day of struggle for Pakistan. On that day bloody conflicts took place between Hindus and Muslims in Calcutta, in Bengal and later also in Bihar where they developed into a real massacre. Bands of secret agents of the British police tried to provoke pogroms throughout India by all possible means.

The British policy of setting Muslims against Hindus bore its fruits. The single anti-imperialist front of the Hindus and Muslims was disrupted. But the end of 1946 was marked by a new upsurge of the working class movement in India. The strike wave spread to almost all branches of the Indian industry. Not only workers but also the
Government office employees and teachers went on strike. Especially the strike of the Post and Telegraph employees and of the Railwaymen was marked by tenacity and organisation.

During this very period a wave of mass democratic movement rose up against the rule of the Princes in the States. The peasants rose in the revolt against the feudal-landlord exploitation and oppression. In the States of Travancore and Hyderabad, this movement developed into peasants' uprisings. India was on the eve of a national anti-imperialist revolution. Not only the British rule in India but also the class interests of the Indian bourgeoisie and landlords were threatened.

The fear of the working class, the feat of the peasantry, pushed the Indian big bourgeoisie to strike a new bargain with the British colonial masters. This circumstance was also cleverly utilised by the Labour Government.

On February 20, 1947, the British Prime Minister, Attlee made a declaration in the House of Commons on the Government's India policy. The following was the substance of this declaration:

1. The British Government will hand over power to Indians not later than June 1948.

2. Power will be handed over to the Central Government of India only in case it is recognised by all the major political groups in the country. In the absence of such a Government in India, the power will be handed over to the Provincial Governments or to the Governments of the groups of provinces which will come into existence by that time.

3. Viceroy Wavell has been recalled and Lord Mountbatten has been appointed to take his place.

Speaking in support of these proposals, Stafford Cripps and Alexander declared that if Britain voluntarily did not hand over power to Indians, a revolution would break out in India. Cripps said that Britain could hold India by force for a number of years more but for this purpose it would necessary to increase considerably contingents of British forces there, which would be an unbearable burden for Britain. According to the calculations of the Labour Party leaders, the incentive for the Britishers to "quit" India, was to give Britain possibility to maintain her rule in India.

The new British proposals quite clearly envisaged division of India by handing over power not to the Central Government, but to the Governments of the various provinces or of their groups. Nevertheless, the top ranks of the Indian National Congress looked upon this new plan favourably, and openly betrayed India's national
interests. The leadership of the National Congress, which reflected the interests of the Indian big bourgeoisie, agreed to a compromise with British imperialism on the basis of partitioning India along religious lines. This time also as it happened several times before, British imperialism retained India in its hands by making some concessions to the Indian propertied classes, concessions with which their new betrayal of the interest of their country was also purchased.

The Muslim League, which represented the interests of the Muslim landlords and comprador commercial bourgeoisie, supported fully the policy of the British Government. Because of the fear of the peasant revolution, the leaders of the Muslim League in full agreement with British imperialism favoured the partition of India and maintenance of British domination. They demanded formation of the Muslim State, by kindling religious animosity between the Hindus and the Muslims.

On the 3rd of June 1947, a new British plan for the division of India, known as Mountbatten Plan was published. The new Plan appeared as a result of an agreement between the British Government and the Indian bourgeoisie and the Muslim landlords and in essence amounted to the following proposals:

1. India to be divided into two dominions; Hindustan of the Hindus and Pakistan of the Muslims;

2. In order to define the boundaries of the dominions the following measures to be taken provisionally:

   a) the question regarding the division of the provinces of the Punjab and Bengal to be decided;

   b) referendum on the question whether the North-west Frontier province to be annexed to India or to Pakistan is to be held;

   c) similar referendum to be held in Sylhet district of the Assam province;

   d) the provincial legislative council of Sind to decide the question about whether to join this province to Pakistan or to Hindustan.

3. Thereafter the Constituent Assemblies to be convened and the Governments of both the Dominions to be formed.

4. The States may join any of the newly formed Dominions.
The Muslim League as well as the National Congress accepted these proposals and appealed to the people to collaborate with the British authorities in putting the Mountbatten Plan into effect. On August 15, 1947, the Act about the partition of India came into force and in place of the united India two "Dominions" were brought into being: Hindustan which subsequently adopted the name "Indian Union" or simply the "Dominion of India", and Pakistan. The country was found to have been split into two parts in religious-communal principles. Neither the national composition of the population, nor the economic ties, nor even the territorial integrity was taken into consideration.

The partition of India could not solve and did not solve a single problem including the Hindu-Muslim problem. On the contrary it intensified the religious differences, especially in connection with the partition of the province of the Punjab, and facilitated the incitement of bloody conflicts between the Hindus, Sikhs and Musulmans. Millions of refugees rushed from one dominion to another. Hindus and Sikhs fled to Hindustan and Muslims to Pakistan. Whole villages were depopulated, harvests were not gathered, fields were not sown. In Hindustan, reactionary Hindu organisations -- the Hindu Mahasabha and Rashtria Swayam Sevak Sangh as well as the Sikh Akali Party intensified their activities of massacre; in Pakistan the National Guards were organised by the Muslim League. These armed bands organised on fascist lines, flooded with agents of the British secret police, organised massacre of Musulmans in Hindustan, and of Hindus and Sikhs in Pakistan. Fratricidal clashes in Hindustan and Pakistan were handy to British imperialism and its agents. The partition of India was effected with a view to maintain political and economic domination of British imperialism in the country divided into parts.

The newly formed dominions are extremely artificial States from the point of view of their economy and national composition of the population. The population of the whole of Pakistan is about 70 millions. All the provinces, included in Pakistan are backward agrarian regions. On its territory there is no more than 10% of the whole industry, including also mining, since 90% of all the mines are concentrated on the territory of Hindustan. Not a single big industrial centre exists on the territory of Pakistan. Pakistan is a country with typical colonial economy. This makes it easy for Anglo-American imperialism to make Pakistan their agrarian appendage.

Pakistan is made of two parts separated from each other. In the West the various provinces belonging to Pakistan are connected with each other economically, they have a common network of railway lines, common outlet to the sea through the port of Karachi. But between the Western and the Eastern parts of Pakistan there is no economic connection. Eastern Bengal is separated from the remaining provinces of Pakistan by a distance of 1300 kilometres. Moreover the national composition of Pakistan is not homogeneous.
The Indian Union has become relatively a more industrialised country than India was before her partition. Nearly 90% of the entire industry including also mining remains on its territory. Yet the economy of the Indian Union also is a typical colonial economy. The main branch of industry is textile. Metallurgy has developed very little, while machine-building almost does not exist. Torn away from big agricultural regions which have become parts of Pakistan, the Indian Union will undoubtedly experience an acute shortage of raw materials and food articles. The Indian Union is still more multinational than Pakistan. The total population of the Indian Union is about 300 million, without counting the population of the State of Hyderabad (16 million).

The partition of India was accomplished by the Labour Government which is more supple and more capable of making use of social and national demagogy, than the previous Conservative Government. It was easier for the Labour Party to accomplish this manoeuvre because the leaders of the Indian National Congress had always been maintaining with them a certain contract and more willingly came to a compromise with the Labour Cabinet.

It is characteristic that the Conservative Party supported the plan of partitioning India, proposed by the Labour Government. This testifies to the fact that the whole of this plan is a British imperialist plan and corresponds with its interests and its calculations. It is not without reasons that during the debate on the Bill in the British House of Commons and the House of Lords, the leaders of the Conservative Party greeted the Government's plan as one which came to the rescue of the British imperialism, and the Labour Government as the loyal defender of the interests of the British Empire.

Having divided India and conferred on Hindustan and Pakistan “the title of dominion”, British imperialism there by maintained its colonial domination over India.

British capital fully and completely as in the past occupies a commanding position in the economy of Hindustan and Pakistan. A powerful lever of the colonial exploitation of India is the banking system. All the big banks in India, with the exception of two, are managed by British monopolists. Thus they are holding in their hands the largest amount of capital which they can invest in industries, Railways, Ports etc. Indian industry is fully dependent on the British bankers. More than half of jute and tea industry of Hindustan, 1/3rd of iron and steel industry, the whole mineral output, rubber plantations etc. belong to British capital.

One of the levers of the British colonial domination in India are the mixed Anglo-Indian Joint Stock Companies. By means of mixed companies, which occupy important position in trade as well as in industry, the interests of the Indian capitalists
are closely bound up with those of the British capitalists, with of course the dominating role belonging to the latter.

The largest part of foreign trade is in British hands. The Indian newspaper "Free Press Journal" wrote in January 1948, "the foreign monopolies are continuing to control the largest part of the Indian economy and particularly the foreign trade... 80% of the whole foreign and internal trade is concentrated in the hands of 200 foreign firms".

Due to the insignificant specific weight of heavy industry, the Indian Union is forced to import machinery and equipment for the factories and workshops, a large portion of non-ferrous metals and a considerable portion of steel required by it. During the war, British pumped out of India a large amount of raw materials, food-stuffs and manufactured goods without making any payment for them neither in cash nor in goods. As a result of this Britain has become a fictitious debtor to India and makes use of her indebtedness to keep Pakistan and the Indian Union ties to herself; Britain's Sterling debt to India is a special weapon for the financial enslavement of the country.

By holding in its hands the important economic levers, British imperialism can -- as in the past -- exploit its colony, which now comes forward under a new name of two "Dominions".

The British Government has outwardly ceased to command directly and openly the new "Dominions". But the political positions of British imperialism are so strong in India that the autonomy of the new "Dominions" indeed is formal. Although all the ministers of the Indian Union as well as of Pakistan and their Governors-General are Indians, the leading positions in the permanent staff of the Government Departments, in police and army of both the "Dominions", remain in the hands of the Britishers. The Governors of a number of provinces are British.

British imperialism has also retained in its hands military positions in both the "Dominions". Majority of British officers, who were serving in the Indian Army, have still remained there "voluntarily". According to the "Indian News Chronicle", out of 19 British Major Generals and 280 Brigadiers, 16 Major Generals and 260 Brigadiers have agreed to serve in the Indian Army. The majority of the officers' and Generals’ posts in the Army is in the hands of Britishers as before.

Moreover as pointed out by "People's Age" Organ of the Indian Communist Party, by dividing the Indian Army into two on religious basis Britain has created two hostile camps with weak armies, depending upon her support.

"Daily Worker" the Organ of the British Communist Party, wrote on June 4, 1947, that the Mountbatten Plan was an unnatural division of India, threw her economic and
political cohesion to the four winds and left untouched the independent feudal power of the princes' States the strongest of which would enter into direct alliance with Britain. "But a look at the map is sufficient", wrote "Daily Worker" to show the patchiness of the proposed new Governments, the key position, of the Indian States, and how the whole scheme is so balanced as to give the Governor-General the role of Supreme Being, regulating the struggle of the millions below...unable to rule in the old way, imperialism is devising new ways based on the belief that the carving up of India and the pilling of Hindu against Muslims will preserve the reality of power in hands of the White Raj, even if the semblance is given up".

Thus Britain retains in her hands economic as well as political and military levers in India in order to maintain her colonial domination in both the "Dominions".

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The basic tasks facing the Indian National Liberation Movement have not been solved. India practically continues to remain as a colony, her division into several feudal regions has not been done away with, the national question has not been solved and the position of the broadest strata -- not only workers, peasants, but also intelligentsia, petty-bourgeoisie -- has not changed indeed.

Up to 1947, the big Indian bourgeoisie was not in power and therefore tried to get masses on to its side in order with their help to secure concessions from the British imperialism. But as soon as the British imperialism granted "Dominion" status to India, it openly went over to the camp of imperialism and reaction.

The National Liberation Movement in India aims at liberating the country from the British domination and liquidating all feudal survivals which the British imperialism has been supporting. The Mountbatten Plan has maintained the colonial position of India. Thus the country has not achieved independence. No essential changes in the internal structure of Pakistan as well as Indian Union, have taken place. In Pakistan where the landlords are in power, all the States have fully retained their feudal political structure. The Government of Pakistan has declared that it considered States as sovereign governments and will not interfere in their internal affairs. Even in the Indian Union where the bourgeoisie is in power and the Government is headed by the leaders of the National Congress who formerly spoke against the arbitrary feudal rule, the Princes have retained their power.

Soon after the partition of the country mass democratic movement began to grow in the States. The broadest strata of the population demanded radical democratic reforms and sending to the Constituent Assembly of India elected real representatives and not the nominees of the Princes. In a number of State still more radical demands were put
forth; complete liquidation of the feudal power and incorporation of the States into such parts of India as are populated by nationalities inhabiting the given State. Thus the National Conference in the State of Kashmir -- an organisation enjoying great influence among the population -- demanded liquidation of the rule of the Maharaja of Kashmir, transformation of Kashmir into a democratic republic, granting all nationalities in Kashmir, of the right of self-determination including the right to secede, introduction of agrarian reform, and nationalisation of big industry.

Already in December 1946, the Indian bourgeoisie, alarmed at the mass movement in the States, came to a settlement with the feudal princes. The leadership of the Congress agreed that 50% of the representatives of the States to the Constituent Assembly should be elected by the population, to be more precise, by its propertied strata and the remaining 50% should be nominated by the Princes. At the cost of such a compromise the bourgeoisie got certain States to merge into the adjoining provinces of the Indian Union -- Orissa, United Provinces etc. Other small States were combined into Unions in Rajputana, Central India, Kathiawad, Deccan, and hilly parts of the Punjab. In such Unions various States have been retained as administrative units, their princes are members of the Upper Chamber of the Union of the States, and from among them a Rajpramukh is elected; the lower Chamber is elected by the propertied strata. As a result of this, instead of 500 and odd small States, 25 big States have been created in Hindustan. This not only does not liquidate the power of the princes but even strengthens their position in the struggle against the democratic movement of the toiling people.

These States remain as before the loyal support of British imperialism, its weapon to bring pressure the bear upon the Governments of the Indian Union and Pakistan.

The agrarian problem also has not been solved in India. In a number of provinces of the Indian Union (United Provinces, Bihar) the local authorities have prepared a Bill about buying off the lands owned by the landlords at Government cost, by compensating the landlords with a definite period with large sums (about 5 times the value of the annual produce of the given estates). However even this law is not being put into effect, and the landlords are trying to get still larger compensation, while the Congress Governments are willing to meet their demands.

In other provinces even such paltry land reform is not being introduced. The landlords and money-lenders are continuing to exploit the peasants as before. In more of the States, all the feudal services and extortions, that existed in the past, have been retained and the peasants are living in a semi-serf condition. Debt-slavery, which is very widespread in India, also has not been liquidated. The peasantry is doomed to chronic starvation as before.
One of the most important tasks, confronting the national liberation movement in India, has been the solution of the national problem. India is a multinational country. Each one of the nationalities has its own language, its own ancient culture, its own national character. The colonial oppression, feudal parceling out of India, supported by the British imperialism, its administrative division which does not correspond to the distribution of nationalities, have hindered economic, political and cultural development of all the peoples of the country. Her partition not only does not solve the national problem but complicates it even further. Bengal and the Punjab have been torn to pieces and partly handed over to Pakistan and partly to the Indian Union.

In the Indian Union as well as in Pakistan national inequality is prevalent. Hindi and English have been declared as State languages of the Indian Union. The languages of most of the peoples of India, have been reduced to a secondary position. In Pakistan the Government has declared Urdu as the State language, although more than half of the population does not know the language. The draft of the constitution of the Indian Union gives such plenary powers to the President and the Central Government that its national regions will have no autonomy.

The reactionary course followed by the ruling circles of Hindustan and Pakistan, is manifested not only in their support to industries, landlords and Princes and in repression of the mass democratic movement, but also in the foreign policy.

The Government of Pakistan formed by the Muslim League is openly under the thumb of British imperialism. It has declared from the very beginning that it does not think of severing its connection with the British Empire and that Pakistan will continue to remain in future as a British dominion. It hails all British capitalists who would like to invest their capital in industry in Pakistan.

British officers are the masters in Pakistan much more openly than in the Indian Union. The Indian Press informed about signing of an agreement granting military bases to British on the territory of Pakistan. In the zone bordering on Iran, there are States and territories inhabited by Afghan tribes, only formally forming parts of Pakistan. In these regions are also concentrated – under the label of the armies belonging to Pakistan and the States – British military units, British air bases etc. Thus almost the whole of the North-West Frontier of India, excepting that part which belongs to the State of Kashmir, remains under the military control of Britain. The Governor of the North-West Frontier Provinces of Pakistan is an Englishman, Cunningham.

Precisely in this connection it is necessary to examine also the problem of Kashmir. Kashmir is one of the big Indian States (with a population of over 5 million)- and is inhabited mainly by the Kashmiris who profess Islam. But Kashmir is ruled by the
Maharaja of the State of Jammu, who is a Hindu by religion. Thus the Kashmiris have been an oppressed nation in their own country. The Kashmir ever since 1931, peasant as well as national liberation uprisings have been breaking out from time to time. In spite of the fact that the majority of the Kashmiris are Muslims, their leading organisation, namely the National Conference, was connected not with the Muslim League, but with the National Congress, because the League openly supported the Maharaja. In 1946, once again there was an upsurge of the democratic movement in Kashmir, demanding that the Maharaja should quite Kashmir and that the latter should be transformed into a democratic republic. But the British authorities helped the Maharaja to suppress the movement. The leaders of the National Conference were arrested.

After the partition of India, the Government of Pakistan with British support insisted on Kashmir acceding to Pakistan. However the Maharaja, who is a Hindu by religion, got his State acceded to the Indian Union. After this, detachments recruited from Afghan tribes namely Pathans who were concentrated on its borders broke into Kashmir. The invasion took place with the knowledge and consent of the British Government because the Pathans could infiltrate into Kashmir only through the North-West Frontier Province, which is ruled by an English Governor.

The Government of the Indian Union approached the Security Council of the U.N.O. The Government of Britain seeing in Pakistan its supporter and a weapon to keep Indian under control sided with Pakistan. The Government of the USA fully supported the British in the Security Council. The suggestion of the Soviet delegate to send to Kashmir a Commission of the Security Council, responsible to the latter to study the problem on the spot was rejected; it was decided to send a Commission of observers like the one which was sent to Indonesia. The Kashmir problem has not been solved even to this day. Although the greater part of the raiding detachments has been driven out of Kashmir, they are standing in readiness on its borders.

The Kashmir adventure is a clear example of the policy of the British Government in India after her partition. It aims at maintaining under British military control the whole of the North-West Frontier of India, to exacerbate relations between the Indian Union and Pakistan in order to have an occasion for a permanent open interference in their internal affairs.

But the British and American imperialists are far from always acting unanimously, as they did on the question of Kashmir. There are sharp contradictions between them. Taking advantage of the economic difficulties of Britain are her financial dependence on the USA, the American imperialism is striving to strengthen its political and economic position in the Indian Union as well as Pakistan. During the Second World War the share of the USA in the foreign trade and particularly in the imports into
India considerably increased. Many American enterprises were built in India. During the war a special economic mission headed by Grady was sent there. American businessmen flirted with the leaders of the National Congress and even made a show as if they were sympathising with India in her struggle for independence. After the Anglo-American financial agreement of 1945 American capital had opportunity to infiltrate into the countries in the British Empire under advantageous conditions and without hindrance. This agreement provided for the utilisation of a part of Indian Sterling Balances for purchase of goods in the USA.

Pakistan was not left without notice by the American capitalists. In 1947, almost immediately after the separation of Pakistan, the representatives of the American trading circles visited Karachi and carried on negotiations with the Government of Pakistan about the possibilities of investing capital in building Jute and Cotton Textile factories. The press published news about negotiations for getting loan in the U.S.A.

Americans have penetrated even into the State of Nepal, which has not acceded to India and is considered as an independent State. Nepal, situated in the Central, the highest part of Himalayas, occupies strategically most convenient position, dominating over the Indo-Ganges plain. In the past Britain has imposed upon Nepal a treaty making it obligatory on State to refuse to have any relations with any foreign power. Many Gurkha soldiers, were recruited in the Indian Army from Nepal. In 1946, the Maharaja of Nepal, notwithstanding the treaty, agree to the proposal of the USA to establish trade and diplomatic relations. An American trade mission was sent to Nepal. The British ruling circles got uneasy on account of this activity, but the dependent position of British on the USA forces them to keep quiet even under conditions when the infiltration of the U.S.A. threatens the economic and political interests of Britain.

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After her partition the process of demarcation of the class forces began to develop at a very rapid tempo in India. The open domination of the British imperialism in the country had created, in the eyes of the politically backward strata of the toiling people, an illusion that the interests of all the Indians, in the fight against the foreign enslavers, were common. The illusion was very cleverly utilised by the Indian big bourgeoisie. But ever since the creation of the Indian Union and Pakistan, a process of demarcation has begun, in such organisations as the National Congress and the Muslim League, which were considered as belonging to the "entire nation" and above classes. The mass movement of workers and peasants and the petty-bourgeoisie assumed wide proportion in the country.
In the forefront of the struggle marches the Indian working class. During the period of the war and pre-war years, it has grown very strong and has matured politically. The Trade Unions also have grown. The All-India Trade Union Congress had over 800 thousand members in 1947. This is the most influential of all the Trade Union organisations in India, whose leading force are the Communists. The strike movement is spreading ever increasingly, moreover the strikes do not have a purely economic character, but almost always, the workers as well as the employees, put forward political slogans: Complete severance from Britain, nationalisation of the industry, eight hour working day etc. Formerly the main centre of the working class movement was Bombay. Now the working class of South India, Bengal and Kanpur (United Provinces) is also marching in the forefront. Already 40 thousand of the Textile workers of Coimbatore have on strike for 3 months.

When in March of this year the Government office employees went on strike in Calcutta, they were dismissed at the orders from Nehru. This evoked a movement of the office-employees in the other provinces, in protest. The strikes of the office-employees are also taking place in many States.

In the Indian Union as well as in Pakistan there is a big upsurge of the peasant movement. In Bengal and Bihar, fight of the peasantry for reduction of the rent has been going on already for many months. Big peasant uprisings are taking place in the Malabar district of Madras province. But particularly powerful peasant and national movement is going on among the Telugu people (or Andhras) in the territory covering the Northern part of the Madras Province and a big portion of the State of Hyderabad, which is called Telengana. A huge majority of the Telugu peasants is half beggars, tenants without any rights. Even before the partition of India, at the end of 1946, a movement began in Telengana which was directed against the power of Nizam -- the ruler of the State of Hyderabad -- and against the local landlords. This movement was led by the local organisations of the Communist Party of India and the national organisation of Telugus, Andhra Mahasabha. The peasants of Telengana who have risen in revolt, have liberated from Nizam a territory with a population of over 5 million. In the 2,000 villages covered by this territory have been organised People's Panchayats and People's Tribunes, and detachments of self-defence have been created.

With the support of the Government of Hindustan Nizam is trying to suppress the people's movement with brutal terror. On the borders of the liberated districts, over 10,000 soldiers have been concentrated. In the suppression of the peasant movement, also participates the reactionary Muslim organisation "Ittehad Mussalmeen" composed of youth from the landlord class. The State people's Congress as well as the Congress leaders of the Madras Province, are trying to convince the organisation which is leading the uprising, to stop the fight and surrender to the mercy of Nizam. But in spite of the brutal terror and the fact that a number of villages have been
destroyed and burnt, the insurgents have been holding on for nearly 2 years and are not thinking of surrendering. The democratic strata of the population of that part of Madras Province, inhabited by Telugus, is helping the insurgents in Telengana. They are collecting for them money and various other articles etc. The peasant movement has embraced also the states in Central and North India (the Punjab, Rajputana, Kathiawad), although it has not reached such organisational level and sharpness as in the South. Everywhere in this movement the local Communist organisations are playing an active role, and in the South they are playing a leading role.

The peasant movement in the States is not only agrarian in character but also is a national liberation struggle. The Indian bourgeoisie is particularly alarmed at the extent of this movement because all the nationalities embraced by this movement, are living on the territory of the Indian Union.

The national problem is particularly acute in Pakistan. Weak economic contacts in various districts in the West and complete absence of these contacts between the Western and Eastern parts, compel the Government of Pakistan to have recourse to other non-economical methods of contact between the separated parts of this State. In addition to the propaganda for pan-Islamism, the Government is trying to unite into one, the various provinces of Pakistan by imposing Urdu as the one, single State language. However the decision of the Parliament about the recognition of Urdu as a State language of Pakistan evoked such protest in the East Bengal, in Sind and in the Pathan land, that the Governor-General of Pakistan had to declare that Urdu will be the common State language of the country. But in various provinces the languages of the local population will be recognised as official languages.

Particularly formidable is the national movement of the Afghans -- Pathans who live North-West Frontier Province and in the belt inhabited by Frontier tribes. The North-West Frontier Province became a part of Pakistan only as a result of the British machinations at the time of the referendum in June 1947. A large majority of the Pathans did not want to join either Pakistan or the Indian Union, and demanded that independent Pathanistan should be created. This demand was supported by the Afghan Government, which preferred to have, between their border and the Pakistan, a state inhabited by their own tribes, -- namely Pathanistan. The movement for the creation of an independent Pathanistan has not stopped, and the problem of Pathans, is one of the serious political problems confronting Pakistan.

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Now, that the Indian big bourgeoisie has openly gone over to the camp of reaction, the process of liberation of the Indian peasantry and the town petty-bourgeoisie from
under the ideological influence of the big bourgeoisie is becoming intensified, and a
democratic front of workers, peasants and petty-bourgeoisie is being formed.

The Communist Party of India is marching in the forefront of all the progressive
democratic forces of the country. The working class, under the leadership of the
Communist Party of India, is leading the peasant movement, and actively helping the
peasantry to throw off the yoke of the landlords, princes and money-lenders.

The Communist groups appeared in India the twenties, during the period of the
upsurge of the national liberation, anti-imperialist movement. In 1933 these scattered
Communist groups were united and a Provisional Central Committee was formed. But
in 1934, the Communist Party was already declared illegal and had to work
underground.

During the years of the upsurge of the national-liberation movement, which had begun
before the Second World War, the Indian Communists had achieved considerable
successes in strengthening the Trade Unions, in organising the peasants and the
democratic students. Carrying their work under the slogan of creating a united
national, anti-imperialist front, the Communists had won influence in the ranks of the
local organisations of the national congress. During the period of the Second World
War, the Communist Party of India got an opportunity to work legally. The Indian
Communist, while continuing the fight against British domination, for complete
independence of the country, at the same time strove to get India to participate
actively in the war against the bloc of the fascist aggressors.

In June 1943 the first Congress of the Communist Party of India took place. It was
attended by 139 delegates representing a membership of 16,000. Already at this time
the Communist Party of India was enjoying a great influence not only among the
workers but also the peasantry -- particularly in Andhra, in Kerala, in the Punjab and
Bengal.

After the 1st Congress, although the leadership of the National Congress and the
Congress of the Socialist Party, began a campaign of Communist baiting, the
influence of the Communist Party continued to grow. The All India Trade Union
Congress, in which the Communists play a leading role, has become the most
powerful Trade Union organization. It had a membership of over 800,000 in 1947.
The Communists have extended their influence also in peasant Unions and in
Students' organisation.

In March 1948, the Second Congress of the Communist Party of India was held, at
which 632 delegates representing 89,263 party members were present. The Congress
registered the growth of the influence of the party not only in the working class but
also in the peasantry and the democratic intelligentsia. At the same time the Second Congress pointed out that the old leadership of the Central Committee had made some serious mistakes; that it did not at once characterise the Mountbatten Plan as a new maneuver of the British imperialists and in the beginning considered that he realisation of this plan would constitute a certain step forward towards complete independence of India. Only in August, 1947 the Central Committee of the Communist Party of India made a correct evaluation of the Mountbatten Plan, as an imperialist manoeuvre calculated to maintain positions of British imperialism in India in new conditions. The Second Congress also pointed out that the leadership of the Central Committee did not understand correctly the essence of the struggle for formation of the democratic front, interpreting it as a bloc of the top ranks of left parties and groups, and not as a union of the workers, peasants, democratic intelligentsia and petty-bourgeoisie.

The Second Congress of the Communist Party of India put forward formation of the democratic front as the most important task and indicated main points of its programme: Complete severance from the British Empire and formation of a democratic government in India; liquidation of feudal states and granting of the right of self-determination including secession and formation of an independent State to all nationalities in India, abolition of landlordism without compensation; nationalisation of key industries and the establishments belonging to the foreign capital; nationalisation of banks; establishment of workers’ control over factories and workshops; guaranteeing of a minimum living wage and establishment of eight hour working day.

The Governments of the Indian Union and Pakistan are trying to suppress the democratic movement in India by means of repression and terror and also by disruption. The repression first of all comes down upon the Communist Party, which is leading this movement. In West Bengal, Delhi and a number of States the Communist Party has been declared illegal. In Madras Province all the newspapers of the Communist Party have been banned. Hundreds of leading workers of the Party have been arrested without charge. The Government of Pakistan is carrying on similar repression against the working class movement.

But the India bourgeoisie, landlords and their British masters cannot root out the influence of the Communists among the masses. The Communist Party of India is enjoying great authority in the country. This is testifies by the strikes which took place in protest against the arrest of Communists, in Bombay, Cawnpor, Coimbatore, Agra, and other Indian towns, by the peasant actions in a number of provinces, and protests by Professors, Writers, Lawyers, and Journalists.
In spite of a comparatively small membership, the Communist Party of India has become a real vanguard of the whole democratic movement in the country and to leads the struggle of the working class and the peasantry of Hindustan and Pakistan for the final destruction of the colonial rule, for the liquidation of feudal survivals and feudal parceling out of India.