

# Colonialism, Decolonisation and State-building in India, 1930-1960: A Global History Perspective

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The collapse of the British empire in South Asia in 1946-8, and the establishment of the People's Republic of China in 1949, seemed to mark a clear break in the history of mainland Asia. For observers such as K.M. Panikkar, writing in 1953, 'the 450 years which began with the arrival of Vasco da Gama in Calicut in 1498, and ended with the withdrawal of British forces from India in 1947 and of the European navies from China in 1949, constitute a clearly marked epoch of history:' this was the end of the 'Vasco da Gama epoch' in Eurasian history which had seen 'the domination of the peoples of Europe ... over the affairs of Asia'. Political and economic relations between Asia and Europe might be close in the future, Panikkar argued, but they would be on the very different basis 'of reciprocity and as determined by the national interests of both parties and not imposed by Europe.'<sup>1</sup>

Panikkar's account of the rise of nationalism and the creation of new states in Asia deliberately ignored the role of the United States and the Soviet Union in the region, notably the arrival of American military and naval forces to occupy Japan in 1945 and the Soviet assistance in the final triumph of the Chinese Revolution, on the grounds that both the new superpowers had close geographical involvement with Asia — the Soviet Union having common borders with major Asian countries, and the US being linked to East Asia by the sea-lanes and air routes across the Pacific.<sup>2</sup> Yet in retrospect, Panikkar's vision of the emergence of strong states in Asia, able to secure their national interest and affirm their cultural values against outside pressure, captures much of the history of the region's dynamic economic growth and political assertiveness in recent years. Some recent commentators would even argue that the success of the various Asian nationalist discourses of the twentieth century,

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1 K.M.Panikkar, *Asia and Western Dominance*, (London, 1953), pp. 13, 15. After a brief career as a lawyer, academic and journalist, Kavalam Madhava Panikkar (1895–1963) was appointed Secretary to the Indian Chamber of Princes, and became foreign minister of Patiala and chief minister of Bikaner in the 1940s. After Indian independence, he was ambassador to China (1948–52), Egypt (1952–53), and France (1956–59) and took a number of other advisory posts within India. On the basis of his experiences in Beijing he consistently encouraged Nehru's sympathetic attitude towards the People's Republic of China in the 1950s.

2 *Ibid.*, pp. 15-16.

all based on an awareness of the antithesis between the nation state and empire, have prepared the way for new pan-Asian political and intellectual movements seeking supranational structures strong enough to counterbalance the power of the United States.<sup>3</sup>

Despite the apparent force of Panikkar's narrative, the achievement of autonomous power by any of the major states of Asia certainly seemed unlikely in the late 1940s. Japan was under Allied occupation; China was undergoing the last stages of a revolutionary civil war, and was subject to potential interference by both the United States and the Soviet Union; India had achieved independence from Britain, but saw her future stability threatened by the regional rivalries following the creation of Pakistan, and compromised by decades of economic exploitation and neglect under colonialism. The European imperial powers — notably Britain — tried hard to retain influence in Asia after decolonisation through defence pacts, economic aid and the provision of currency systems such as the sterling area. The superpowers were also active. As the Cold War polarised East Asia, the Soviet Union provided considerable economic and military support to China and North Korea, while the United States reciprocated for Japan, South Korea and Taiwan. The US went to war over Korea in 1950 and afterwards, more generally, used economic and military aid to build up a regional system of states, societies and economies that would support her interests.

Over the course of the second half of the twentieth century, the United States acted as a hegemonic power in East and South-East Asia, providing military and economic resources and multilateral institutions to secure her will or maintain a privileged position without the direct use of force. Britain provided weaker versions of the same institutions and services for Commonwealth countries. One key feature of the post-imperial hegemonic systems which both Britain and the United States maintained in Asia after 1945 was the provision of public goods — especially defence forces, development aid, and institutions for economic integration such as convertible fixed-rate currency regimes that facilitated international investment and free trade. It is important to identify the role of hegemonic power in sustaining the liberal international system of the last sixty years or so, but it is also important to realise that exercising hegemony can bring costs as well as benefits. Empires and hegemons are not all-powerful; subordinate powers are able to exert influence: providing international public goods, especially military capability and open economic institutions, can be expensive, and can damage important interest-groups within the hegemonic state. International systems based on hegemonic control create winners and losers in both hegemonic and subaltern societies.

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3 Wang Hui, 'Reclaiming Asia from the West: rethinking global history', *Le Monde Diplomatique* (English language edition), October 2004

During the 1950s India conformed most closely to Panikkar's notion of a strong Asian nation-state that had thrown off outside dominance and was able to assert itself in the international system. Japan remained occupied until 1952, and was then very closely bound by security treaties to the United States. In China, Mao followed a 'lean to one side' foreign policy favouring the Soviet Union from necessity, and signed a treaty of friendship with Moscow in 1950. Although relations between Mao and Khrushchev started to deteriorate from 1956 onwards, the formal split between China and the Soviet Union was delayed until the early 1960s: after that China remained largely isolated from the international system until Nixon's visit in 1972. By contrast, Jawaharlal Nehru, India's first Prime Minister who also acted for much of the time as Foreign Minister, was quickly able to establish an international reputation among the growing number of newly-independent states in Asia and Africa for an autonomous foreign policy based on neutralism between the superpowers, and solidarity against outside interference.<sup>4</sup>

India's autonomous role in international relations in the 1950s and early 1960s was made easier by the grand strategies of both Britain and the United States for maintaining their influence in Asia after 1945. While Nehru's rhetoric often irritated the Americans, Washington was anxious to use India as an example to other post-colonial states of the benefits of democracy and participation in international institutions, especially as a contrast to the PRC. Britain's decolonisation model in Asia and Africa relied on creating viable successor states to provide stability in her ex-colonies, often initially on a federal model, while linking the new governments to the West through membership of the sterling area and the Commonwealth, common defence pacts, and economic aid where this brought clear benefits. There were limits to the amount of national autonomy that Britain was willing to allow — as the example of Egypt at the time of the Suez crisis made clear — but India remained well within the parameters of tolerable dissent.<sup>5</sup>

In 1947 policy-makers in London did not expect India to escape very far from the British

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4 For general accounts of India's relations with the great powers in our period, see Anita Inder Singh, *The limits of British influence: South Asia and the Anglo-American relationship, 1947-56* (London, 1993); R.J. McMahon, *The Cold War on the Periphery: The United States, India, and Pakistan, 1947-1965* (New York, 1994); Martin Wainwright, *Inheritance of Empire: Britain, India and the balance of power in Asia, 1938-1955* (London, 1994); Dennis Kux, *India and the United States: Estranged Democracies, 1947-1991* (Washington D.C., 1992).

5 The most stimulating analysis of British and American imperial policy in this period remains Wm. Roger Louis and Ronald Robinson, 'The Imperialism of Decolonization', *Journal of Imperial and Commonwealth History*, 22 (1994), pp. 462-511, reprinted in Wm. Roger Louis, *Ends of British Imperialism: Collected Essays* (London, 2006), pp. 451-502.

sphere of influence because she was thought to be incapable of defending herself without British assistance. But this underestimated the strengths which India inherited at independence, and on which the new government was able to build its policy of non-alignment. As Martin Wainwright has argued, the 'source of India's de facto independence was its strategic assets' — notably the large, well-trained and socially-integrated army, and the domestic defence industries that supplied most of its needs. Thus the new Indian state could easily overcome the fissiparous dangers of the partition process and assert itself as a strong and effective regional power.<sup>6</sup> Only in air-power and, less importantly, in naval development, was outside help needed in the 1950s to meet the perceived strategic threat from Pakistan and elsewhere, and here Nehru was able to play on the rivalries of Britain, the United States and the Soviet Union for regional influence to obtain modern equipment at an acceptable financial and political price.

Nehru's vision of India's role in international relations was not based simply on military force, however. Even before independence, Nehru convened the Asian Relations Conference in New Delhi in March 1947 to impose moral pressure on the European powers seeking to re-establish their imperial control in South East Asia. Throughout the 1950s India played an active mediatory role in the United Nations, seeking an armistice in the Korean war, chairing International Commissions on Cambodia, Laos, and Vietnam, and working behind the scenes to arrange the Geneva peace-talks on Indo-China. Nehru secured agreement with the PRC over Tibet in 1954 based on the subsequently-famous *panchsheel* principles of peaceful coexistence — mutual respect for territorial integrity and sovereignty, mutual non-aggression, mutual non-interference in each other's internal affairs, equality and mutual benefit and peaceful co-existence. In the mid-1950s India began a civilian programme for nuclear power, and played a prominent role in United Nations initiatives on the peaceful use of nuclear energy; these activities secured assistance from Canada, the United States and Britain for India's domestic nuclear power programme, a programme which also gave India the technical capability to build nuclear weapons. Nehru also played a leading role in convening the Asian-African Conference at Bandung in 1955, and in establishing the Non-Aligned Movement that began with a meeting at between Nehru, Tito and Nasser in 1956 and that held

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6 Wainwright, *Inheritance of Empire*, pp.4-6. This was not always clear to contemporary observers: Sir Archibald Nye, the British High Commissioner in India, reported to London in 1951 his view that the standard of the Indian army had declined irrevocably with the loss of British officers (Louis and Robinson, 'Imperialism of Decolonization', p. 478)

its first formal summit at Belgrade in 1961.<sup>7</sup> These initiatives have led some recent analysts to argue that Nehru was articulating universal norms for the formation of a global society, and seeking to establish a genuinely post-colonial international system, by moving beyond established models of international relations based on the unrestrained activities of nation-states or the neo-imperialism of dominant powers, to a genuinely co-operative system based on supra-state institutions such as the United Nations.<sup>8</sup>

Not all Nehru's attempts to assert India's interests were successful, of course.<sup>9</sup> On Kashmir, the United Nations Security Council consistently failed to live up to Nehru's hopes for a clear condemnation of Pakistani aggression by supra-state institutions, and India had to rely on the Soviet veto to quash attempts by Britain and the United States to force both sides to the negotiating table and to implement a plebiscite. More generally, outside powers, notably the United States, sought alliances with Pakistan, and provided economic and military aid that India saw as a direct threat to her own security.<sup>10</sup> For economic development, India was able to draw heavily on the sterling balances she had accumulated in London to finance imports of consumer and capital goods until the mid-1950s; but when these were all spent after 1956 New Delhi had to negotiate for hard-currency aid with the World Bank-sponsored Aid for India Consortium of western powers, and for barter deals with the Soviet Union.<sup>11</sup>

Indian officials, especially Nehru, were always strident in their denunciations of overseas aid in general, and US aid in particular, because of the dangers that this might come with strings attached. However in extreme circumstances, India was forced to seek US assistance whatever the cost. In 1953, for example, when India supplied thorium nitrate, a strategic mineral that could be used in nuclear weapons programmes, to China in contravention of US

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7 For recent reviews of events at the Bandung Conference, see See Seng Tan and Amitav Acharya (eds.), *Bandung Revisited: a conference's legacy and relevance for international order* (Singapore, 2008) and Itty Abraham, 'From Bandung to NAM: Non-alignment and Indian Foreign Policy, 1947-65', *Commonwealth and Comparative Studies*, 46:2 (April 2008), pp. 195-219. Both Britain and the United States deliberately made plans to neutralise any effects the Conference might have on calls for a 'precipitate' end to colonialism (Jason C. Parker, 'The Eisenhower Administration and the Bandung Conference', in Kathryn C. Statler and Andrew L. Johns (eds.), *The Eisenhower Administration, the Third World and the Globalization of the Cold War* (Oxford, 2006), pp. 153-172).

8 See, for example, Manu Bhagavan, 'A new hope: India, the United Nations and the making of the Universal Declaration of Human Rights', *Modern Asian Studies*, published online by Cambridge University Press, June 2008.

9 A summary the achievements of Nehru's grand strategy, which contrasts an 'idealistic' period of foreign policy from 1947 to 1954 with a 'realistic' period from 1954 to 1964 will be found in Baldev Raj Nayar and T.V.Paul, *India in the World Order: Searching for Major-Power Status* (Cambridge, 2003), Ch. 4.

10 Both Britain and the United States saw relations with Pakistan as a way to gain influence in the Middle East, rather than simply as part of their bilateral relationship with India.

11 On the institutional history of India's foreign exchange problems in the 1950s, see G. Balachandran, *The Reserve Bank of India, 1951-1967* (New Delhi, 1998), Chs. 15 and 16.

Government regulations, this jeopardised American food aid at a time of severe shortage in India; a solution was found by an Indian promise to sell all surplus thorium to the United States in the future.<sup>12</sup> More starkly, in November 1962, when for a few days it seemed that the Chinese were about to launch a full-scale invasion of northern India following their success in the border war in the Himalayas, Nehru, on his own initiative, asked the United States for direct military intervention to defend Indian cities from air attack — ‘to be the point of the spear in assisting India’ as Dean Rusk put it. The US administration was reluctant to escalate the Sino-Indian war in this way and, fortunately, the Chinese announced a cease-fire shortly afterwards.<sup>13</sup>

Arguably, Nehru never fully recovered from the traumatic events of late 1962 and the betrayal by the Chinese, as he saw it, of his hopes for Asian co-operation against an anarchic international system based on force and the threat of war. However, Nehru’s achievements in creating an international role for India went beyond the rhetorical posturing of non-alignment and far outweigh the naivety of his China policy. As Nayar and Paul concluded their assessment:

Nehru’s vision of India as aiming for a different location as a major power in the international system of the future led him to a multifaceted effort toward the building of capabilities for a strong India with both hard and soft power. This effort is manifest in the political consolidation of India — not just in territorial integration, but also in installing, legitimizing and fostering a liberal-democratic regime and in adopting an accommodative ethnic strategy — as well as in conceptualizing and implementing an economic policy and a science-and-technology policy (especially in the nuclear arena) which were aimed at undergirding the goal of economic and political independence.<sup>14</sup>

Others are more critical of the effects of Nehru’s attempts at nation-building and state formation in India, but the ability of India to follow a relatively-autonomous path towards regional power status free from overwhelmingly superpower interference and within the

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12 *Foreign Relations of the United States* [henceforth *FRUS*]; *Foreign Relations, 1952-54, Volume XI*, page 1696 ff. Also McMahon, *Cold War on the Periphery*, pp. 181-82; for the history of the monazite sands and thorium found in Travancore across the whole of our period, see Wainwright, *Inheritance of Empire*, Ch.8.

13 *FRUS, Kennedy Administration, Volume XIX: Foreign Relations, 1961-63, South Asia*, documents 203-206: Nehru’s letters have not been declassified by the Government of India and so are not quoted directly in *FRUS*: however, their contents is confirmed in Sarvepalli Gopal, *Jawaharlal Nehru, Vol. 3, 1956-64* (London, 1984), pp. 228-229. Gopal’s biography of Nehru remains an important source since its author had access to the full range of Nehru’s personal papers — a resource that has been denied to later scholars.

14 Nayar and Paul, *India in the World Order*, p.158.

established international institutional framework was a significant feature of the 1950s and 1960s. The next question to consider is where the causes of this phenomenon may lie.

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I have addressed some major issues in India's recent history of colonialism, decolonisation and state building in two essays published in Japanese. The first of these dealt with India's economic relationship with Britain, and with the common assumption that British economic decline in the 1960s explained the weakening of her involvement in the Indian economy.<sup>15</sup> This paper explained that long-term changes in the Indian domestic economy across the period from the 1930s to the 1960s restricted the activities of British firms, and made the Indian and British markets much less complementary than they had been in the early twentieth century. Economic ties were already weakening before independence, as Indian industrialists produced consumer goods to replace British imports of cotton, and as problems for Indian exports of raw materials jeopardised her ability to earn a substantial dollar surplus for the sterling area. As a result, the coming of political independence to India in the late 1940s simply accelerated economic trends of mutual disengagement that were already well established during the late colonial period.

In a second paper, published in 2006, I argued that the causes of India's success in establishing herself as an autonomous power in the 1950s more generally should also be sought in the history of the 1930s and 1940s.<sup>16</sup> At independence, India already had a long history of creating a stable national identity, based on a strong and popular nationalist movement, and the leaders of the Indian National Congress were able to challenge and refute colonial ideas about the meaning of the nation and the nature and purpose of the state. The national leadership replaced British paternalist ideas of Indian fragmentation and difference with a vision of a strong and unified polity and society. As in Japan and China, elites in India in the first half of the twentieth century were able to establish their own vision of the nation, which provided effective opposition to external pressure. Unlike the colonial territories of South-East Asia, and the major states of East Asia, India enjoyed a continuity of political and state structures throughout the 1940s: by avoiding invasion, occupation and civil war, the political forces of nationalism were able to take over power from the retreating colonial state without any major hiatus of authority. In addition, the Indian economy was able to sustain a

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15 "‘Kankei no Fuku’? 1950-1970 Nenno ekin Keizai Kankei', in Akita Shigeru and Mizumiya Tsukasa (eds.), *Gendai Minami Ajia, 6, Sekai Shisutemu to Nettwaaku* (Tokyo: University of Tokyo Press, 2003).

16 'Nijū Seiki Minami Ajia ni okeru Teikoku to Hegemon', in Watanabe Shōichi (ed.), *Teikoku no Shūen to Amerika: Ajia Kokusai Chitsujo no Saihen* (Tokyo: Yamakawa Shuppansha, 2006), pp. 22-45.

policy of import-substitution that limited the action of foreign capital and reserved many opportunities for growth and development to domestic business.

Under colonialism Britain had attempted to control Indian resources by exerting physical force, by attempting to establish cultural hegemony and, most important of all, by creating institutions of governance through which British interests were given supremacy. Indian society reacted to these forms of power by organising moral resistance to physical force, by asserting cultural autonomy through nationalism and by manipulating and subverting the institutions of governance that the colonial power had created. After independence the Indian state was able to build strong foundations of autonomy based on physical resistance, cultural identity, public goods and domestic institutions of governance. Against these forces of local autonomy, potential hegemonic powers — Britain, the United States, and the Soviet Union — could seek to use their influence within international institutions, such as the United Nations, the World Bank and the IMF, and attempt to manipulate and subvert domestic institutions of governance through defence pacts, economic aid and the like. In the case of India such subversion and manipulation was not a great threat, because the local power base of the post-colonial state was so strong.

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In conclusion, a few key points must be stressed which may help discussion at this conference. Firstly, when we study the history of imperialism, hegemony and the international system of Asia we must not think only about the power that any imperial or hegemonic core could exercise over the undifferentiated periphery. Such an approach denies agency to colonial subjects, and downplays the effect of colonial nationalism (political and economic) on the breakdown of the imperial system. Secondly, we must look at the continuities across the middle decades of the twentieth century, from the 1930s to the 1960s, rather than identifying the late 1940s as a unique time of cataclysmic change. The systemic changes in political and economic structures and relationships that undermined the European empires and constrained the actions of post-imperial powers trying to create hegemonic control in the 1950s had their roots in the history of the pre-war years. Thirdly, the history of any bilateral relationship must be seen in as wide a context as possible. To understand the history of the relationship between Britain and India, for example, we must know about each side's relationship with Pakistan, with the United States, with the Soviet Union, and with the People's Republic of China, and also the relationship of each of these parties with each other. The history of modern Asia takes place in a multilateral world; we need a global perspective to study it properly.