

A. INDIA - PAKISTAN. — Discussions between Mr. Nehru and Mr. Mohammed Ali on Kashmir Question. — Agreements on Prevention of Border Incidents, Shrines and Holy Places, Division of India Office Library, Evacuee Property, Railway Stores, and Boundary Disputes. — Temporary Agreement on Canal Waters.

The Prime Minister of Pakistan, Mr. Mohammed Ali, accompanied by the Ministers of Home Affairs and Education (respectively Major-General Mirza and Colonel Hussain), visited New Delhi from May 14-18 for discussions with Mr. Nehru, Pandit Pant (the Indian Home Minister), and Dr. Azad (the Indian Minister of Education) on the Kashmir problem and other questions of common interest to the two countries. A joint communiqué stated that the talks had been "cordial and full," that they had "covered a wide variety of subjects of common concern," and that both sides had "approached these subjects in a friendly spirit and with a desire to explore every avenue to reach settlements of pending problems." The Kashmir problem had been "discussed fully in all its aspects," and it had been decided "to continue these talks at a later stage after full consideration had been given by both Governments to various points that had been discussed."

Before leaving India, Mr. Mohammed Ali told the Press on May 18 that "slight progress" had been made, that "new methods and new approaches" had been considered, and that he was "not going back disappointed."

Mr. Nehru told a press conference in New Delhi on May 31 that "new ground" had been covered in his talks with Mr. Mohammed Ali, but that he could not say much about the discussions. He added, however, that the approach on both sides had been not only friendly but constructive and "not the old dead wall approach."

Major-General Mirza and Pandit Pant had separate discussions during which they reached agreement on the prevention of border incidents and on the preservation of shrines and holy places. Dr. Azad and Colonel Hussain discussed the proposed division between the two countries of the India Office Library in London (see 14308B).

A communiqué on the talks between the two Home Ministers, issued on May 17, ran as follows:

"On the question of border incidents, the Ministers agreed that demarcation of the boundary should be finalized as early as possible. Pending final demarcation, certain arrangements were agreed upon with a view to avoiding possibilities of disputes and the danger of clashes between armed forces on the two sides. The Ministers agreed that demarcation of the boundary between the two Punjab States should be given the highest priority, and should be completed within three months. Agreement was also reached on a reduction in the number of border forces on both sides and the arms to be carried by them. The Ministers further agreed to the appointment of senior officers by the Governments of India and Pakistan to co-ordinate the implementation of the agreement.

As regards shrines and holy places, the Ministers agreed to appoint a joint committee to work out details of implementing the 1953 agreement on the subject (see 13840 A). This committee would, in particular, work out arrangements for the preservation of holy places and examine the question of properties attached to them. They also agreed that free and liberal facilities should be granted to pilgrims from one country to visit shrines and holy places in the other country, either individually or in parties."

The following communiqué on the talks between the Ministers of Education was issued on May 18:

"The Education Ministers of India and Pakistan have considered the question of the India Office Library in London and have agreed that as the Library belongs to the present Governments of India and Pakistan, as successors to the Government of undivided India, the question of the disposal of the Library is the concern of the two Governments, and will be settled by them. The Education Ministers considered various ways of dealing with the problem and decided to continue their discussions later."

Other recent developments relating to Indo-Pakistani relations are summarized below.

The Nekowal Incident. An exchange of fire lasting several hours, in which six Indian soldiers, six Indian civilians, and two members of the Pakistani border police were killed, occurred at Nekowal (a village on the border of Jammu and "Azad Kashmir") on May 7. A strong protest was lodged on May 9 by the Indian Government, which asked for an assurance that the incident would not be repeated, and reserved the right to demand compensation. The Pakistani Government, replying on May 11, stated that the Indian claim for compensation could not be entertained until investigations into the incident by U.N. observers were completed. During his visit to Delhi, Mr. Mohammed Ali expressed to President Prasad his profound regret at the incident, and stated that if any Pakistani were proved to be guilty, "the severest possible action" would be taken.

Evacuee Property. The Indian Minister of Rehabilitation (Mr. M. C. Khanna) visited Karachi from April 5-16 for discussions with members of the Pakistani Government, as a result of which an agreement was reached on the transfer of evacuees' bank accounts and the release of their lockers and safe deposits. This provided that all lockers and safe deposits should be released in bulk by

an agreed date; that all amounts due to the banks from the Custodians or from Government departments in either country should be credited to the accounts of the bank concerned by that date; that both Governments should give every facility for the realization of the debts due to the banks; and that a committee of three representatives from each country should supervise the implementation of these decisions.

This agreement, and that on movable evacuee property reached at the secretariat-level conference in March (see 14141 A), were ratified by both Governments on May 19.

The movable property agreement provided that:

- (1) the Custodians on each side would be instructed to restore evacuees' movable property to the rightful owners or to liaison officers appointed by the two Governments;
- (2) Indian notes and coins restored by the Custodians, or forming part of seized movables, or recovered from buried treasures in Pakistan, would be permitted to be exported to India;
- (3) the Indian Government would permit remittances to Pakistan of equivalent amounts at the official rate of exchange for coins and notes recovered from India;
- (4) both countries would permit the export of bullion similarly restored or recovered, and of machinery and trade goods;
- (5) the lists of sale proceeds of properties deposited with the Custodians would be exchanged *en bloc*, along with cheques for the amounts given in the lists;
- (6) fresh lists of outstanding postal certificates, savings bank accounts, and postal parcels lying in the two countries would be exchanged;
- (7) property (both movable and immovable) of joint-stock companies would be restored, compensation being paid where such property had been allotted or acquired by the Government;
- (8) securities, shares, debentures, and insurance policies deposited in banks would be restored to the evacuee owners or their heirs, after meeting the claims of banks in which they had been deposited;
- (9) in the case of shares, securities, debentures, and insurance policies not held in banks, restrictions imposed by the Custodians on payment of dividends and interest, and on transfer of shares, etc., would be removed;
- (10) contractors' claims would be dealt with through the Central Claims Organization;
- (11) target dates would be fixed for completing action on all important items, and every effort made to observe these dates.

Railway Stores. The Indo-Pakistani Railways Standing Committee and Stores Sub-committee, meeting in New Delhi on Dec. 21-27, 1954, reached an agreement on the division of rolling-stock and stores between the two countries, and on the transfer of service records and provident fund accounts of railway employees. The agreement was subsequently ratified by the Pakistani Government.

Boundary Disputes. Mr. S. A. Khan, Parliamentary Secretary to the Indian External Affairs Ministry, announced on March 12 that agreement had been reached on disputes relating to the boundary between the Murshidabad district of West Bengal and the Rajshahi district of East Pakistan.

Important progress was made in settling one of the principal issues still outstanding between India and Pakistan when a temporary agreement on the use of the waters of the Indus basin for irrigation purposes was reached in Washington on June 21. Negotiations between the two countries on the canal waters issue had been resumed in Washington under the auspices of the International Bank on Dec. 6, 1954, after discussions by a representative of the Bank in Karachi and New Delhi during September. Subsequently a mission from the Bank visited Pakistan and India in March and April, 1955, and toured the areas concerned in both countries together with Pakistani and Indian engineers and officials. On the mission's return, discussions between the delegations of both Governments were resumed in Washington, ending in the above-mentioned agreement. The announcement, issued in Delhi, Karachi, and Washington on June 24, was worded as follows:

"The Governments of India and Pakistan, with the good offices of the International Bank, have entered into an agreement which was signed in Washington on June 21 by the leaders of the Indian and Pakistani delegations. The two delegations are engaged in the preparation of a comprehensive plan for the irrigation use of the waters of the Indus system of rivers.

The agreement makes provision for *ad hoc* transitional arrangements for the period April 1 to Sept. 30, 1955, and, after taking into account Pakistan's ability to transfer water in replacement from the western rivers, establishes agreed *ad hoc* amounts for additional canal withdrawals by India from the three eastern rivers (the Ravi, Beas and Sutlej) during the period covered by the agreement.

The conclusion of this agreement enables the Indian and Pakistani delegations to continue to work, with the participation of the International Bank, on the preparation of the comprehensive plan, in an atmosphere of co-operation and good will."

A newly-formed Indo-Pakistani Friendship Association (with branches in both countries) decided on Feb. 12 to set up Councils of Indo-Pakistani Affairs as an informal attempt to reconcile differences between the two countries, and to present their views to their respective Governments.—(Indian and Pakistan High Commissioners' Offices, London - The Hindu, Madras - The Statesman, Calcutta) (Prev. rep. 14141 A; 14151 A; Canal Waters, 13925 A; Map, 13789 A.)