

Selected Works of Jawaharlal Nehru

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In the Lok Sabha: Indian Traders in Tibet¹

Mr. Speaker: I have received notice of an adjournment motion from Shri Braj Raj Singh about "flagrantly discriminatory practices adopted by the Chinese authorities at Lhasa against Indian traders in Tibet such as freezing of stocks of merchandise belonging to Indian traders, purchasing of stocks of Indian traders at arbitrary prices by Chinese authorities, creating payments difficulties and placing of obstacles in the transport of goods... This constitutes a clear violation of the letter and spirit of the Sino-Indian trade agreement on Tibet... and blow to Panchsheel."

How long has this been going on?

Shri Braj Raj Singh (Firozabad): This has been going on since this trouble arose in Tibet.

Mr. Speaker: How is it a matter of urgent public importance when it has been going on for some months?

Shri Braj Raj Singh: It has been a very serious thing. It has been said by the Chief Minister of Uttar Pradesh that our trade is shrinking a good deal. In addition to that this affects our Panchsheel principle also because our relations with a friendly country China, might be embittered on account of this. Then the economic condition of these people, that is, the Bhutias, shall become very bad due to the shrinkage of this trade. In addition this

¹ 6 August 1959. Lok Sabha Debates, Vol. XXXII, cols 930-934

shrinking trade will affect the border supplies in India also. So this should be considered and a full statement made by the hon. Prime Minister on this.

Shri S.M. Banerjee (Kanpur): May I submit for your information that the Chief Minister of U.P. has said in the State Assembly that it has not affected the trade of U.P. It is in the papers.

Shri Braj Raj Singh: I shall read from the statement of the Chief Minister of Uttar Pradesh where he says that it has to a very great extent affected the trade there.

"Dr. Sampurnanand, who was replying to questions from Shri Pratap Singh (PSP), said that economic conditions of Bhutias had undoubtedly been adversely affected by the decline in the trade with Tibet. The Chinese policy seemed to be to discourage trade with India across this sector."²

Mr. Speaker: It is not necessary to read further. He has read enough.

Shri Braj Raj Singh: "The Chief Minister said that Bhutia trade from Almora to Tibet had not completely ceased although the volume was decreasing steadily. He did not offer any comparative data to illustrate his assessment." And so on it goes.

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru): I do not think that this is a matter for an adjournment motion. But I can very

² According to the National Herald of 6 August, Pratap Singh "wanted to know the steps the Government were taking to help the Bhotiya traders of the state whose economic security had been jeopardised following the disruption of their age-old trade with Tibet;" Sampurnanand replied "that there was nothing new or urgent about the problems of Bhotiya traders. Since the Chinese occupied Tibet, he said, the Indian traders encountered many difficulties. Perhaps the Chinese wanted to put restrictions on Indian traders. But, the Chinese did not altogether stop the trade with India..."

well understand hon. Members being interested in these reports and in these developments. It is true that Indian trade within Tibet has suffered very considerably in the last few months, more especially since these disturbances in Tibet. I will give some figures. In February last our trade with Central Tibet was Rs. 15 lakhs imports and Rs. 10 lakhs exports. By June the corresponding values declined to Rs. 2 lakhs imports and Rs. 3 lakhs exports. So there is a big fall.

We have received many reports about the difficulties in the way of Indian traders. They cannot travel about. They cannot get transport. They cannot send their goods. All these difficulties have arisen. About another thing I do not know how far it is true, that is, as stated in this adjournment motion about the goods of Indian traders having been frozen, but the fact is that they cannot easily be moved for lack of transport.

Also, there has been a recent order - so we are told - declaring Indian currency as well as Tibetan currency in Tibet as illegal. But although the order has been passed it is not quite clear to us whether it has been enforced or not fully. Anyhow, such an order would not be in keeping with the agreement - at any rate with the spirit of the 1954 agreement.

There is no doubt that there are these difficulties. In fact, we had many other difficulties too in regard to other matters in Tibet, for example, regarding the functioning of our trade agencies. We have been communicating with the Chinese Government on this subject quite fully and repeatedly.

Shri Braj Raj Singh: What has been the result of those communications? What is the reaction of the Chinese Government?

Shri Jawaharlal Nehru: We have received in regard to some minor matters some replies etc. Of course, there have been local references by our Consul

General in Lhasa. The results of those local references have not been satisfactory and some little time ago we sent a full memorandum to the Chinese Government in Peking about it.³ To that we have had no formal reply except that they are considering it.

Shri Vajpayee⁴ (Balrampur): May I know if our trade agents are free to move in those areas or whether certain restrictions have been placed on their movement?

Mr. Speaker: In Tibet?

Shri Vajpayee: Yes, Sir.

Shri Jawaharlal Nehru: I think that normally there is some restriction about the distance, that is, about two or three miles or beyond some restrictions without a permit they cannot go. Also, there is a difficulty sometimes of transport not being available.

Shri Goray⁵ (Poona): May I know whether there is any discrimination between the Nepalese traders and the Indian traders as is reported in the Press?

Shri Jawaharlal Nehru: I would not be able to say that because there are relatively few Nepalese traders. Maybe, occasionally they might have been

³ See note, the Ambassador of India to China [G. Parthasarathi] to the Chinese Foreign Office, 25 July 1959; Government of India, Ministry of External Affairs, Notes, Memoranda and Letters Exchanged and Agreements Signed between the Governments of India and China, 1954-1959, White Paper (n.p., n.d.) [New Delhi, 1959], pp. 92-95

⁴ Atal Bihari Vajpayee, Jan Sangh, Lok Sabha MP from Balrampur, UP

⁵ Narayan Ganesh Goray, PSP, Lok Sabha MP from Poona, Bombay

shown somewhat different treatment, but I do not think there is any marked difference.

Shri Achar (Mangalore): Is it true that our Trade Agent had to change his route on account of a direction from the Chinese Government? Originally he was to go by a different route but he had to take a longer route which meant more delay.

Shri Jawaharlal Nehru: That is so. Our Trade Agent in West Tibet in Gartok⁶ had actually gone almost to the pass through which he could enter Tibet when he was told to go across another pass which meant several weeks journey backwards and forwards.⁷

Shri Braj Raj Singh: What effective steps does the hon. Prime Minister want to take?

Mr. Speaker: We are having a regular discussion on this matter. I only wanted to make up my mind as to whether this matter was of such importance, whether it arose only recently, whether it has not been going on for some time and whether it is a proper method for ventilating this grievance or having discussion. I am not satisfied that adjournment motion is the proper method of having a discussion on this subject. Restrictions have been placed from time to time. The Government is also taking steps and is doing all that is possible to do. Under these circumstances I do not feel I am competent or it will be proper that I should give consent to this motion.

⁶ Laxman Singh Jangpangi

⁷ See the informal note, the GOI to the Chinese Counsellor in New Delhi, 8 July 1959; White Paper, pp. 86-88

Shri Braj Raj Singh: Are we having a debate on foreign affairs this session?
We are not.

Mr. Speaker: That is another matter. Let us see.