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DIRECTORATE OF INTELLIGENCE

1 August 1985

GANDHI'S DIPLOMATIC DEBUT: AN IMPRESSIVE START [Redacted]

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Summary

Indian Prime Minister Rajiv Gandhi's visits to the USSR, the Middle East, France, and the United States during May and June showed that he is able to move Indian foreign policy in new directions and to do so in a more pragmatic, less emotionally charged style than his predecessors. He signaled that India was ready to enhance significantly its economic, particularly technological, ties to the United States and Western Europe. He also showed a willingness to give Western, particularly American, foreign policy positions an honest hearing. In return, Gandhi will be watching for signs that Washington is following up on issues raised during recent high-level visits by officials of both countries. Gandhi's travels played well at home and served to complete symbolically his full takeover of his mother's leadership role. [Redacted]

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This memorandum was prepared by [Redacted] the Office of Near Eastern and South Asian Analysis. It was coordinated with the Directorate of Operations. Information as of 31 July 1985 was used in its preparation. Comments and queries are welcome and may be addressed to the Chief, South Asia Division, NESAs, [Redacted]

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GANDHI'S DIPLOMATIC DEBUT: AN IMPRESSIVE START [REDACTED]

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Gandhi's trip to the Soviet Union and his short stopovers in Egypt and Algeria should be viewed largely as efforts to demonstrate continuity with two basic tenets of Indian foreign policy--close Indo-Soviet ties and commitment to the Non-Aligned Movement. In Moscow, he sought to reassure the new Soviet leadership that India's foreign policy remained anchored by New Delhi's extensive economic and military ties to the USSR, and he publicly stated that efforts to establish closer relations with the West would not come at Moscow's expense. By signing new economic, trade, and scientific cooperation agreements, accepting the Lenin Peace Prize for his mother, and dedicating a square in Moscow to his grandfather, Gandhi engaged in the kind of symbolic acts that have long characterized Indo-Soviet relations. [REDACTED]

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In Egypt and Algeria he discussed, among other NAM issues, efforts to end the Iran-Iraq war and the selection of next year's NAM chairman. Although both stops were short--less than 24 hours--they also served to balance what would have otherwise been an exclusively Western trip. [REDACTED]

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Improving Ties in the West

Gandhi came to the United States with the intent of gaining careful consideration for his agenda in exchange for giving careful consideration to that of the United States. [REDACTED] he believes he accomplished this mission.

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- Rajiv clearly feels the United States has a more detailed appreciation of the Sikh terrorist threat.
- Soon after he returned to India, he declared to the press that he was satisfied Washington would do more to prevent development of a Pakistani nuclear weapon.
- New Delhi apparently believes the Gandhi mission softened the US position on multilateral loans to India. [REDACTED]

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[REDACTED]

With respect to US concerns, Rajiv has clearly taken aboard the briefing he received on SDI.

-- He has not made direct comments to the press on the subject since his visit and his Scientific Advisor at the Defense Ministry has asked for a more detailed SDI briefing when he arrives in Washington this month. [REDACTED]

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On Afghanistan--an issue on which New Delhi has long been suspicious of US motives--Gandhi accepted declarations of good faith about the need for a negotiated settlement at face value. He then took what was an important step in Indian policy by sending Foreign Secretary Bhandari to Moscow to signal his conviction that Washington was, indeed, serious about negotiations.

-- Gandhi's move even gained him some political favor in Islamabad, judging by Pakistani Foreign Minister Yaqub's public statements crediting Gandhi's initiative with creating a more hopeful atmosphere at the recent round of United Nations-sponsored talks on Afghanistan in Geneva. [REDACTED]

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The Indians are also showing some movement on the issue of terrorism. Airline terrorism--the TWA hijacking, the Air India crash, and the luggage explosions in Tokyo's airport--has had a special effect on Gandhi who is formerly an airline pilot. These events combined with a growing realization in New Delhi of the threats to Gandhi's life, have led to a raising of India's official consciousness about terrorism. Gandhi has also spoken out in recent weeks on the need for an international response to terrorism, implying that India, as one of the world's leading democracies, must break with its ambiguous, low-key stance on the issue, acknowledge publicly the moral case against terrorism, and play a more active, cooperative role in combatting it. [REDACTED]

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Rajiv's stop in France was designed to find alternatives for sophisticated commercial and military technology if the United States refuses to sell to India. It may also have demonstrated Rajiv's view of India's place between the United States and the USSR. Gandhi said publicly that he admired the French, both for their close relations with Washington and Moscow and their ability to speak out independently on foreign policy issues. The comment may contain a hint that Gandhi envisions a similar role for New Delhi among the developing countries. [REDACTED]

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Gandhi and "High Tech"

The Western visit offered evidence that both confirmed and clarified Gandhi's widely advertised penchant for western "high technology." The fact that he visited high-tech facilities in the United States and France, but declined an invitation to tour Soviet installations in Siberia will not be lost in Moscow, which is watching the issue as one of the signposts of Rajiv's India. The agreements Gandhi signed in Paris and Washington to develop jointly new technologies in agriculture, medicine, and energy also will not go unnoticed by Moscow. [redacted]

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Gandhi's reaction to the high-tech presentations in Washington was also instructive. He focused on new technologies most applicable to India, such as biotech developments, and showed less interest in a robotics demonstration, suggesting that the national prestige aspects rank below practical applications in his scale of values. His well-publicized personal affinity for computers has not clouded his sense of what is realistic for India. [redacted]

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Gandhi's Style

Three signals emerge from Gandhi's trips on his evolving personal and diplomatic style. First, his apparent willingness to give a fair hearing to other points of view strongly suggests that he is motivated to try to cut through emotionally charged issues to get to problem-solving. This has, in our view, been played out in his "step-by-step" approach to improving relations with the United States and Pakistan and to resolving the Tamil-Sinhalese conflict in Sri Lanka. [redacted]

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[redacted] His two meetings and occasional telephone calls to Pakistani President Zia, his discussions with President Jayewardene, and his spur-of-the-moment, "barefoot summit" with Bangladeshi President Ershad to show concern over recent flood damage all illustrate Gandhi's penchant for personal diplomacy. These relationships also give Gandhi a more strongly held personal stake in making progress in improving relations in South Asia. [redacted]

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The third glimpse into Rajiv's personal style comes from his dealings with the international press--a force with which he has become much more familiar as a result of his trips. In a Moscow press conference following his talks with Soviet officials, Rajiv answered leading questions on the US role in Nicaragua and on SDI in a way that allowed reporters to play up Indo-US differences. His performance at a similar event in Washington, however, suggested Gandhi had made some progress in learning to deflect questions designed to trap him and his subsequent press interviews have generally shown a more careful couching of language, particularly in response to questions on United States policy.

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Gandhi's apparent efforts to improve his performance points up his sensitivity to the importance of projecting a positive image. His decision to hold India's first live televised press conference in late June suggests that he feels more confident dealing with the international press since his trip. He used that occasion to lecture Indian reporters on their frequent failure to cover stories honestly and objectively.

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Playing to the Domestic Audience

Coming after his election successes, Gandhi's foreign trips served to complete his full accession to power at home. According to most evidence, the tour played well with all domestic constituencies--the public, the Congress Party, and the government bureaucracy.

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The Indian press emphasized Gandhi's success in establishing personal rapport with his hosts. Photos and headlines noted Gandhi "hitting it off" with President Reagan, meeting five times with President Mitterrand, and accepting General Secretary Gorbachev's proffered lilac sprig in Moscow. The media also predictably focused on instances where Gandhi stood up resolutely for India's positions, such as criticizing the US stance toward the Pakistani nuclear program, and yet earned a warm reception in Western capitals.

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Gandhi received good marks for the Soviet trip, his first foreign venture. The Indian press cast the Moscow stop as a get-acquainted meeting of two new leaders but anticipated no change in Indo-Soviet ties. Gandhi's public reassurances of the importance of the Indo-Soviet relationship and the announcement of additional joint economic ventures fortified those on the Indian left.

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The visit to Washington clearly generated the most excitement and anticipation among Indian observers and press. This was in part due to Gandhi's decision to make the trip in

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spite of the Sikh assassination plot uncovered by the FBI. It also reflected a sense in India--primed by the many preceding visits of high-ranking US officials--that Washington had high expectations for the Gandhi trip and was preparing to "woo" the new Prime Minister. [REDACTED]

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Indian media recaps of Gandhi's Washington visit generally welcomed the change in atmosphere in Indo-US relations although the press cautioned readers that real gains may be slow to materialize. It reported Gandhi's remarks that US policymakers had assured him that they were doing all they could to halt Pakistan's nuclear program, as well as his characterization that Pakistan's conventional weapons programs constituted less a security threat than an economic drain for India. [REDACTED]

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Outlook

Rajiv clearly is more favorably inclined toward the West and the United States than his mother. Unlike his mother and many other Third World leaders, he appears willing to consider alternative policy views--including those of the United States--on or close to their own merit. In this sense, he may be more open than most Third World leaders to an approach that expects him to examine all aspects of complex issues, that nurtures and plays to his sense for realistic problem-solving, and emphasizes the shared responsibilities of democracies in the international arena. [REDACTED]

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Rajiv's reasoned approach to issues suggests that his opening to the West will not be easily derailed. He will probably see bureaucratic glitches and honest differences of opinion as obstacles that can be overcome, as long as he receives sufficient evidence that Western countries--particularly the United States--are making an honest effort to treat India fairly. [REDACTED]

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The next major foreign policy events on Gandhi's schedule are the Commonwealth Summit in the Bahamas and possibly the UN General Assembly in October. Buoyed by his apparent success in negotiating a settlement in the Punjab and in getting Sri Lankan negotiations started, however, he may well turn his attention over the next several months to New Delhi's relations with Islamabad and Beijing. [REDACTED]

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Economic and Technical Agreements Reached During Gandhi's Trips

- A \$1.5 billion aid agreement with the Soviet Union that will probably be used for energy projects. The loan is probably at 2.5 percent interest, repayable over twenty years.
- An agreement on guidelines for Indo-Soviet trade and scientific cooperation for the next 15 years. Details are not yet available, but the accord probably contains few innovations.
- The finalization of an earlier agreement to establish an Indo-French joint research center, with some French funding. French officials report that neither government considers this agreement significant.
- A broad framework agreement to use French technology to reduce pollution in the Ganges river and obtain fuel and fertilizer from sewage. The grant element of this deal was probably small. Apparently, no business contracts were signed in France despite press reports of a \$530 million deal.
- The purchase of up to 500,000 tons of Algerian petroleum, apparently linked to Indian projects in Algeria.
- An extension of the Indo-US science and technology cooperation agreement for three years, which will facilitate meetings between scientists and an exchange of research. The new agreement includes Indo-US vaccine research and development. [REDACTED]

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Military Discussions

Indian Defense Minister Rao accompanied Gandhi to Moscow, France, and the United States to continue discussions about future purchases of arms and technology under India's military modernization program, but no military agreements were signed.

- Discussions in Moscow presumably focused on delivery timetables and terms for weapons systems already in the pipeline.
- Paris, according to US Embassy reports, made a special effort to ease New Delhi's suspicions about France's role in a major Indian spy scandal in January. They also gave Gandhi tours of defense and scientific establishments.

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Gandhi's last-minute addition of Rao to his Washington-bound delegation and the return visit by the Scientific Adviser at the Defense Ministry suggests he is genuinely interested in developing military ties to the United States. Gandhi has stated in public that India would begin by negotiating on small subsystems before purchasing major weapons systems from the United States.

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