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## Special Analysis

INDIA:

### Implications of the Punjab Crisis

*The crisis in Punjab state is one of the most serious for any Indian leader since independence. Prime Minister Gandhi's decisions in the coming months will affect the security of a key border state, the integrity of the Army, and her chances for reelection.* [REDACTED]

Gandhi needs to show continuous progress in restoring order if she is to retain the support she gained outside Punjab for the strong measures taken by the government. She seeks Hindu votes to offset the loss of backing she had among Sikhs and some other minority groups. [REDACTED]

The Prime Minister also has to persuade Hindus that they are no longer in danger in Punjab from the local Sikh majority. Farmers there rely heavily on Hindu migrant labor from neighboring states to produce vital grain. Without these laborers, the large rice crop that now awaits transplantation might be greatly reduced. [REDACTED]

### Government Actions

The Army will be able to contain the violence in the Punjab but will have difficulty stopping it altogether. Military spokesmen say that 5,000 extremists are still at large there, and Army officers speculate that military operations will last until the end of the year. [REDACTED]

The assault on the Golden Temple complex at Amritsar left as many as 2,000 dead, most of them Sikhs. The week-long violence by Sikhs in Punjab and elsewhere in response to the Army action now appears to be waning, however. Some curfews and a total ban on civilian transportation have been partially lifted. [REDACTED]

The government has declared that it will deal harshly with the extremists, particularly members of banned organizations, but it plans to resume negotiations with Sikh moderates soon. The reaction of even the moderates against the storming of the sacred temple, however, makes it unlikely that Sikhs will return to the bargaining table immediately. Many Sikhs are calling for a campaign of terrorism against the government. [REDACTED]

### Gandhi's Options

The Army—always reluctant to be involved in internal security—will want to turn its duties in Punjab back to paramilitary security units as soon as possible. It is eager to minimize clashes with civilians in a

continued

potential staging area on the border with Pakistan. The Punjab crisis and desertions and revolts by some 1,200 Sikh soldiers have hurt morale, but the discipline of India's million-man professional Army remains basically intact. [REDACTED]

Gandhi has announced plans for a new task force—to be drawn from units throughout the country—that might provide an alternative to the Army in dealing with future internal crises. The plans imply that the capabilities of India's paramilitary security forces have been strained by civil disturbances in recent years. [REDACTED]

If Punjab state is to return to normal, Gandhi will have to conciliate the Sikhs in the next few months by conceding more authority to the state government. She is reluctant to grant such concessions, however, for fear of setting off a chain of demands from regional parties in other states. Moderate Sikhs fear that she will set aside their concerns until after the elections, lest a compromise jeopardize Hindu support for her. [REDACTED]

### Looking Ahead

If continued violence seems to be damaging her election prospects, the Prime Minister may decide to declare a state of emergency in Punjab and postpone national elections. She could justify such a move by citing Army reports that thousands of extremists in Punjab are still in hiding and by making new allegations of meddling by foreign powers. [REDACTED]

The strong charges by senior Indian officials that Pakistan and the US are aggravating the unrest in Punjab are designed to deflect blame in an election year. They also reflect New Delhi's tendency to see a foreign hand in domestic unrest. The discovery of foreign weapons in the possession of Sikh terrorists and the support from overseas Sikhs for the dissidents have heightened Gandhi's usual suspicion of foreign meddling. The Soviets are alleging that Sikh disturbances are part of a US conspiracy to destabilize India. [REDACTED]

Gandhi is unlikely to take military action against Pakistan, in part because Army units are tied down by the violence in Punjab. If her domestic support begins to crumble, however, she may consider provoking a diversionary conflict on the border with Pakistan. Charges that Pakistan is serving as a channel for the US to send arms to Sikh extremists might serve as a pretext for such a move. [REDACTED]

-CIA, DIA, NSA-

