

SECRET//NOFORN (S//NF) CIA-RDP85T00875R00150003

Sanitized Copy Approved for
Release 2011/01/07 : [REDACTED]

CIA-RDP85T00875R00150003

Sanitized Copy Approved for
Release 2011/01/07 : [REDACTED]

CIA-RDP85T00875R00150003

[REDACTED]

Secret

25X1



DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

Special Report

*India: The World's Largest Democracy
To Go To The Polls In March*

**DSB FILE COPY
RETURN TO 1E-61**

**DOCUMENT SERVICES BRANCH
FILE COPY
DO NOT DESTROY**

Secret

Nº 663

**19 February 1971
No. 0358/71A**

CONFIDENTIAL**INDIA: THE WORLD'S LARGEST DEMOCRACY TO GO TO THE POLLS IN MARCH**

Prime Minister Indira Gandhi has called parliamentary elections a year before the constitution requires them, calculating that the chances of boosting her party's seats in the lower house are better now than they will be in 1972.

Mrs. Gandhi is publicly attributing her government's mediocre performance to her party's loss of its parliamentary majority following the split in the Congress Party in late 1969. She is presuming that the electorate will be more sympathetic to this argument now than it might be next year should an insufficient rainfall result in poor crops, and unemployment and inflation continue to mount. Furthermore, she fears that another year of political instability at both state and national levels would serve to assist opposing parties in their struggle to forge a viable opposition. To challenge her at the polls, a four-party opposition alliance was formed last month, but it lacks a common program and is held together only by antipathy toward the prime minister.



Women Voters—1969

Despite her party's customary stress on "radical socialism" as the best means of accelerating much-needed economic and social development, Mrs. Gandhi is basically a centrist, and the party's election manifesto is restrained. Mrs. Gandhi has established a solid footing as the leader of India's largest party and has no rivals on a national scale. If she substantially improves her parliamentary position and thereby reduces her dependence on support from numerous minority parties, the prospects for a stronger central government are enhanced. If she suffers a reverse or makes only slight gains, indecisiveness and instability will continue to prevail. In either case, Mrs. Gandhi's future policies are not likely to deviate far from past emphasis on an independent foreign policy and relatively mild socialism at home.

Background

Indian voters will go to the polls between 1 and 10 March to elect India's fifth lower house of parliament (Lok Sabha) in 23 years of independence. About half the nation's 560 million people meet the suffrage requirements—citizen-

ship and age 21 by 1 January 1970. (The 10-12 million becoming 21 after this date will be disenfranchised because of the lack of time to update electoral rolls.) Approximately 60 percent of the electorate are expected to cast valid votes—58 percent exercised their franchise in 1967, and the percentage voting has been rising since the first general election in 1952.

CONFIDENTIAL

CONFIDENTIAL

**Distribution of Elective Seats
by
State and Union Territory**

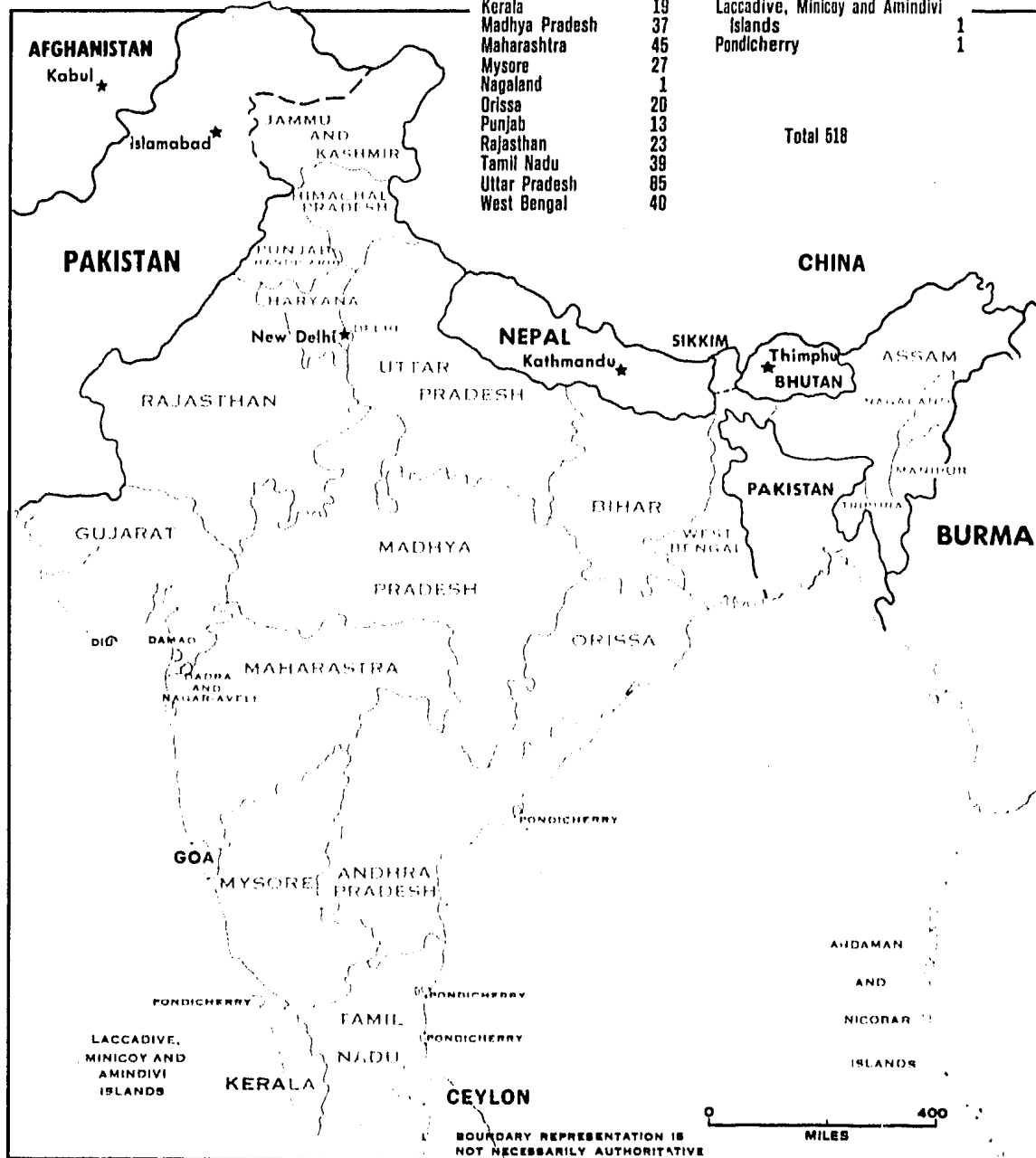
STATES

Andhra Pradesh	41
Assam	14
Bihar	53
Gujarat	24
Haryana	9
Himachal Pradesh	4
Jammu and Kashmir	6
Kerala	19
Madhya Pradesh	37
Maharashtra	45
Mysore	27
Nagaland	1
Orissa	20
Punjab	13
Rajasthan	23
Tamil Nadu	39
Uttar Pradesh	85
West Bengal	40

UNION TERRITORIES

Delhi	7
Goa, Damao and Diu	2
Manipur	2
Tripura	2
Andaman and Nicobar Islands	1
Chandigarh	1
Dadra and Nagar-Aveli	1
Laccadive, Minicoy and Amindivi Islands	1
Pondicherry	1

Total 518



550991 2-71

Special Report

- 2 -

19 February 1971

CONFIDENTIAL

CONFIDENTIAL

The new Lok Sabha will consist of 518 elective seats apportioned among India's 18 states* and nine union territories on the basis of population. Because state boundaries are fixed largely along linguistic lines, there is considerable disparity in the size of the states. Thus, the two most populous states, Bihar and Uttar Pradesh, together claim more than 25 percent of the Lok Sabha seats.

Voting will be staggered over the ten-day period, and in the larger states or where there may be difficulty in maintaining order, the balloting will extend over several days. There will be more polling booths than ever before, and the government claims no voter will have to walk more than 1.2 miles to cast his vote. Ballot counting will begin only after all polling is completed, and final results are expected on 13 March. The new parliament will convene in late March in time to ratify the budget for fiscal year 1972, which begins on 1 April 1971.

Lok Sabha candidates run from single-member constituencies, and they need not be residents of the state in which they run. Constituencies are too big for effective representation—the average consists of about one million people. Furthermore, India's multiparty system produces aberrations in the electoral results; more than three candidates run in most constituencies, and a plurality of 35 to 40 percent or less can produce a winner.

One hundred fourteen (or 22 percent) of the elective seats in the Lok Sabha are reserved for the so-called Scheduled Castes and Scheduled Tribes—the Untouchables who rank at the bottom of the socioeconomic order and the tribes who live outside the mainstream of Hindu society. Although this provision ensures these underprivileged groups a parliamentary representation proportionate to their percentage of the over-all

population, in 23 years it has failed to do much to alleviate the disadvantage of being born into these groups. In addition, a special constitutional provision empowers the president to appoint two members from the Anglo-Indian community and one from the isolated North East Frontier Agency.

India's four previous parliamentary elections have been relatively peaceful and well organized. Under the scrutiny of a permanent, autonomous Election Commission, the election machinery appears to operate honestly, and charges of malfeasance against election officials are rare. Nonetheless, some ballots are tampered with, and there are estimates that, in the past, up to 10 percent of the votes have been bought. Other election irregularities—stuffed boxes, intimidation, bogus voters, voting "early and often"—can be expected in some constituencies, particularly in those tight contests where money is available. Despite this, it is generally believed that India's national elections are a valid index of popular sentiment.

Early Election—Why?

For the first time India's parliament has been dissolved one year in advance of its regular five-year term. Prime Minister Gandhi apparently has decided that her chances of winning a parliamentary majority of at least 262 seats are stronger now than they will be in 1972. When the Lok Sabha was dissolved in December, Mrs. Gandhi's party held 228 seats.

Indian politics experienced a major shake-up during the last year and a half. From independence in 1947 to November 1969, the centrist Congress Party had dominated Indian politics, sheltering a wide range of political factions under a single roof. Following the death of Prime Minister Nehru in 1964 and the succession of his daughter to the prime ministership in 1966,

*The former union territory of Himachal Pradesh was elevated to full statehood on 25 January 1971.

CONFIDENTIAL

CONFIDENTIAL

PARTY POSITIONS IN THE DISSOLVED LOK SABHA		
	Ruling Congress Party	228
Frequent supporters of Prime Minister Gandhi	Dravida Munnetra Kazhagam (DMK)	24
	Communist Party of India (CPI)	24
	Organization Congress Party	65
Opposition's Core of Support	Swatantra Party	35
	Jana Sangh Party	33
	Communist Party of India/Marxist (CPM)	19
Others	Samyukta Socialist Party (SSP)	17
	Praja Socialist Party (PSF)	15
	United Independent Group	25
	Unattached Independents	24
	Indian Revolutionary Party (BKD)	10
	Vacancies	3
	Nonpartisan speaker	1
Total membership		523
(New Lok Sabha will consist of 518 elective and 3 appointed—521 seats)		

however, the party met increasing difficulty in withstanding the challenge from smaller opposition parties with specific regional, religious, or communal appeals.

In contrast with the declining popular support for her party, Indira Gandhi, now 53, has grown in power, self-confidence, and determination. In late 1969 she precipitated a split in the Congress Party that severed her faction of center-left "progressives"—the Ruling Congress Party—from the center-right old guard—the Organization Congress. Personal rivalries, however, rather than ideological differences were a major factor in the split.

Throughout 1970 Mrs. Gandhi's Ruling Congress Party maintained a working majority only through heavy reliance on the pro-Soviet Communist Party of India (CPI), the small South Indian Dravida Munnetra Kazhagam (DMK), and various independents. She hopes to dispense with the inhibition this imposes by increasing the number of Ruling Congress seats to more than the 262 required for an absolute parliamentary majority.

The Ruling Congress' detailed analysis of its country-wide strength in late 1970 indicated

troublesome organizational weaknesses, particularly in heavily populated north and central India. Yet, party officials were encouraged both by the loss of strength suffered by the rival Organization Congress (OC)—especially in the two states under OC control—Mysore and Gujarat—and by Mrs. Gandhi's apparent mounting popularity. If, however, the 1971 rainfall is insufficient, unemployment spirals, and inflation continues, Mrs. Gandhi would face an even more dissatisfied electorate in 1972. Thus, early elections are clearly a gamble, but calculated risk has become a familiar feature of Mrs. Gandhi's political style.

The Contestants

The Opposition

Mrs. Gandhi's decision for early elections, announced on 27 December, climaxed weeks of speculation and some preparatory efforts by opposition parties. In early January a four-party opposition alliance was formed by the Organization Congress and three other parties: the Hindu nationalist Jana Sangh, the radical socialist Samyukta Socialist Party (SSP), and the conservative Swatantra.

The alliance represents a mixed bag of conflicting ideologies, ranging from the conservative right to militant socialism. Its main purpose is to prevent a splintering of the opposition vote, and its only unifying goal is to deny power to Mrs. Gandhi. The partners' original intent was to support a common candidate in most constituencies, but in many areas their competing aspirations could not be reconciled.

The Organization Congress is the senior partner of the alliance. Since it split away from the Congress, it has not fared well, mainly because it lacks rank and file and has been weighed down by aging leaders whose principal activity following the split seemed to be debating the morality of aligning with parties holding incompatible views. Expediency won out when it became evident that

CONFIDENTIAL

CONFIDENTIAL

such electoral arrangements were the only means of winning even minimal representation in the next parliament.

The Swatantra Party was reluctant to join the alliance and briefly held out for a common platform, which it argued would enhance the alliance's credibility and obviate disagreements if the partners were to participate later in a coalition government. Swatantra relented, however, because of the prospect that, with its power largely confined to three states, it would be hard pressed even to retain the 35 seats it won in 1967. Additionally, its identification with private enterprise, laissez-faire, and the vested interests of former princes and prominent industrialists runs counter to the leftist, antiestablishment trend that has recently been evident in elections in Ceylon and Pakistan, as well as in scattered state contests in India.

The most dynamic of the four partners is the Jana Sangh, which won slightly less than 10 percent of the popular vote in 1967 and is the only party that has regularly increased its vote in recent elections. Its staunchly nationalistic platform has the greatest appeal to conservative, orthodox Hindus, and thus the urban middle-class, salaried workers, tradesmen, and small landowners form the core of its support. A dedicated cadre has helped it to prosper. Although the Jana Sangh may increase the number of seats it holds, it is unlikely to expand its base beyond the northern Hindi-speaking states.

The Samyukta Socialist Party (SSP) is the more radical of India's two main socialist parties, and its leadership is noted for opportunism—as illustrated by its willingness to join the rightist-oriented alliance. The SSP now heads its first coalition government, in Bihar State, but it is beset by internal wrangling and its prospects on the national scene are bleak.

The Marxist Communists (CPM) will compete independently and expect to improve their positions in Kerala and West Bengal, where they

are already entrenched. The CPM continues to call for abandonment of the constitution, but ironically its policy still favors working within the system the party seeks to destroy. This inconsistency has provoked sharp attacks from extremists on the left as well as from the moderate Communist Party of India (CPI) on the right.

Ruling Congress

Mrs. Gandhi made it clear that her party will not form a country-wide electoral alliance with any party in contesting about 450 of the Lok Sabha's 518 seats. The pro-Soviet CPI, which has been her most ardent supporter since the Congress split, had hoped to extract an alliance commitment that would enable it after elections to press for more leftist-oriented programs. Nonetheless, the Ruling Congress and the CPI have formed electoral agreements in several states, repeating the cooperative strategy that worked successfully for them in elections in Kerala last September. In other states Ruling Congress leaders refused to defer to the CPI, and the two parties will compete.

Electoral agreements have also been worked out with Mrs. Gandhi's other chief supporter, the DMK, a regional party with strength only in south India, principally in Tamil Nadu. The DMK has modified its earlier demand for outright separatism for Tamil Nadu. It now requests a maximum degree of autonomy for the states, but maintains its opposition to Hindi as the national language. Its generally reliable support in parliament has earned special favors, including New Delhi's more relaxed attitude on the language issue.

Efforts to reach an understanding between the Ruling Congress and the more moderate of the socialist parties, the Praja Socialist Party (PSP), were fruitless. The Bharatiya Kranti Dal (BKD), another spin-off from the old united Congress Party, has opted against any national coalition, but has empowered most of its state units to forge local alliances.

CONFIDENTIAL

CONFIDENTIAL

The Issues

Mrs. Gandhi is campaigning vigorously to project an image as champion of the common man. As the campaign has progressed, her style



Indira Gandhi

has moderated somewhat, assuming a tone of reassuring persuasion in contrast with an earlier emphasis on "radicalism." The party's manifesto, too, is a relatively sober document that avoids specific promises and unrealistic goals. It restates well-known proposals for nationalization of general insurance, financial assistance to the rural poor, an expanded public sector, greater government participation in the import and export trade, and a nonaligned foreign policy. The emphasis on practical goals and Mrs. Gandhi's recent assurances that her party does not advocate the abolition of private property rights are clearly aimed at winning the essentially centrist electorate.

Mrs. Gandhi's speeches attempt to get maximum mileage from her government's short and relatively insignificant list of recent accomplishments, including nationalization of the 14 largest Indian-owned banks and passage of a Monopolies

Control Act. She has also obtained some credit for her attempt to abolish the privileges and annual subsidies granted when the British departed India in 1947 to some 300 former rulers of princely states. When a constitutional amendment bill to terminate the princes' special treatment failed to pass parliament last September, Mrs. Gandhi backed a presidential order removing their privileges. In mid-December this move was invalidated by the Supreme Court. The privy purses constitute only a minor expense to the government, but the issue has given Mrs. Gandhi widespread publicity as a promoter of an egalitarian society.

The Gandhi government is particularly vulnerable on its record in economic matters. Unemployment is endemic in India, but in recent years it has developed into a potentially explosive political issue. Increasing numbers of educated unemployed are involved in urban violence and are potential recruits for the pro-Maoist Naxalite movement and other extremist groups that have seriously strained stability in parts of India. In rural areas, little effort has been made to alleviate the plight of the growing mass of landless laborers. The government has taken some limited, short-term measures to moderate inflationary pressures, but it has also contributed to increases in demand by liberalizing credit policies of the nationalized banks and by increasing wages of government employees when faced by actual or potential strikes. On balance, the lack of a parliamentary majority does not justify the government's failure to effect a number of policy changes that could have alleviated the generally stagnant investment climate in the private sector and stimulated activity in the lagging public sector.

In addition to exploiting economic issues, the opposition has accused Mrs. Gandhi of excessive partiality toward the USSR, the domestic Communists, and the Muslims. Mrs. Gandhi retaliates with charges that the opposition has no program of its own. The opposition parties are vulnerable on this score; in fact their individual election manifestoes reveal the difficulty they would have in working together. The opposition

CONFIDENTIAL

CONFIDENTIAL

campaign is essentially negative, stressing a need to prevent the country from proceeding further in "an authoritarian and antidemocratic direction" under Mrs. Gandhi's leadership.

Key State Races

There are a number of places where Mrs. Gandhi faces special problems. In some cases potential trouble has been defused by direct action from New Delhi, but where regional parties or opposition leaders are particularly strong, the Ruling Congress has been less successful, and the electoral outcome is impossible to predict.

Bihar and Uttar Pradesh

The governments of these two large states that span the heavily populated Hindi-speaking belt fell into opposition hands last fall. Although this development would appear to have made an early election risky for Mrs. Gandhi, it does allow her to try to reaffirm her presumed strength among the conservative, rural populace. Caste, factional, and community forces, rather than political ideology, have largely determined the composition of this vital bloc of 138 seats in the past. The outcome in Uttar Pradesh will be particularly important to Mrs. Gandhi because it is her home state, and it has been a major battleground between the two Congress Party factions. She hopes to carry the Muslim and Untouchable minorities, which formed the backbone of the once-united Congress Party's electorate.

Madhya Pradesh

This is one of India's most backward states, and Mrs. Gandhi's strategy of attacking the right might backfire here. Her strongest opposition is from the rightist-oriented alliance of princes—who still have substantial political influence—and the Hindu nationalist Jana Sangh Party. Her state party organization is badly split, and this is one of the few states in which the Ruling Congress runs a clear risk of suffering defeat.

West Bengal

The problem of restoring stability to this key industrial state appears to defy solution.



Demonstration in West Bengal

More than 30 parties will contest simultaneous national and state elections on 10 March—unless a further deterioration in public order compels the government to postpone them. For the first time since independence, the government has been forced to call in the Indian Army to try to ensure relatively peaceful conditions for campaigning and balloting. The military is not trained to perform this civic function, and its ability to stem the wave of murders and terrorist acts by rival extremist groups is questionable. Postponement of elections, however, would be considered a victory for the terrorist Naxalites, who have vowed not to allow them, and would evoke a noisy protest from the CPM, the most powerful contender at the polls.

Andhra Pradesh

This large south Indian state, under a Ruling Congress government, has long been troubled by a separatist movement in the underdeveloped interior region of Telengana. Mrs. Gandhi offered

CONFIDENTIAL

CONFIDENTIAL

the region a formula that would postpone a decision on statehood until 1977, but the offer was rejected. The residents have organized their own political party and will contest the 14 seats from the area.

Tamil Nadu

This state also will hold simultaneous state assembly elections in which the ruling DMK hopes to regain its slowly ebbing power. One of Mrs. Gandhi's ablest strategists, C. Subramanian, has been working to establish a Ruling Congress foothold in the state. The DMK, which has co-operated with Mrs. Gandhi in New Delhi, was reluctant to surrender seats in its own homeland, but it eventually acquiesced.

Kashmir

Kashmir has only six seats in the Lok Sabha, but activity in the state is of great concern to New Delhi. Over the last several years the political atmosphere in Kashmir has been more peaceful than at any time since the state acceded to India in 1947. The local government operates in harmony with New Delhi, and until recently political activity among Kashmiris opposed to the state's incorporation into India did not exceed tolerable limits. The Plebiscite Front, however, had not abandoned its position that the future status of Kashmir should be determined by a referendum. When the front announced that it would run candidates in the election for the first time, New Delhi began to worry that the vote would reveal considerable support for the front. During Mrs. Gandhi's visit to the state last December, she warned that the secessionist advocates would be stopped and insisted that Kashmir's accession to India was a closed chapter. Shortly thereafter the front was declared illegal under the 1967 Unlawful Activities Act, and its members were prohibited from participating in elections as front candidates. Additionally, the most prominent Kashmiri, Sheikh Abdullah, has been barred from Kashmir for three months, and hundreds of front activists have been arrested. New Delhi is now confident that most of Kashmir's seats will be

retained by Mrs. Gandhi, but at the cost of abruptly halting a three-year experiment in the gradual liberalization of Kashmiri politics.

Other State Ruces

In Communist-ruled Kerala, a CPI/Ruling Congress alliance is confidently awaiting the poll. Inveterate leftist V. K. Krishna Menon, who won a parliamentary seat in the last West Bengal by-election, will seek election from his native Kerala for the first time. His chances of winning the seat are fair.

Mrs. Gandhi expects the Ruling Congress to do well in Maharashtra—home base of a key political figure, Finance Minister Y. B. Chavan. In the Bombay region, however, gains may be made by the Shiv Sena. Since its founding in 1966, this nationalistic, anti-Communist organization, which stands midway between a movement and a party, has made considerable gains by seeking to preserve the interests of Maharashtrians over south Indian immigrants, who are said to enjoy a disproportionate share of jobs in the state.

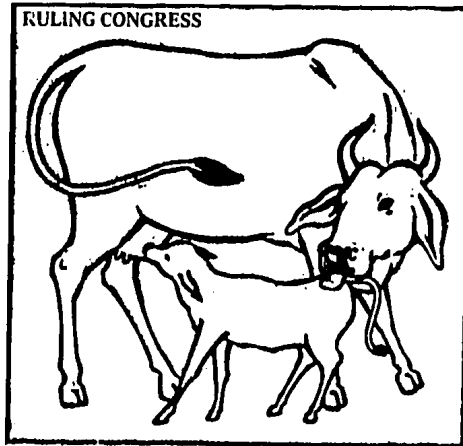
Although Gujarat and Mysore are Organization Congress Party strongholds, the Ruling Congress may pick up some seats, in part because of the personal popularity of Mrs. Gandhi as well as because of the dissatisfaction of Organization Congress units over their party's decision to join forces with the rightists. The Ruling Congress did well in a recent series of by-elections in Mysore.

A slight gain is also possible in the Punjab. The governing Sikh Akali Party generally supported Mrs. Gandhi in New Delhi, but efforts to formulate a joint strategy in the state were unsuccessful. In neighboring Haryana, the predominantly Hindu section of the formerly united Punjab, the Ruling Congress is expected to retain its majority despite well-organized Jana Sangh opposition. In the isolated northeastern state of Assam, the Ruling Congress is also expected to pick up a few seats, largely because opposition parties are so ineffective. Although Mrs. Gandhi inherited Rajasthan's Congress Party bloc

CONFIDENTIAL

CONFIDENTIAL

*Two New Election Symbols
for the Now-Split Congress Party*



*Old United Congress
Symbol
in 1967 Election*

Special Report

- 9 -

19 February 1971

CONFIDENTIAL

CONFIDENTIAL

following the split, it is questionable whether she can make gains there against an opposition that includes a number of princes and prominent businessmen.

Orissa is one of three states to hold concurrent state and national elections. In early January the four-year-old Swatantra-Jana-Congress coalition government fell, and both parties pressed New Delhi for simultaneous state assembly elections. The Ruling Congress and the locally oriented Jana Congress have discussed possible collaboration—thus far inconclusively—and Mrs. Gandhi's prospects for increasing her representation in this state are not bright.

As for the races in India's generally small union territories, the Jana Sangh is likely to retain its hold in Delhi—the most important—while Mrs. Gandhi should hold her own in the others.

Prospects Are for a Unique Election

The separation of national and state elections (except in three states) challenges the basis on which the united Congress Party and other major parties have operated since independence. Confronted with the rise of numerous non-Congress state governments following the setback of the still-united Congress Party in the 1967 elections and a weakened Ruling Congress government in New Delhi in 1970, Mrs. Gandhi concluded that the old style of patronage politics built around dual elections could no longer ensure success. She is now betting that national issues are capable of swaying substantial portions of the electorate. By asking the electorate to vote almost solely on national issues, she is hoping to bypass locally dominant, traditional groups who formerly played the most important role.

In the past, a candidate's stand on state and national issues was almost irrelevant, and he was elected largely because of his proven or potential ability to provide his constituency with ample government largesse in terms of agricultural credit, fertilizer, seeds, irrigation facilities, wells,

roads, and schools. With almost 4,000 seats being contested in the past in the two simultaneous races, caste, linguistic, factional, and religious groups engaged in highly complex bargaining arrangements, swapping support for their various candidates. Until the 1971 results are in, one can only ponder whether the "new" politics has really taken hold.

To win a majority Mrs. Gandhi must do well in the major cities where she has held few seats and among young people who are voting for the first time, and she must regain that segment of the Muslim minority that defected from Congress in the 1967 national election. The fight will be particularly stiff in those states where her party's organization is weak at the grass-roots level. The princes, who are smarting from her policy on the privy purse issue, could pose a serious threat in some 40 constituencies where they still retain power.

Mrs. Gandhi has considerable advantages, however. She has better material resources than the opposition, including air transport for country-wide campaigning, and she receives widespread media coverage. Although a Supreme Court ruling denied both Congress Party factions the use of the traditional symbol of yoked bullocks, the Ruling Congress has the edge because of Mrs. Gandhi's national image as Nehru's daughter and as prime minister during the last five years.

There is no means of surveying pre-election trends among the mass electorate of 225 million rural, predominantly illiterate, tradition-oriented Indians who will determine the electoral outcome. Less obscure are the 50 million urban voters who are more or less modernized. This group appears to be increasingly dissatisfied with the government's performance in all spheres and is demanding relief from the confusion, petty maneuvering, and bureaucratic inertia that have characterized India's first experiment in coalition government. Despite the radical rhetoric from the podium and in India's free press, however, it

CONFIDENTIAL

CONFIDENTIAL

appears that the vast majority of Indians are moderate centrists.

Many objective observers expect Mrs. Gandhi at least to hold her own and possibly to win a few additional seats though falling short of an absolute majority. If the increase is large

enough, she can lessen her dependence on assorted leftists, regionalists, and independents, and a stronger, more effective government—with center-left leanings—might emerge. If not, Mrs. Gandhi will continue to head the largest single party, but the government will lack the stability and decisiveness needed to grapple with India's overwhelming problems.

25X1

* * *

CONFIDENTIAL