





Washington, D. C. 20505

## DIRECTORATE OF INTELLIGENCE

4 December 1984

INDIA: The Men Around Rajiv Gandhi--A First Look

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## Summary

Rajiv Gandhi currently turns for advice to many of his mother's key political and policy advisers but also to a new group of younger confidants. He probably depends mainly on the experienced technocrats for policy counsel and on his friends, particularly Arun Nehru and Arun Singh, for political advice. We believe that after elections, assuming Rajiv does well, he will increasingly consult his friends and other technocrats from India's post-Independence generation. Some may even be appointed to cabinet posts. These men are from India's traditionally elite families, but have wider exposure to Western business and technology than Indira Gandhi's loyalists.

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This memorandum was prepared by the Office	25X1
of Near Eastern and South Asian Analysis and	25X1
the Office of Central Reference. It was coordinated with the	
Directorate of Operations. Information as of 21 November 1984 was used in its preparation. Comments and queries are welcome	25 <b>X</b> 1
and may be addressed to the Chief, South Asian Division, NESA,  or to the Chief, Near East/Africa Division, OCR	25X1
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Rajiv Gandhi, elected to the offices of Prime Minister and President of the Congress Party shortly after his mother's assassination, moved quickly to set the tone for his leadership and election campaign by taking over the portfolios held by his mother and by reappointing most of his mother's personal and cabinet advisers. P.C. Alexander and G. Parthasarathi continue to consult with the new Prime Minister on India's economic and foreign policies. Prominent members of Indira's "Kitchen Cabinet, P.K. Mukherjee, P.V. Narasimha Rao, and Ramaswamy Venkataraman, have been reappointed--even given additional responsibilities -- at least through elections. Rajiv also has left the Congress Party organization intact. These decisions, in our view, were designed to demonstrate to voters that he represents stability and continuity. At the same time the choices reflected his initial reliance on the experience of those close to his mother to administer the government.

Still, the new Prime Minister selected close personal friends and political advisers to fill vacant senior Congress Party positions. He appointed Arun Nehru to the position of General Secretary of the Congress Party, a job Rajiv relinquished when he became Prime Minister, and named Arun Singh Parliamentary Secretary, a position that had been vacant for the previous 16 years.

Congress Party	the two Aruns, who campaigned with R in state and local elections during	ajiv for the the early
1980s, Control	the Party's 1984 election campaign.	

Arun Nehru, Arun Singh, and Rajiv's other close friends are members of the post-Independence generation in India and share a personal history that probably makes Rajiv particularly at ease with their style and advice. They belong to India's elite families—some to the Nehru dynasty itself—and are comfortable with their place in both Indian and western society. As young men they were classmates at the exclusive, private Doon school outside New Delhi—traditionally a training ground for Indian politicians and bureaucrats. Later, several acquired technically—oriented educations at home and in the West.

Like Rajiv, most of his close advisers launched their careers in private business and profited personally in India's industrial growth before Indira Gandhi brought them into politics. Their attitudes towards government reflect a distaste acquired in the private sector for over-regulation and red tape

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that impedes economic growth. Rajiv has publicly stated his admiration for Western technology and entrepreneurs. US Embassy officials report that his advisers share Rajiv's views on the need to attract foreign investment and technology as well as his high regard for modern management methods.  Assuming he does well in the elections, we expect Rajiv to gradually place these advisers and other younger friends in trusted positions, some as policy confidants, perhaps some in the Cabinet. We believe that Rajiv is likely to replace most of his mother's cabinet ministers who have no personal political power bases in order to put his personal stamp on the newly elected government.  Rajiv is likely, however, to retain at least for several months after elections some of his mother's personal advisers. According to the US Embassy, P.C. Alexander and G. Parthasarathi will probably have Rajiv's ear by virtue of their knowledge of foreign and domestic policy actors and issues. Both had direct access to Indira Gandhi and orchestrated the improvement in Indo-US relations following her visit to Washington in July 1982.
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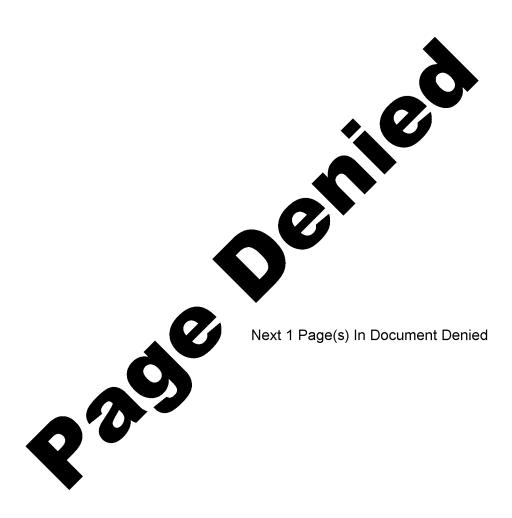
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