

**Page Denied**



Directorate of  
Intelligence

~~Secret~~



25X1

**MASTER FILE COPY**  
**DO NOT GIVE OUT**  
**OR MARK ON**

# India After Rajiv



25X1

An Intelligence Assessment

~~Secret~~

NESA 86-10016  
March 1986

Copy 277

**Page Denied**



**Directorate of  
Intelligence**

**Secret**

[Redacted]

25X1

# India After Rajiv

[Redacted]

25X1

**An Intelligence Assessment**

This paper was prepared by [Redacted] Office of  
Near Eastern and South Asian Analysis, with  
contributions from [Redacted] Office of  
Central Reference, and analysts in the Office of  
Soviet Analysis. It was coordinated with the  
Directorate of Operations. [Redacted]

25X1

25X1

25X1

Comments and queries are welcome and may be  
directed to the Chief, South Asia Division, NESA [Redacted]  
[Redacted]

25X1

25X1

**Secret**

*NESA 86-10016  
March 1986*

Secret

25X1

**India After Rajiv**

25X1

**Key Judgments**

*Information available  
as of 21 January 1986  
was used in this report.*

Prime Minister Rajiv Gandhi faces at least an even chance of assassination before his tenure in office ends in 1989. A change of leadership under such circumstances would slow or stall—and could even reverse—the warming trend in Indo-US relations and cause shifts in India's regional and domestic policies deleterious to US interests in South Asia. It probably also would introduce new instabilities into India's political system. [ ]

25X1

If Gandhi fell to a Sikh or Kashmiri Muslim assassin, widespread communal violence probably would erupt even if strong preventive security measures—including deployment of Army and paramilitary troops across northern India—were taken by the Indian President. [ ]

25X1

Unless Gandhi had clearly designated a successor—a leading candidate is his third cousin and confidant Arun Nehru—the President probably would appoint an interim prime minister from among elder statesmen, such as Human Resources Minister P. V. Narasimha Rao or Finance Minister Viswanath Pratap Singh, and turn the final selection over to the Congress Party's Parliamentary Committee. In the absence of either an obvious successor or an undisputed mechanism for selecting one, a protracted struggle for the succession is likely. [ ]

25X1

Although India's democratic framework would be likely to survive and the Congress Party likely to serve out its term, dissension in the party could result in a rapid succession of weak leaders who would have difficulty managing foreign and domestic policy issues, including communal unrest and pressures from state governments for a greater share of power. The result could be policy drift in New Delhi. At best, such a trend would result in a gradual devolution of decisionmaking to India's states that would help restore balance to India's overcentralized federal system. At worst, such developments could lead to the fragmentation of the Congress Party, a rapid, destabilizing shift of power from New Delhi to ill-prepared state governments, or even a de facto leadership vacuum that would paralyze New Delhi's ability to respond to domestic or foreign threats. [ ]

25X1

The perceived vulnerability of the Congress Party probably would spark efforts by the disparate non-Communist opposition parties to unite to challenge the Congress Party at the polls. The new Congress Party leadership could decide to renew its popular mandate by holding elections

**Secret**

25X1

before 1989, or it could be forced to call elections if factional splits deprived it of its parliamentary majority. The opposition might win power, but prospects for a durable coalition government are poor.

25X1

A military coup is unlikely. But the progressive erosion of boundaries between civil and military authority—brought on by the military's steadily growing involvement in internal security—is increasing the likelihood that senior officers would temporarily assume power if they believed civilian leaders were failing to contain civil unrest or were violating the Constitution.

25X1

Regardless of the succession process, Rajiv's death would cause setbacks in India's efforts to improve relations with other South Asian states. Even a handpicked successor probably would lack the political clout required to counter foot-dragging by Indian bureaucrats attuned to the confrontational approach favored by Indira Gandhi, especially toward Pakistan. Nor can we rule out the possibility that a weak successor would deliberately reverse Rajiv's policies and provoke confrontations with neighboring states in hopes of uniting the Indian public behind him against a putative external threat. In any case, a series of rapid leadership changes or protracted instability in India would increase Islamabad's concern over a potential Indian nuclear weapons program and increase the likelihood of a nuclear arms race.

25X1

The Soviets currently lack the capability to affect the succession and—except in the unlikely event that New Delhi adopted anti-Soviet policies—most likely would continue their pragmatic policy of supporting the incumbent Prime Minister rather than the small, ineffectual Indian Communist parties. Moscow, however, would reconsider its stance if any Indian leader adopted policies that, in the Soviet view, reflected rising US influence. An example would be an Indian decision to demand publicly a Soviet troop withdrawal from Afghanistan.

25X1

Even if there is no change in India's policies, without Rajiv's evenhanded stance toward the superpowers and his firm control of the Congress Party's left wing, the Soviets would certainly increase their efforts to meddle in domestic politics. Protracted instability would provide new opportunities for Moscow to curry influence in the party and possibly to tip the balance toward the left wing in factional struggles for national leadership, to the detriment of Indo-US relations.

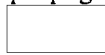
25X1

**Secret**

Secret



25X1

Regardless of who succeeded Rajiv, his death would represent a major loss to US interests. Rajiv's willingness and ability to turn away from his mother's negative approach to Washington have been critical to the warming and expansion of Indo-US ties. Although a major tilt toward Moscow is unlikely, a relatively weak successor probably would be more demanding of the United States on bilateral economic and political issues, more responsive to pressure from leftwing elements at home, and more susceptible to the influence of Soviet propaganda campaigns targeting Washington's policies in South Asia. 

25X1

Secret

25X1

**Contents**

	<i>Page</i>
Key Judgments	iii
The Setting: Rajiv's Auspicious Start	1
Unresolved Problems: India's Fragile Political Institutions	2
The Threat of Assassination: Stability in Jeopardy	3
Aftermath of an Assassination: Most Likely Outcome	4
Immediate Reaction	4
Interim Successor	4
Nehru, a Leading Candidate	5
Rival Claimants	6
Domestic Policy Implications	6
Alternative Outcomes	7
An Opposition Government?	7
A Political Leadership Vacuum	8
The Changing Role of the Military: Prospects for a Coup	8
Gandhi's Assassination	10
Implications for Regional Issues	10
Implications for Relations With the USSR	11
Implications for the United States	11

25X6



Secret

25X1



25X1

Secret

Secret




25X1


**India After Rajiv** 

25X1

**The Setting: Rajiv's Auspicious Start**


Although some of Prime Minister Rajiv Gandhi's policies will continue to encounter serious resistance over the next several years, we believe his dominance of the Indian political scene is secure until at least the end of his party's term of office in December 1989, barring his incapacitation or death. His personal popularity, coupled with the absence of other nationally recognized leaders in the Congress Party and the disarray of the opposition, makes a successful political challenge at the national level unlikely over the next several years. If current trends continue, Rajiv can be expected to continue his party's hold on power after the 1989 election, although perhaps with a reduced parliamentary majority. 




Rajiv Gandhi 

25X1

Having affirmed his mandate in December 1984 with an unprecedented parliamentary majority, Rajiv Gandhi has won kudos at home and abroad for a first year's performance that has transcended the unique initial advantages conferred on him by:

- His clear status as heir apparent to his mother, Indira Gandhi.
- The dearth of rival claimants.
- The circumstances of his mother's death, which made stability a prime concern at the time of the election and dynastic continuity an asset. 

Indian commentators have noted that voters welcomed his pledges to reduce communal strains widely blamed on his mother's policies, to reinvigorate the Indian Government and economy, and to prepare India for the 21st century. With the defeated opposition mute and in disarray and the fractious Congress Party grateful for the unexpected restoration of its crumbling electoral fortunes, Rajiv has enjoyed an extended political honeymoon in which to exercise what he has described as a unique mandate for change. 

In his first year, Gandhi, in our view, has largely kept his electoral promises, taking steps to:

25X1

- Defuse Sikh unrest in Punjab and anti-immigrant violence in Assam.
- Promote acquisition of selected foreign technology, chiefly from the West, with a view to building India into a major modern power.
- Release what he called the pentup drive for efficiency and productivity in India's overregulated private sector by deregulating and freeing it from political meddling, while retaining the government's overall control of the economy.
- Stem governmental corruption, increase bureaucratic efficiency and accountability, and speed decision-making by placing close associates in key positions to short-circuit cumbersome lines of authority.

25X1

25X1

Secret

Secret

- Mediate a resolution of the conflict between militant Sri Lankan Tamils and the Sinhalese-dominated government in Colombo in hopes of blunting a source of regional instability as well as heading off demands by Indian Tamils for intervention by New Delhi.
- Warm relations with Pakistan, in part by promoting high-level discussions on such contentious bilateral issues as nuclear tensions and border skirmishes in Kashmir. [redacted]

Gandhi also has sought, without deviating from India's longtime nonaligned stance, to add balance to India's relations with the superpowers by improving ties to Washington while retaining its close relationship with Moscow. His nonideological view of the West, in our view, has raised New Delhi's threshold of tolerance for differences with the United States on regional and international issues and has opened new, although limited, opportunities for cooperation in areas ranging from trade and joint aid to Africa to counterterrorism and narcotics control. [redacted]

**Unresolved Problems:  
India's Fragile Political Institutions**

Despite our belief that Gandhi will be able to maintain his position for the next four years, we believe that his popularity and the success of most of his early policy initiatives have masked the continuing erosion of institutions that underpin Indian political stability—notably, the ruling bodies of the Congress Party and Congress-led state governments. Rajiv's smooth succession reflected less the vitality of the political system than his unique claim to legitimacy and the response of his party, the opposition, and the public to his mother's assassination. [redacted]

We believe the extreme centralization of both party and government authority in Rajiv's hands—a pattern initiated by his mother—carries with it potential long-term as well as short-term liabilities for Indian stability. US academics and Indian commentators point out that his domination of party affairs and personal control of appointments to state units, like Indira's,

have resulted in weak Congress-led state governments. Lacking strong local support and legitimacy, they have difficulty administering effectively, curbing factionalism, and containing civil unrest, with the result that responsibility for crisis management and most policy decisions gravitate to New Delhi. This trend, in turn, creates decisionmaking bottlenecks in New Delhi. [redacted]

The weakness of the Congress Party's grassroots organizations, in our view, already has led to the party's defeat in several states by strong regional parties representing local interests. These parties are demanding the return to the states of economic and political power lost to the national government under Indira Gandhi through constitutional amendments and New Delhi's gradual encroachment. State Congress and opposition politicians alike advocate greater fiscal autonomy for the states. Opposition state governments, however, are particularly concerned about New Delhi's power to appoint governors and other senior officials and the President's prerogative to dissolve a popularly elected state government by placing a state under central government control. [redacted]

In our view, Gandhi has given no clear indication that he plans to devolve authority. We believe his perspective on these issues has changed since he came to power, perhaps because he has concluded that he cannot make sufficient headway on his ambitious agenda for India if he loosens his control of the party and government. He no longer stresses—as he did when he was general secretary of the party—the need to strengthen the party's grassroots and to transfer power to its state units, preferring instead to appeal directly to the electorate. Like his mother, he delegates few decisions to other party leaders—leading the US Embassy to conclude that his approach to decisionmaking has made him, in effect, even more an autocrat than she was. Far from encouraging new leadership in the states, he has brought able young politicians from the state capitals to staff government ministries. [redacted]

25X1

25X1

25X1

25X1

25X1

25X1

Secret

Secret

We believe Gandhi's actions on two key issues in the next several months will provide an initial measure of his willingness to alter this pattern:

- If he keeps his promise to proceed with party elections in April and desists from trying to manipulate the selection of candidates, this would imply that he is willing to allow the emergence of state leaders with their own base of political support—despite the risk that one of these could eventually challenge him.
- Similarly, a decision to yield the party presidency would nominally disperse authority, albeit only in the national organization.

In our view, Rajiv's promise at the Congress Party centenary celebrations in December to eradicate corruption and inefficiency in the party and his subsequent appointment of new senior party officials pre-empt further changes at the national level but not necessarily significant decentralization of party decisionmaking. We share the view of some US academics that, while Rajiv might follow through with party elections, he is unlikely to give up his position as party president and probably would be unreceptive to the argument that current arrangements rely too heavily on the survival of a single man.

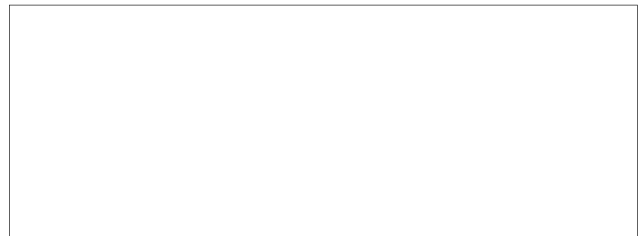
#### **The Threat of Assassination: Stability in Jeopardy**

In our view, there is at least an even chance in the next several years of an assassination, most likely by extremist Sikhs or disgruntled Kashmiri Muslims who have targeted Rajiv. We believe the dogged determination and fanaticism of these groups, together with weaknesses in Indian security capabilities, make Gandhi one of the world's most vulnerable leaders:

- Beginning in June 1984, when Indira ordered an Army assault against the sacred Golden Temple where Sikh extremists were headquartered, militant Sikhs repeatedly—and in some cases, publicly—vowed to kill Indira and Rajiv, their relatives and associates, and moderate Sikhs who cooperated with them. Six months later, Indira died at the hands of her Sikh bodyguards. The government's alleged

mishandling of and complicity in anti-Sikh riots that followed outraged even moderate Sikhs and fueled the extremists' case against Rajiv. Since then, they have assassinated leading members of his party—including two close friends—as well as moderate Sikh leaders despite special measures taken to protect them.

- We believe the threat by Kashmiri nationalists, who in 1984 assassinated an Indian diplomat in the United Kingdom, to kill Rajiv in retaliation for the alleged repression of their people by the Gandhi family also should be taken seriously.
- A fanatical Hindu convinced that Gandhi's concessions to militant minorities have come at the expense of his coreligionists might also make such an attempt.<sup>1</sup>



25X1

Although we expect India's parliamentary democracy to survive Gandhi's assassination and the Congress Party to retain power for the rest of its term, several factors make us doubt that the country would weather the shock with as much ease as it did Indira's assassination. These factors include:

25X1

- The likely impact of a second assassination on public confidence in the capabilities of the country's security forces.
- The absence of both an obvious successor and an established procedure for selecting one—a situation likely to encourage a scramble for the succession in

<sup>1</sup> Such concerns led a Hindu fanatic in 1948 to assassinate Mohandas Gandhi—revered by most Indians for his efforts to ease Hindu-Muslim tensions as well as for his role in securing India's independence.

25X1

Secret

**Secret**

the Congress Party, foster future challenges to the legitimacy of any successor, and reduce public confidence in and respect for New Delhi's authority.

- The weakness of Congress-led state governments, which lack the autonomy and credibility either to bolster a national leader or to arbitrate a succession dispute. Even so, Congress as well as opposition state leaders probably would see protracted jockeying for national leadership as an opportunity to force the issue of states' rights under circumstances in which a rational reallocation of authority would be unlikely.
- Gandhi's personalistic style of leadership, which, in our view, greatly increases the potential for disruption of government and party alike if he should depart the political scene abruptly. Moreover, his strong personal role in formulating policy has contributed to the widespread public perception—noted by Indian commentators—that New Delhi's policies derive almost exclusively from his initiative. Were Gandhi to die suddenly, this perception could spark a crisis of public confidence in the government and also could encourage his opponents to challenge its policies.
- The volatility of communal, ethnic, and caste tensions, particularly in Punjab, Assam, and Gujarat. We believe Rajiv's death—and the perception that his successor was preoccupied and susceptible to pressure—would spark further demands for concessions from militant minority groups. A successor who lacked Rajiv's popular mandate and his confidence would have difficulty deflecting such challenges without heavy use of security measures.

#### **Aftermath of an Assassination: Most Likely Outcome**

##### **Immediate Reaction**

We believe that public reaction to the ethnic or religious identity of the assassin would initially overshadow the succession issue. US diplomats in New Delhi and US academic experts believe that Rajiv's death at the hands of a Sikh or a Muslim would trigger reprisals by conservative Hindus throughout

the north, where members of these minority groups are concentrated, as Indira's murder by her Sikh bodyguards did against their coreligionists in November 1984. It also could—in the case of a Sikh assassin—cause Sikh refugees once more to flood into their home state of Punjab. Although we believe that this is the most likely outcome, particularly in light of Rajiv's popularity, there is a slim possibility that public memory of the bitterness engendered by the violence in 1984 might mute such reactions among Hindus to a second assassination. In the case of a Hindu assassin, public attention probably would turn quickly to the choice of a new national leader.

Whatever the circumstances of an assassination, the developments after Indira's death probably would prompt President Singh or his successor to set in motion preventive security measures—at a minimum, placing the armed forces on alert and deploying Army and paramilitary troops to likely trouble spots. He might decide to impose a state of emergency until after Gandhi's funeral and delay the installation of an interim prime minister.

##### **Interim Successor**

Unless Rajiv had explicitly named a successor—as we doubt he will, in light of the Indian cultural distaste for spelling out the implications of death—the President probably would appoint an interim prime minister in the hope of postponing the likely struggle for power within the party until domestic tranquillity was restored. The President probably would choose a man who he judges—for whatever reason—would not aspire to be permanent prime minister. Human Resources Minister P. V. Narasimha Rao or Finance Minister V. P. Singh, both respected politicians with unblemished reputations, would be likely candidates. The caretaker government probably would focus almost exclusively on restoring public order and confidence.

If faced with severe communal violence, the President could decide to postpone appointment of even an interim prime minister and turn instead to the military for help in restoring civil order. The President

25X1

25X1

25X1

25X1

**Secret**

4

Secret

25X6

25X6

**Other Potential Causes of a Sudden Leadership Change**

*Although we believe assassination is the major near-term threat to Rajiv's tenure, any of several other events could cause his abrupt departure from the political scene before 1989:*

- *His death from natural causes or by accident.* [redacted]
- *A decision by Rajiv to resign out of frustration with the difficulty of achieving the goals he has set for himself. We see no signs of this and believe it would be out of character.*
- *A decision by Rajiv to leave public life on the grounds that it imposed unacceptable risks and strains on his family.* [redacted]

*We suspect, however, that Rajiv would calculate—as we do—that he and his kin would be targets for extremist violence even if he left public office.*

- *A disastrous series of political missteps in the next several years could discredit Gandhi and cause him to step down or be forced out by party rivals who have yet to emerge. We believe the long-term consequences of such a scenario would resemble those of an assassination, but we would expect to have advance indications if Rajiv were in political trouble—for example, evidence of growing factional divisions, widespread and violent public protests against his policies, and a major resurgence of opposition activity.* [redacted]

alone has the power to declare a military state of emergency—as distinct from the civilian state of emergency declared by the President at Indira Gandhi's insistence in 1977—and to call out the armed forces in times of crisis. If this were to occur, we believe Rajiv's first civilian successor would face an uphill struggle to establish his credibility as a peacekeeper. [redacted]

**Nehru, a Leading Candidate**

No matter how Rajiv departed the political scene, once the succession issue came to the fore, we would expect Rajiv's third cousin and confidant, Arun Nehru, to press his claim to represent the Nehru-Gandhi legacy in what otherwise is virtually an open field. US diplomats point to Rajiv's elevation of Nehru to a key position in the Home Affairs Ministry as a possible signal that Nehru is being positioned to replace Gandhi, should the need arise. Unless Nehru had Gandhi's indisputable endorsement, we would expect him to encounter resistance from other close associates of Rajiv, including Arun Singh and V. P. Singh. [redacted]

25X1

25X1

Even with Rajiv's blessing, Nehru's reputation as a powerful but controversial power broker and his efforts to exploit his family ties probably would revive the protests that both opposition and Congress politicians frequently advanced with reference to Rajiv before Indira's death against dynastic rule in a democracy. We believe Nehru would be more vulnerable than Rajiv to such objections. [redacted]

25X1

25X1

25X1

We concur with the view of at least one US academic expert on South Asia that, without Rajiv to push him forward, Nehru would have difficulty winning cooperation from many Congress Party officials and gaining power. Although Embassy reporting indicates that Nehru has a growing base of support within the party, its durability is untested. US diplomats report that many Congress politicians believe they have lost status and prerogatives since Rajiv came to power as a result of his disdain for party politics. We would expect some of these politicians to view the transition to a new leadership as an opportunity to recoup their losses, which some doubtlessly attribute in part to Arun Nehru's influence. We cannot exclude the possibility, suggested by US observers, that Nehru might react to resistance from within the party by trying to persuade paramilitary or military leaders to help him gain or retain the prime-ministership—a move unlikely to succeed, in our view. [redacted]

25X1

25X1

25X1

Secret

Secret

**Rival Claimants**

Although Nehru is the only obvious potential successor of national stature, any of the party's many experienced functionaries and politicians—including, for example, the recently appointed vice president of the party, Arjun Singh—also could make a bid for national leadership. Sonia Gandhi's Italian heritage probably would disqualify her from serious consideration as a successor, but some Congress politicians might propose her as a candidate. The long tradition of drawing India's top leadership from the northern Hindi-speaking states probably would tip the odds in favor of contenders from that region. In any case, street violence could erupt between followers of rival claimants. [redacted]

The President might judge it prudent, given his weak political position, to sidestep the factional quarrels and delegate the choice of a prime minister to the Congress Party's Parliamentary Committee. The committee, in turn, might decide to foreclose the issue and ensure continuity by retaining the interim prime minister or another ranking member of the Cabinet in the position. [redacted]

**Domestic Policy Implications**

Although we would expect few major shifts in India's policies following an assassination, several of Gandhi's domestic programs and achievements would be vulnerable were he to pass from the scene before 1989. Crucial details of the accords Gandhi has negotiated with Sikh and Assamese dissidents remain to be worked out, and serious tensions could revive. If Arun Nehru succeeded Gandhi, his experience as junior Home Affairs Minister with responsibility for internal security would help him to contain, if not avoid, heightened conflict in Punjab and Assam. [redacted]

Without Gandhi's personal authority and commitment, his fledgling economic liberalization program could easily succumb to controversy over its alleged bias in favor of India's small middle and upper-middle classes and private sector and the priority it places on importing high-technology items even at the cost of deferring Indira's goal of national self-sufficiency. Some Indian commentators note unease with the

---

***The Succession to Rajiv: Constitutional and Political Ambiguities***

***Problematic Mechanism***

*Under the Indian Constitution, the president has the final say in choosing a prime minister, although the Congress Party's charter calls for the decision to be referred to the party's Parliamentary Committee.* [redacted]

25X1

*In reality, India's president is little more than a figurehead and has taken his cue from the sitting prime minister. Until Indira Gandhi purged the party of virtually all politicians whom she viewed as potential challengers and packed its ruling bodies with appointees selected for their loyalty, the prime minister—including Indira—in practice was chosen by a powerful coterie of state politicians whose backing sufficed to confer legitimacy on the new leader and send off rivals.* [redacted]

25X1

25X1

***No Applicable Precedent***

*Following Indira's death, President Singh chose to pass the prime-ministership directly to Rajiv Gandhi without either naming an interim prime minister or awaiting the Parliamentary Committee's approval—a decision we believe reflected both deference to Indira's wishes and Singh's realization that Rajiv would gain little by awaiting the committee's rubber-stamp approval.* [redacted]

25X1

25X1

*Unless Rajiv clearly indicates a successor, it is unclear how the next prime minister will be chosen. President Singh's probable replacement in 1987—the end of his term—by Vice President Venkataraman is unlikely to alter the prospects for a contentious succession.* [redacted]

25X1

---

scope and speed of Rajiv's intended changes even among middle-class individuals and successful corporations that stand to gain most from many aspects of deregulation. As a result of these factors, even Rajiv's close associates—who, in our view, would be disposed

25X1

Secret

Secret

to push his liberalization policies forward if they had a free hand—would have to yield some ground to opposition politicians and Congress traditionalists who oppose it.

### Alternative Outcomes

Although the Congress Party probably could retain power under a new leader until the end of its term in 1989, any of several plausible developments in the wake of an assassination could adversely affect the party's prospects, resulting ultimately in a change of government or even a power vacuum. Precursors of such major changes might include:

- An extended succession struggle or rapid sequence of leadership changes in the Congress Party and/or in the senior ranks of government.
- Factional splits in the Congress Party.
- A growing perception that the government was failing to address immediate problems—for example, to check severe communal, regional, or ethnic strife or to maintain adequate external defense.
- Increasingly widespread and unpunished abuses of civilians by police, paramilitary, or military personnel engaged in domestic security duties.
- A serious economic blunder that caused rapid increases in the price of food or other basic commodities.

### An Opposition Government?

We believe a sharp decline in the fortunes and public standing of the Congress Party would stimulate the fractious leaders of India's disparate opposition parties to unite to pose a credible electoral challenge to the Congress Party, and this might bring a coalition government to power. The opportunity would arise if the new Congress leadership decided to test its popularity by calling a national election before 1989.

Alternatively, if factional splits deprived Congress of its parliamentary majority, the President would be constitutionally required to dissolve parliament and call an election. The opposition probably could even capitalize on adverse economic developments beyond the government's control—such as a significant decline in the standard of living sparked by drought. Although such problems could emerge during Rajiv's

stewardship, we judge that virtually any other Congress leader would be more vulnerable to perceived missteps in key policy areas, a distinction that would be clear to watchful opposition figures.

In our view, the events of 1977, when public reaction against the excesses of Indira Gandhi's emergency rule galvanized the opposition to unite in the Janata Front, demonstrate how such a scenario could evolve. Despite the well-known incompatibilities of its leaders and the lack of a coherent platform, the pooling of protest votes against Indira delivered an overwhelming electoral victory to the Janata. A united opposition would be most likely to succeed in a bid to regain power if the Congress Party splintered. A splintering would decisively alter the electoral arithmetic that has repeatedly permitted it to carry national as well as state elections with only a plurality of the popular vote.

In our judgment, an opposition win would not necessarily ensure a smooth transition to a new government. Opposition unity probably would be more difficult to achieve than it was in 1977, in large part because, in the last several years, powerful regional opposition parties representing local interests in a single state have eclipsed the stagnant national opposition groups. The new regional opposition leaders generally lack political experience at the national level and have even less common ground than do their counterparts in the national parties. We believe rivalries among opposition leaders could slow or even prevent formation of a Cabinet. Were an extended deadlock to occur, the opposition might be compelled to concede failure and call a new election, perhaps returning the Congress Party to power by default.

Even if a victorious opposition coalition formed a government, disagreement over key issues—the management of the economy and of conflicting regional and communal demands, for example—could stymie decisionmaking in New Delhi, resulting in a policy drift such as occurred under the 1977-79 Janata government. Such a drift could have beneficial

25X1

25X1

25X1

25X1

25X1

Secret



**Secret**

results if it allowed a gradual shift of decisionmaking from national to state governments, according to Indian political scientists.

### **A Political Leadership Vacuum**

Although we believe that another leadership assassination is unlikely to cause a rapid breakdown in the resilient Indian political system, we cannot discount the possibility of a more catastrophic outcome—notably, the emergence of a leadership vacuum that no party or individual politician is well positioned to fill. Any combination of the following developments would greatly increase our concern that such a scenario was in store:

- Prolonged government inaction in the face of sharply increasing challenges by regional, ethnic, or communal groups. Faced with evidence of governmental incapacity to respond to civil strife or even to external security threats, the military, in our view, would at least consider stepping in to meet the threat without authorization by the civilian government.
- A rapid shift of decisionmaking by default to unprepared state governments. Efforts by a weak national government to retrieve its authority from state and regional leaders are likely to be ill timed and clumsy, further complicating federal-state relations.
- Evidence that the Constitution was being violated—particularly by a leader who lacks widespread support.
- Flagrant manipulation of elections—national or state—by the national government.
- A prolonged national strike, whether instigated by the opposition or by labor unions.
- Unbridled dissension in the Congress Party government, leading to splits that would divide the party's parliamentary majority and cause the government to fall from power, coupled with unsuccessful efforts by the opposition to unite.

Even if they did not result in a leadership vacuum, such developments could seriously erode national government authority and cause the breakdown of political norms that have prevailed since independence, to

the detriment of India's security. As the rules of politics changed, rival politicians might be tempted to turn to outside powers for financial and political support, thereby increasing the scope for meddling by foreign powers—particularly the Soviet Union—in India. A weak leader probably would try to deflect blame for domestic problems onto longtime foreign scapegoats, such as Pakistan or the United States, even at the cost of greater tensions between India and these countries.

### **The Changing Role of the Military: Prospects for a Coup**

We believe that, short of a complete breakdown in civilian authority, there is little likelihood that the military—even a disgruntled coterie of military officers—will try to seize and retain power in the next several years. The Indian military remains wedded to its apolitical British legacy and generally has respected civilian authority. The Army's self-image has been bolstered by its negative perception of military rule in neighboring Pakistan and Bangladesh, where soldiers with the same British legacy are viewed as having violated their constitutional trust. Senior Army officials clearly voiced their discomfort with their unprecedented responsibilities for civil administration in Punjab following New Delhi's crackdown against Sikh extremism in June 1984. The decentralized structure of the Indian military—whose three services lack joint regional commands—also militates against a military takeover, although progress toward Gandhi's goal of overcoming command and control problems by creating a unified command will reduce this impediment.

Even so, we believe New Delhi's growing reliance on the Army to perform domestic security duties, however unwillingly, already has weakened the boundary between civilian and military domains. This trend is increasing the odds of a military bid for greater influence in government decision making or even a provisional military takeover without civilian authorization. US academic experts surmise that the political

25X1

25X1

25X1

25X1

**Secret**

Secret

---

**Why a Civilian Coup in India Is Unlikely**

*The very factors that make India difficult to govern also make it unlikely that one or more civilian leaders could seize and retain power in disregard of the existing political system, far less reshape the Indian political and social system as Khomeini did in Iran. To govern India, any prospective leader would need at a minimum to secure the support of the Army, the civil service, industrial and commercial leaders, and the growing middle class. He or she would also have to overcome the consensus among Indians that only their democratic political institutions are capable of mediating their national diversity:*

- *US experts on India note that the Army and civil service pride themselves on being upholders of the Constitution.*
- *Indian voters, particularly the growing middle class, are deeply committed to the Constitution, parliament, the apolitical court system, the multi-party system, and the free press—which limit the authority available to any national leader—and were quick to penalize Indira Gandhi at the polls in 1977 for transgressing acceptable bounds during the two-year-long state of emergency she imposed in 1975.*

*Other potential sources of authority and legitimacy are widely dispersed in the Indian setting. India has*

*no unified national political, social, or religious hierarchy:*

- *Its political parties are loosely organized—with the exception of the cadre-based Communist parties—and are active almost exclusively at election time.*
- *Indians have conflicting loyalties to the diverse caste, class, religious, ethnic, regional, and occupational groups to which they simultaneously belong.*
- *The ethnic arithmetic by which rank-and-file government jobs as well as senior appointments are allocated to ensure equity and representativeness means that all India's national institutions, including the civil service and the military, reflect these overlapping affiliations.*
- *Religious authority in the majority Hindu religion is dispersed among thousands of local priests, who—like their counterparts in the minority Sikh and Muslim religions—represent different cults and sects.*
- *India has no central city. Its industrial and commercial base and elite are dispersed among several major urban centers.*

25X1

25X1

*acumen and administrative experience gained by Army officers have reduced their patience with the failure of the civilian leadership to head off communal, regional, and ethnic tensions before they reach crisis proportions—a judgment with which we agree. Senior military officers could well demand and secure a role in domestic crisis management on the basis of their experience.*

*Such officers, however, probably would consider preempting the civilian national leadership, even temporarily, only as a last resort. We believe they would*

*seize power only if convinced that the national government was illegitimate and incompetent—as evidenced, for example, by indisputable breaches of the Constitution or a failure to quell civil strife. Even then, the officers probably would act only if they felt certain of support from key economic and political groups, including the bureaucracy and industrial leaders, as well as from the public and their peers. Although we cannot rule out the possibility of a coup by junior or middle-level military personnel—spurred*

25X1

Secret

Secret

perhaps by discontent with tolerance by senior officials of inept civilian leadership—we doubt that the perpetrators could retain power for long. [redacted]

Despite these considerations, any of the following developments in conjunction with an unstable civilian leadership would lead us to revise our view that there is only a slight chance of a military coup in the near term:

- A marked increase in involvement by senior military officers in making foreign and domestic policy decisions.
- The emergence in the military of specific political allegiances—perhaps including pledges of loyalty by senior officers to individual political leaders or parties.
- Widespread and long-term ethnic tensions in the Army, especially if officers blamed them on civilian policies. Such tensions were evident following New Delhi's crackdown on Sikh extremism in Punjab in summer 1984, when concern about the Army's treatment of their coreligionists led some 2,000 Sikh soldiers to desert in northern India. [redacted]

[redacted]—who comprise about 10 percent of enlisted troops and over 20 percent of the officer corps. [redacted]

We believe Army involvement in running the national government—whether short or long term—would significantly worsen prospects for India's political stability. Although such involvement may be reversible, the further blurring of distinctions between civil and military authority would almost certainly increase the likelihood of future challenges by the military. We judge that anxiety about these prospects would prompt subsequent civilian governments to skew their priorities toward the military in an effort to appease it. Opposition parties might bid against each other and the government for the support of the military, further undermining the legitimacy of the electoral process. [redacted]

In our view, military rule also would inflict serious damage on the integrity and perhaps the combat readiness of the Army. Army leaders could find their

own attention and that of key officers divided between civil and military duties. Expanded civil responsibilities probably would result in the frequent interruption of training routines—a problem that has already arisen whenever Army troops have been deployed for domestic security duties. The onus of mediating ethnic, religious, and regional tensions across the country would deepen such divisions within the armed forces, strain discipline, and perhaps impair external defense capabilities. [redacted]

**Gandhi's Assassination**

**Implications for Regional Issues**

Although we doubt that the most likely successors to Rajiv would make major changes in India's foreign policy, we would expect at least some setbacks—if only by default—in his efforts to change direction in important aspects of Indian foreign policy, including relations with neighboring states. In our view, Rajiv's personal diplomacy has been critical to overcoming foot-dragging by bureaucrats accustomed to his mother's confrontational approach to India's relations with Pakistan and Sri Lanka. We judge that even a designated heir would lack the political leverage necessary to build on the progress achieved by Gandhi. [redacted]

It is even possible that a weak national leader seeking to unite the Indian public behind him might welcome—or promote—a deterioration in India's relations with other regional states as evidence of an immediate external threat. Such a leader might consider, for example, provoking border skirmishes with Pakistan to divert attention at home from unresolved problems. [redacted]

A series of rapid leadership changes or protracted instability in India probably would increase Islamabad's concerns about the prospect of an Indian nuclear weapon. In our view, such developments would aggravate existing tensions between the two sides, undercut the limited nuclear dialogue begun by Rajiv and Pakistani President Zia, and heighten the risk of a nuclear weapons race between India and Pakistan. [redacted]

25X1

25X1

25X1  
25X1

25X1

25X1

25X1

25X1

Secret

Secret

**Implications for Relations With the USSR**

We believe the Soviets lack the ability as well as the inclination to meddle with the succession in the next several years. [redacted]

In our view, Moscow would be predisposed to continue its pragmatic policy of supporting the ruling party in New Delhi—which for all but two years since independence has been the Congress Party—rather than the two relatively ineffectual Indian Communist parties. Apparently satisfied with the benefits of good relations with a leading nonaligned state, Moscow has continued to show a high degree of tolerance for India's mixed economy and for its consistent rejection of Soviet requests for closer security ties under both Congress and Janata governments. Since Indira's return to power in 1980, Soviet support has persisted despite both the eclipse of the pro-Moscow left wing of the Congress Party and Rajiv's moves to bolster the private sector of the Indian economy, acquire Western technology, and open India to Western imports. The Soviets probably expect the bilateral relationship to endure in light of India's long-term reliance on Soviet weapons—sold on uniquely concessional terms—and its need to retain close relations with the Soviets to counter ties among the United States, China, and Pakistan. [redacted]

Moscow would undoubtedly reconsider its stance toward India's leadership—including Rajiv or his successor—if it had indications of drastic changes in the relationship, such as Indian plans to abrogate the 1971 Indo-Soviet Friendship Treaty or to terminate abruptly purchases of Soviet arms. It would also view with concern changes in India's foreign policy that, in the Soviet view, clearly reflected rising US influence—for example, a sudden shift in India's vote on Afghanistan in the UN General Assembly from its customary abstention to a condemnation of the Soviet invasion. [redacted]

Even so, we would expect the Soviets to proceed cautiously. Moscow probably would not attempt to arrange the ouster—far less the assassination—of an

uncooperative leader. Rather, Soviet leaders would first attempt to dissuade New Delhi from its new course; then reduce support for the incumbent party, stepping up both its cultivation of ties to the opposition and its propaganda campaigns against the West in India; and finally perhaps threaten to slow or halt the flow of arms. A hostile Soviet stance against the incumbent leadership in New Delhi most likely would require, or perhaps would reflect, shifts in Moscow's policy toward other regional powers, including Pakistan and China. [redacted]

Even if New Delhi did not alter its foreign policy, prolonged instability following a leadership assassination probably would offer Moscow new opportunities for involvement in and influence on Indian domestic politics. Moscow's options in India are currently limited. Rajiv's insistence that Congress Party officials hew to his own policy line has spurred the decline in influence of the party's left wing. Among non-Communist opposition leaders, only H. N. Bahuguna of the Lok Dal Party is both nationally known and pro-Soviet, but his support—confined to the Hindi-speaking states of the northern tier—has diminished sharply over the past three years. Without Rajiv's firm control and insistence on evenhandedness, Moscow would step up its efforts among both Congress Party and opposition politicians to secure favorable treatment and might even gain sufficient leverage to tip factional rivalries to pro-Soviet individuals. [redacted]

**Implications for the United States**

We believe Gandhi's death would represent a significant blow to US interests, regardless of the circumstances of the succession. Rajiv's personal affinity for Western culture, his willingness to risk bold departures from his mother's policies, and his unprecedented political strength at home, in our view, have been key elements in the improvement of the tone and expansion of the scope of Indo-US ties. We doubt that any successor will combine these attributes with the commitment Rajiv has demonstrated to a range of domestic and regional policies congenial—or at least

25X1

25X1

25X1

25X1

25X1

25X1

Secret

Secret

less inimical—to the United States, including moves toward economic liberalization and efforts at reducing tensions with Pakistan and Sri Lanka. [redacted]

In our view, Rajiv's death would herald at least a slight increase in anti-Americanism—though not necessarily in support for Moscow—in India. A US academic expert has pointed out that Rajiv's personal popularity and large parliamentary majority have enabled him to counter without political penalty the widely noted predisposition of India's middle and upper-middle classes to distrust Washington and to project a far less negative image of US intentions toward India than did his mother. Rajiv's stance has been a key factor in reducing public criticism of the United States by press commentators and by Congress Party officials, according to US diplomats. Indian public opinion polls last spring registered the first significant improvement in the popular image of the United States in several years. In our view, no likely successor to Rajiv—including such favorably disposed individuals as V. P. Singh and Arun Singh—would be both as able and as willing to sustain such a trend. [redacted]

We believe Indo-US relations could also suffer as a result of domestic political changes following Rajiv's assassination under even the most optimistic assumptions about Indian stability. Under either a Congress or an opposition government, India might well experience a series of rapid leadership changes that could lead to:

- Uncertainty about who speaks for India.
- Dealings with leaders who represent overwhelmingly parochial regional interests, have little or no international experience, give little weight to foreign policy, or are anti-American or more broadly xenophobic.
- Fluctuations in New Delhi's good will toward Washington and perhaps in its willingness to honor specific agreements made by Rajiv.
- Heightened tensions between India and its neighbors—specifically Pakistan and Sri Lanka—to the detriment of stability in South Asia.

- Increased uncertainty about the likelihood of India's launching a nuclear weapons program in the next several years. [redacted]

Although we do not expect a major tilt toward Moscow under any of the scenarios we have examined, a relatively weak successor to Gandhi probably would be more critical of Washington's handling of bilateral relations, more responsive to criticism by leftwing elements of perceived efforts by the United States to influence India's policies, and more vulnerable to the effects of Soviet propaganda campaigns targeted at Washington's role in South Asia. If pressed to choose between New Delhi's longtime relationship with Moscow and the potential benefits of closer ties to Washington, such a leader probably would react by inching away from the United States and perhaps moving closer to the Soviet Union. [redacted]

Beyond the obvious implications of the demise of the world's largest democracy, the impact of a military coup on US interests is unclear. A military government, in our view, would be less inclined to seek through diplomatic channels to reduce tensions with Pakistan and Sri Lanka than would most likely civilian administrations in India. [redacted]

[redacted]

[redacted] Some US observers, however, have noted a tendency for senior Indian officers—like many other educated Indians—to stress longtime foreign policy differences with the United States rather than common democratic denominators. We speculate that, like other potential as well as past Indian leaders, the military would conclude pragmatically that India stands to gain most politically and materially by balancing its ties to the West and to China against its privileged relationship with the Soviets. [redacted]

25X1

25X1

25X1

25X1

25X1

25X1

25X1

25X1

Secret

**Page Denied**

Next 2 Page(s) In Document Denied

**Secret**

**Secret**