

OUTGOING TELEGRAM Department of State

INDICATE: ☐ COLLECT
☐ CHARGE TO

UNCLASSIFIED

36

Origin
NEA
Info:

ACTION: AInembassy NEW DELHI FLASH 2436
soonest

Deliver following message/from President Johnson to President

SS
G
PR
P
USIA
NSC

Radhakrishnan. Will be released Washington 11:00 a.m. Washington daylight saving time.

QUOTE Dear President Radhakrishnan:

Once again we come together in grief over the death of a great and beloved man - this time your own leader, Prime Minister Nehru.

Words are inadequate to convey the deep sense of loss which we, in particular, feel at his passing. For so long we had counted on his influence for good, it now seems impossible to believe that he is no longer with us. Yet his spirit lives on. The rich heritage he has left us, his faith in his people and in humanity, will, I know, serve to

sustain you and us as we strive together to translate his ideals into reality.

History has already recorded his monumental contribution to the molding of a strong and independent India. And yet, it is not just as a leader of India that he has served humanity. Perhaps more than any other world leader, he has given expression to man's yearning for peace. This is the issue of our age. In his fearless pursuit of a world free from war he has served all humanity.

As it

Drafted by:

NEA:SOA:CCLaise:mb

5/27/64

Telegraphic transmission and

classification approved by:

SOA - Carol C. Laise

Clearances:

s/s - Mr. McKesson

White House - Mr. Bundy

UNCLASSIFIED

REPRODUCTION FROM THIS COPY IS
PROHIBITED UNLESS "UNCLASSIFIED"

FORM 8-63 DS-322

MAY 27 1964

196
14692
X Nehru
X cables
May 27 11:02 AM '64

Radhakrishnan
5/29/64

UNCLASSIFIED

As it was for Gandhi, peace was the ideal of Jawaharlal Nehru; it was his message to the world. There could be no more fitting memorial to him than a world without war. It is my sincere belief that in his memory the statesmen of the world should dedicate themselves to making his ideal a reality. Our country is pledged to this and we renew our pledge today in tribute to your great departed leader.

Sincerely, ~~XXXXXXXX~~

Lyndon B. Johnson UNQUOTE

BALL

UNCLASSIFIED

197

CONFIDENTIAL

RWK:

May 12, 1964

Schneider rates the six possible Indian visitors this summer:

Highest Priority

Def. Min. Chavan--definitely coming 19-21 May.

Fin. Min. TTK--may come in fall but not at all certain

State wouldn't initiate request for appointment with
LBJ but would back request from another Department.

Food & Agr. Min. Swaran Singh--no date but may return Freeman's
visit in connection with new PL 480 deal. Freeman might
want LBJ to see him.

Steel Min. Subramanian--Embassy New Delhi trying to get him here
July-August. Commerce might urge appointment.

No question of seeing LBJ

Min. Trade Manubhai Shah--no date

S. K. Patil--private visit end of May.

This adds up to only one definitely foreseeable LBJ appointment
soon, possibly one request during the summer and maybe one in the fall.

H.
HHS

CONFIDENTIAL

~~SECRET~~

198

*India
Bowles*

New Delhi - April 28, 1964.

Dear Bob:

I have recently been giving a great deal of thought to the implications for India and other developing countries of the Sino-Soviet split, and possible Soviet courses of action in the future. I have talked about this problem with key Indian leaders and found a surprising degree of understanding on their part of the great dangers inherent in this situation.

The attached memorandum on this subject has been written for Secretary Rusk. I thought you would want to have a copy.

I would be very grateful to you for any comments you would care to make about the memorandum.

With my warmest regards,

Sincerely,

Chester Bowles

Enclosure:
Memorandum

*See
Bowles*

Mr. Robert Komer,
The White House,
Washington, D.C.

~~SECRET~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By *jc*, NARA, Date *3-2-04*

MAY 4 1964

*India**K me 199*

WASHINGTON (AP)-INDIA'S DEFENSE MINISTER Y. D. CHAVAN ARRIVED TODAY FOR A 10-DAY VISIT FOR TALKS WITH SECRETARY MCNAMARA AND OTHER U.S. OFFICIALS ON REQUIREMENTS FOR INDIA'S FIVE-YEAR DEFENSE BUILD UP.

CHAVAN DENIED REPORTS THAT INDIA WAS SEEKING TO PLAY THE SOVIET UNION AGAINST THE UNITED STATES IN ORDER TO GAIN SUPPORT FOR THE BUILDING OF SUPERSONIC JET FIGHTERS IN INDIAN PLANTS.

PUBLISHED REPORTS FROM NEW DELHI AFFIRMED THAT INDIA IS STILL SEEKING CREDIT FROM THE SOVIET UNION FOR THE CONSTRUCTION OF MIG FIGHTERS AND THIS PROGRAM WOULD NOT BE INTERRUPTED BY THE TALKS CHAVAN HELD IN WASHINGTON.

CHAVAN NOTED THAT DISCUSSIONS WITH THE SOVIETS OVER MANUFACTURE OF MIGS HAD TAKEN PLACE LONG BEFORE HIS CURRENT VISIT HERE.

"IF THERE IS ANY SUGGESTION THAT INDIA IS PLAYING ONE COUNTRY AGAINST THE OTHER THEN THAT IS THE WRONG THING TO DO--WE NEVER THOUGHT OF THAT.

"I WOULD CONSIDER THAT A MEAN THING TO DO," HE SAID.

HE SAID THE PURPOSE OF HIS VISIT HERE IS TO HAVE DISCUSSIONS WITH MCNAMARA "ON THE QUESTION OF INDIA'S DEFENSE POTENTIAL ON THE BASIS OF A FIVE YEAR PLAN WE PREPARED." INFORMED SOURCES SAID HE WAS SEEKING 250 MILLION TO 300 MILLION DOLLARS IN U.S. AID OVER THE 5 YEARS.

LT&WE415PED 5/18

11 201

~~SECRET~~

DEPARTMENT OF STATE
BUREAU OF INTELLIGENCE AND RESEARCH

RECEIVED
MAY 6 9 17 AM '64
RETURN
MIR

Intelligence Note

MAY 5 1964

BUNDY/SMITH
ALEXANDER
BRUBECK
CHASE
DUNGAN
FORRESTAL
JESSUP
JOHNSON
KLEIN
KOWNER
LAWRENCE
COL. W.Y. SMITH

To : The Secretary
Through: S/S
From : INR - Thomas L. Hughes
Subject: India Announces Soviet Aid to Bokaro Steel Mill

Terms of Reported Offer. Soviet economic aid to India appears headed for the billion dollar mark. According to a statement in Parliament by India's Minister for Steel, Mines, and Heavy Engineering, the USSR is willing to help India build the new steel plant at Bokaro that the US considered as a prospective aid project last year. Apparently the Soviets are prepared for the time being to finance only the first stage of the proposed four-million-ton capacity mill. A 1.5 million ton plant, which we estimate would require foreign credits of at least \$200 million, is planned for this initial stage. The terms of a new Soviet loan for the project probably would be generally as easy as those for the first USSR-assisted steel mill at Bhilai; officials say repayment over a 12-year period at 2.5 percent interest.

Effect in India. Although India will continue to rely heavily on the US and the West for economic and military aid, this second major Soviet move to help India meet its development plans for steel will be received enthusiastically in India. Moreover, the Indian left-wing press as well as the Soviet propaganda apparatus are certain to make much of the fact that in financing Bokaro the USSR is taking up a public sector project of highest importance to India for which US aid has not been forthcoming.

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By jc, NARA, Date 3-2-01

~~SECRET~~

GROUP 3
Downgraded at 12 year
intervals; not
automatically declassified

MAY 6 1964

~~SECRET~~

- 2 -

A Major Soviet Commitment. A new \$200 million credit to India would be the largest single Soviet economic aid offer to a free world country since the Afghanistan loan in 1961, demonstrating that despite the slowdown in its aid program the USSR is still prepared to commit massive amounts of aid when it considers the stakes are high enough. Soviet aid to India already amounts to over \$800 million; Bokaro financing would push the total to more than twice the value of economic aid granted to any other non-Communist country.

Moscow's offer -- undoubtedly a major policy decision -- probably has a double motivation. A strong move in support of India would improve the Soviet position in competing with the West for India's friendship at a time when India is experiencing a crisis of leadership. It would also represent an important development in the continuing Soviet struggle with Peiping for leadership of the Afro-Asian world and would strengthen Communist China's chief antagonist on the Asian continent.

~~SECRET~~

As you may know - and before attached was
rec'd - Mr. Bundy recommended a brief friendly
reply to ~~attach~~ Nehru. He has not yet seen the
State memo. Polly wants to know what to do pls. . .
i.e. what to tell State.

Agree with
State
put
Aug Rec'd
BKS 5/4/64



S/S-6319

DEPARTMENT OF STATE

WASHINGTON

April 28, 1964


~~SECRET~~

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Prime Minister Nehru's Letter to the President

We recommend that the President defer replying to Prime Minister Nehru's letter of April 14, which was brought by Mrs. Indira Gandhi. This letter raises no specific questions which require a reply. Our positions on current aspects of the two matters of substance which it discusses in general terms--Kashmir and military assistance--are currently under examination. Regarding Kashmir, we are keeping our position flexible during the unsettled period between now and the opening of the Security Council debate on May 5. Regarding military aid, we are still in the process of developing a thorough presentation of U.S. policies for use during the visit of the Indian Defense Minister in late May.


For these reasons we recommend that a reply be deferred for the present.


Benjamin H. Read
Executive Secretary

~~SECRET~~

GROUP 3

Downgraded at 12-year intervals,
not automatically declassified.

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By , NARA, Date 3-2-01

PR 29 1964

THE WHITE HOUSE
WASHINGTON

4/27/64

203
India

Mr. Komer,

Indian Embassy asking for an apptmt with
Mr. Bundy for one B. K. Bnerjee, Minister
at the India Embassy here, who had formerly
been in Peking. He asks for it this Wed.
or Thurs., or, indeed, anytime.

Recommendation please? Thanks.

(rsvp
CO 5-5050
x321)

M. Zayac

*NO — we've seen
enough Indians this
week, and this guy is
just a new man wanting
to make his number.*

APR 27 1964

~~SECRET~~

204

DEPARTMENT OF STATE
Inspector General, Foreign Assistance

April 14, 1964

India

MEMO FOR: Mr. Robert W. Komer
National Security Council

Here is a copy of what we sent
to Secretary McNamara on the India
telecommunications project.

JK

J. K. Mansfield

Attachments

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By *jc*, NARA, Date *3-2-04*

APR 15 1964

~~SECRET~~

~~SECRET~~

205

April 10, 1964

Dear Mr. Secretary:

Two of my colleagues, Robert E. L. Adamson and Dan N. Taylor, recently returned from India, where they looked into the possibility that a tropospheric-scatter microwave telecommunications system proposed for MAP funding might unnecessarily duplicate telecommunications systems being built under India's Third Five-Year Plan. The MAP system is part of the Star Sapphire project to provide India with six radars and communications associated with the radars.

Our review established that the Indian Government Post and Telegraph (IPT) is scheduled to have in service next year a major backbone telecommunications system--ranging from 300-1200 voice channels in capacity--which would geographically parallel the Star Sapphire system. IPT also plans to build alternate capacity for a substantial part of its system in the first two years (1966-1968) of the next Five-Year Plan. See attached overlays.

The system scheduled for completion next year is part of an IPT telecommunications expansion program budgeted for the equivalent of \$282,000,000 during the current Five-Year Plan, with the assistance of the World Bank.

Until this past November, DOD/ISA was not aware of the IPT construction program in Northern India and, as of the time of our arrival in India in February, our military mission in New Delhi was reporting that the IPT system paralleling Star Sapphire would not be available until the 1975-1980 time period.

The IGA review also established: (1) that the Indian military is actually participating in IPT's management and is preparing itself to assist in operating IPT's new long-lines communications in times of emergency; (2) that the IPT system will have more than enough capacity

The Honorable

Robert S. McNamara,
Secretary of Defense.DECLASSIFIED
E.O. 13526, Sec. 3.5~~SECRET~~

NLJ/RAC 12-348

By UUSNARA, Date 04-07-2015GROUP 4
Downgraded at 3 year
intervals; declassified
after 12 years

APR 15 1964

~~SECRET~~

available to meet the Indian Air Force requirements which the proposed Star Sapphire communications are designed to meet; (3) that IPT gives the Indian military first priority on its facilities; (4) that the IPT equipment is being manufactured and installed to meet CCIR/CCITT standards; and (5) that the IPT system will probably be available before Star Sapphire communications for tying together the MAP radars. In addition, the Indian State Railway has an extensive telecommunications system which is being modernized by the IPT and which may offer some backup to the IPT system.

At the time of our review in February-March, DOD/ISA had programmed \$8,000,000 of FY 64 funds as a first increment of Star Sapphire and \$9,175,000 was being requested by USMSMI/New Delhi for FY 65 funding. Any additional funds would be programmed in the 1966-1970 time period. On the Indian side, my colleagues were told by the Indian Air Force that it will need the equivalent of \$25 million for its initial cost of Star Sapphire communications, with annual operating cost expected to exceed \$6,000,000. We were told these estimates were first presented to the Ministry of Defense during our review.

We are aware of the importance of having adequate communications if the radars being furnished under MAP are to be effective. But, in view of the close geographical paralleling of the proposed Star Sapphire system with the IPT system and the indication the IPT system will be available before Star Sapphire communications could be put into operation, we recommend that DOD carry out a complete review of the long-lines telecommunications situation in India and of the requirement for Star Sapphire in light of the real possibility that two major telecommunications systems may be built where one could do the job.

I am sending a copy of this letter to Mr. David E. Bell.

Sincerely yours,

J. K. Mansfield

Enclosures

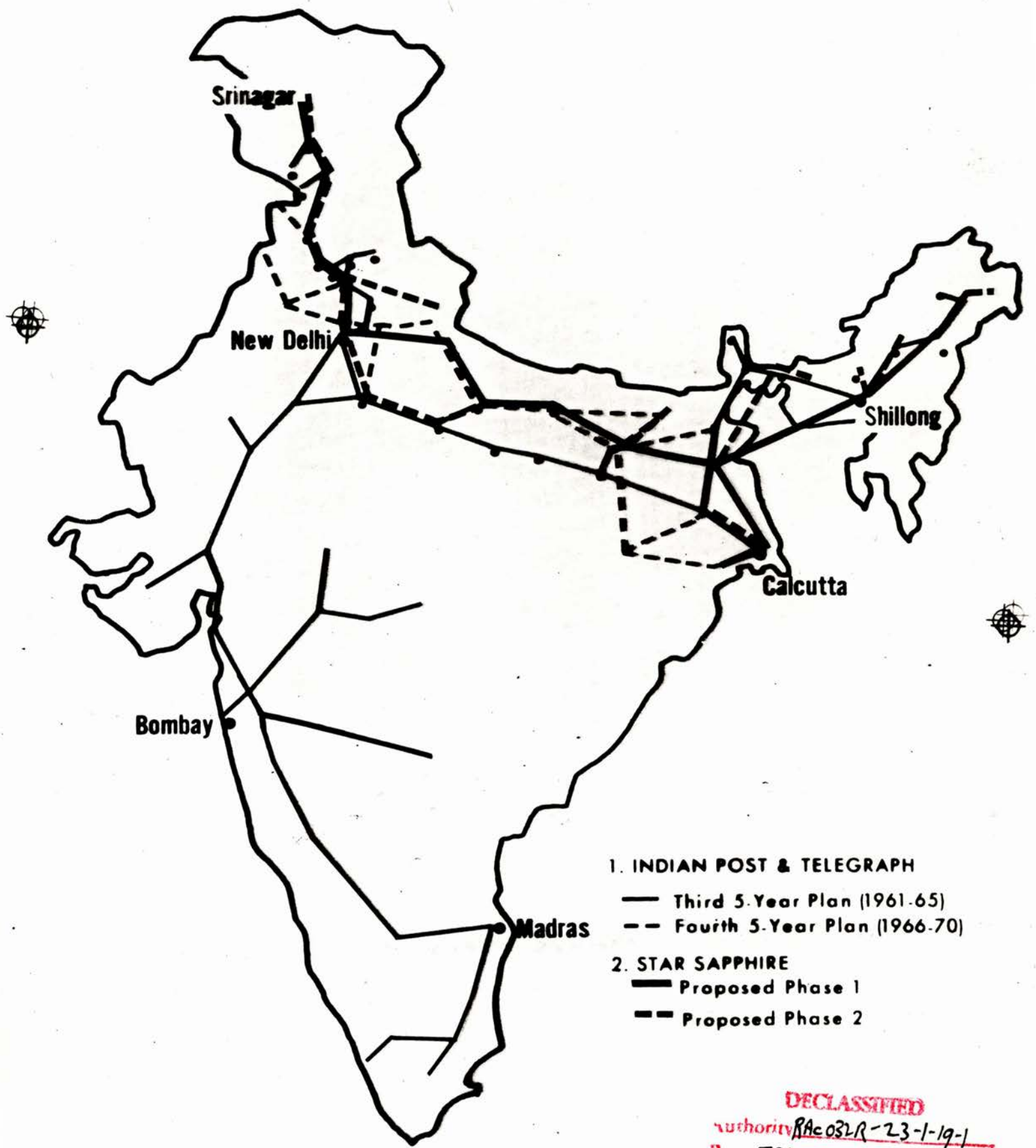
Overlays

DOD Memorandum

dated 11/29/63

~~SECRET~~

~~CONFIDENTIAL~~



- 1. INDIAN POST & TELEGRAPH
 - Third 5-Year Plan (1961-65)
 - - Fourth 5-Year Plan (1966-70)
- 2. STAR SAPPHIRE
 - Proposed Phase 1
 - - Proposed Phase 2

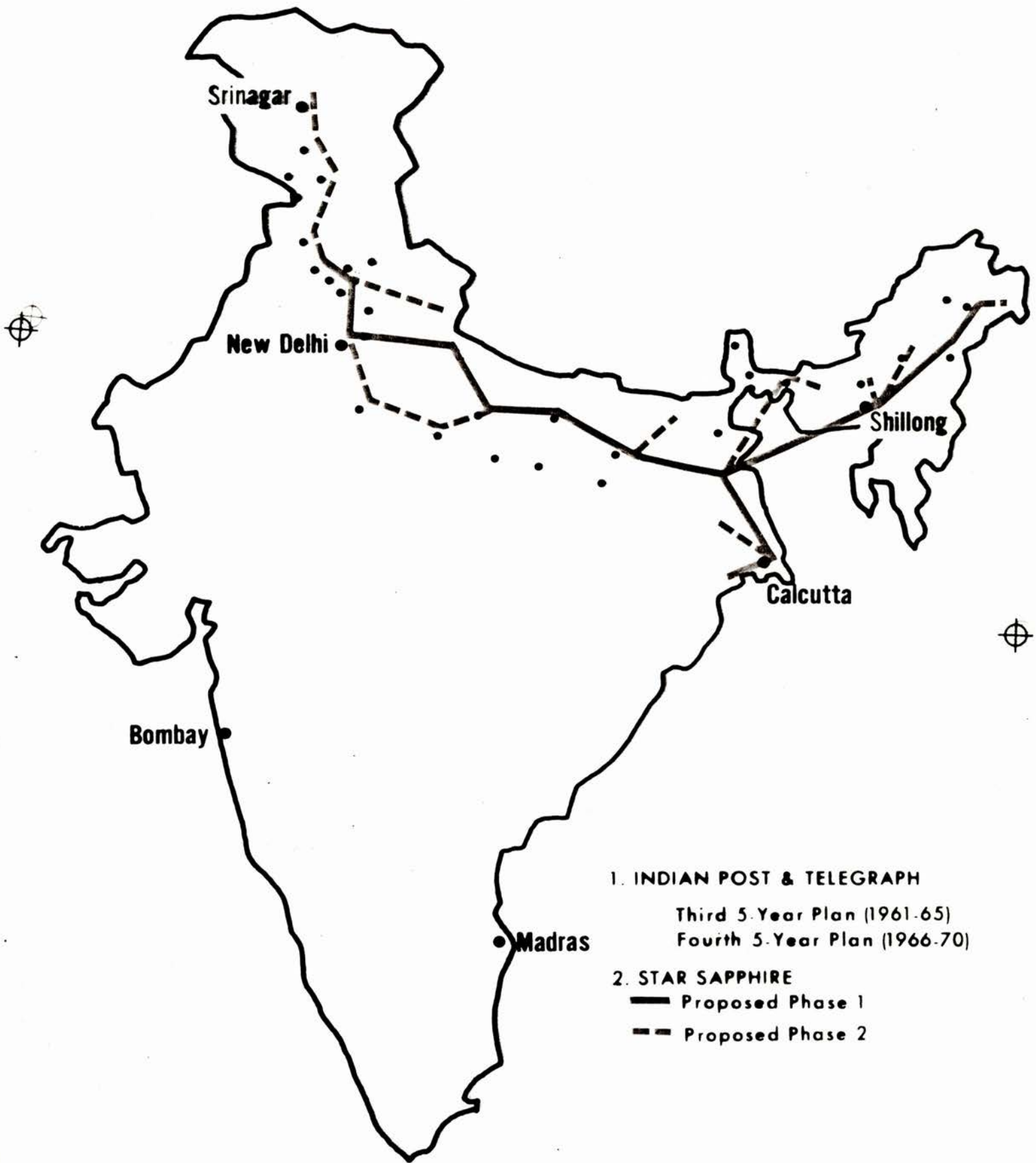
DECLASSIFIED
Authority RAc 032R-23-1-19-1
By JDH vARA Date 2-12-18

~~CONFIDENTIAL~~

PRESERVATION COPY

[ORIGINALS ARE TRANSPARENT OVERLAYS]

~~CONFIDENTIAL~~



1. INDIAN POST & TELEGRAPH

Third 5-Year Plan (1961-65)

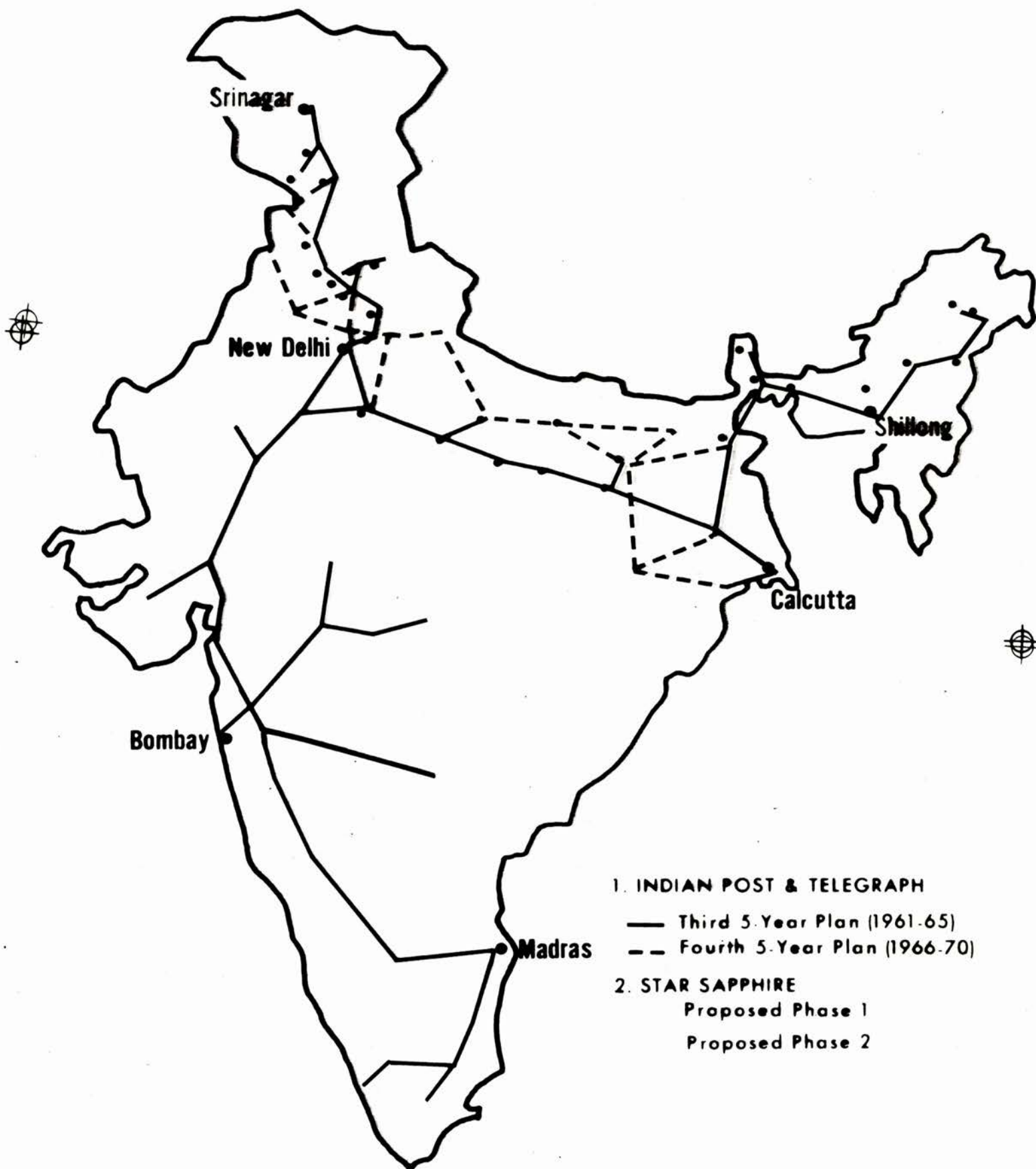
Fourth 5-Year Plan (1966-70)

2. STAR SAPPHIRE

— Proposed Phase 1

- - - Proposed Phase 2

~~CONFIDENTIAL~~



1. INDIAN POST & TELEGRAPH

- Third 5-Year Plan (1961-65)
- - Fourth 5-Year Plan (1966-70)

2. STAR SAPPHIRE

- Proposed Phase 1
- Proposed Phase 2

प्रधान मंत्री भवन
PRIME MINISTERS HOUSE
NEW DELHI
April 14, 1964

Indira

Dear Mr. President,

My daughter, Indira Gandhi, is visiting the United States in connection with the inauguration of the World Fair. I thought I would take this opportunity to send you a letter, as you had been good enough to suggest in your last message to me that we should continue in the tradition of frank and friendly exchanges on problems we face together.

May I, to begin with, thank you, personally, for the kind message that was conveyed to me by your officers in the State Department, wishing me speedy recovery from my recent illness? I am feeling much better now, and am able to attend to my work, more and more, every day.

Much has happened in the world since I wrote to you in November last year. A number of countries have been faced with new difficulties and new problems, some of them with their near neighbours. You have had your own share of these difficulties, and may I say that we, in India, have watched with admiration your handling of so many matters, with patience and perseverance in a spirit of understanding. Among other things, we have been greatly impressed by your efforts at preserving world peace, as outlined in your State of the Union message to the Congress, on January 8, 1964. Your emphasis on a policy which admits the futility of a nuclear war offers the possibilities of lasting peace and this, I am sure, is welcome to all peace loving countries. Similarly, your emphasis in favour of the United States initiative in the expansion of World Trade, in an effort to strengthen the ability of the developing nations to preserve their independence and raise their standard of living, and your desire to supply food, as an instrument of peace, to the needy people, are policies which we appreciate and admire.

Perhaps the most important development in recent months in international affairs is the success you have had, partial though this may be, in bridging the gap between the East and the

His Excellency Lyndon B. Johnson,
President of the United States of America,
White House, Washington, D. C.

Contd. . . .

DECLASSIFIED

Authority NLJ 00-167 (*46)

By JCB NARA, Date 3-20-01

APR 29 1964

PRESERVATION COPY

West. As a result of your efforts in bringing about the partial Nuclear Test Ban Treaty, there is, today, so much less suspicion and so much less fear in the world, even among the larger nations. There is a greater sense of security among the smaller nations, undoubtedly, but this is perhaps true of the larger nations also, to some extent at least.

Unfortunately for us, our differences with Pakistan continue. We are making every effort to try and bring about an understanding with Pakistan in the spirit of peace and goodwill, and although we have not succeeded so far, I need hardly assure you that our efforts will continue, both in regard to Kashmir and also in regard to the even more distressing communal disharmony in India and Pakistan that has plagued our two countries these last three or four months. We are very conscious of our responsibilities for the security and welfare of 45 million members of the minority community in our country and we will never fail them.

We continue to face the threat from China and certain areas on our Northern border remain under Chinese occupation. The Chinese have continued to be in a truculent and aggressive mood. With the Chinese armies still stationed in Ladakh and all along our northern borders, we are determined to strengthen the country to meet this threat, which we know is a long term proposition. We have now prepared a Defence Plan and I am glad my colleague, the Defence Minister, expects to visit the United States, shortly, to discuss our Defence plans and our military requirements with your Government. We are, I need hardly say, grateful to the United States for all the help we have so far received and we continue to receive in this matter, as also in the field of our economic and industrial development. I am happy that this collaboration means so much more understanding and goodwill between our two countries.

May I also, in this letter, offer my good wishes to you and the United States for the success of the World Fair? This is bound to add to more and more understanding in so many countries that are participating in this great event, and I cannot help feeling

Contd.....

that this, yet once again, is a step in the right direction that your country has taken under your able leadership and guidance.

With kind regards,

Yours sincerely

Jawaharlal Nehru

OUTGOING TELEGRAM Department of State

INDICATE: ☐ COLLECT
☐ CHARGE TO

UNCLASSIFIED

06641

54

Origin

NEA

Info

SS

G

PR

P

USIA

NSC

ACTION: Amembassy NEW DELHI

2066

208
LBG
F
H
7/13/64
Apr 13 3 55 PM '64

dated April 13, 1964

Embassy should deliver following message/ from the President to
Prime Minister Nehru:

QUOTE: On behalf of the bereaved families of Alaska as well
as the people of America, I wish to thank you and the people of
India for your warm words of sympathy over the recent tragedy. We
deeply appreciate your thoughtful concern. UNQUOTE

Lyndon B. Johnson

~~XXXXXXXXXXXX~~

~~XXXXXXXXXXXX~~

~~XXXXXXXXXXXX~~

~~XXXXXXXXXX~~

~~XXXXXXXXXX~~

White House does not plan publish but has no objection should
GOI wish to do so. If GOI wishes publish, notify Department 24
hours in advance if possible to permit consideration of simultaneous release
by White House.

End

Acting

BALL

Drafted by:

NEA: SOA: DKx: dln 4/10/64

Clearances:

Telegraphic transmission and

classification approved by:

NEA - James F. Grant

SOA - Miss Laise

S/S - Mr. Baldwin

REPRODUCTION FROM THIS COPY IS
PROHIBITED UNLESS "UNCLASSIFIED"

UNCLASSIFIED

FORM
8-63 DS-322

APR 14 1964

OUTGOING TELEGRAM Department of State

INDICATE: ☐ COLLECT
☐ CHARGE TO

UNCLASSIFIED

209
06507

30

Origin

ACTION: Amembassy NEW DELHI

2065

Apr 13 11 07 AM '64

NEA

Info:

SS

PR

P

USIA

dated April 13, 1964

Embassy should deliver following message /from the President to the

President of India:

QUOTE The American people and I deeply appreciate your message of condolence regarding the loss of lives in the recent Alaska earthquake. Your kind words will be a source of encouragement to our people during the arduous task of rebuilding.

Lyndon B. Johnson

~~XXXXXXXXXXXX~~

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

~~XXXXXXXX~~

UNQUOTE

~~No objection to publication but do not plan release here.~~

White House does not plan publish but has no objection should GOI wish to do so. If GOI wishes publish, notify Department 24 hours in advance if possible to permit consideration of simultaneous release by White House.

End

BALL

ACTING

Drafted by:

Telegraphic transmission and

NEA:SOA:HKux:dln 4/9/64

classification approved by:

NEA - James P. Grant

BALL

Clearances:

SOA - Miss Laise

S/S - Mr. Baldwin

REPRODUCTION FROM THIS COPY IS
PROHIBITED UNLESS "UNCLASSIFIED"

UNCLASSIFIED

FORM DS-322
8-63

APR 14 1964

Log
President
4/13/64



4979

DEPARTMENT OF STATE
WASHINGTON

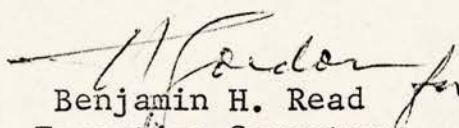
April 2, 1964

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Enclosed is a letter from Sudhir Ghosh which was forwarded to the Department by our Embassy in New Delhi for delivery to you. He has sent similar letters to Messrs. Rusk, Harriman, McNamara, and William P. Bundy.

Mr. Ghosh, who is a member of the Indian Parliament, is a free-wheeling operator who has little political influence in India. He has promoted contacts on the Hill and with the heads of several Government agencies but has done so on his own initiative and not through the Indian Embassy in Washington or through the Department.

We understand that Mr. Ghosh expects to arrive in Washington April 2 and to be in this country for seven to ten days. He is considered an articulate and engaging conversationalist. Although there is no particular substantive reason for you to see him, Ambassador Bowles comments that he should not be given a complete "brush-off."


Benjamin H. Read
Executive Secretary

Enclosure:

Letter from Mr. Sudhir Ghosh.

210
1782
RWK
for
Rm 1 Sec
RWK saw him
on 4/8/64



95, South Avenue,
New Delhi.

MEMBER OF PARLIAMENT
(RAJYA SABHA)

March 9, 1964.

Dear Mr. Bundy,

I am writing this brief note on the strength of the generosity you showed me during my two visits to Washington in March and September last year. I greatly appreciated your sense of concern in the India-Pakistan conflict over Kashmir and its implications and the sustained personal interest which you took in this matter. I think we are beginning to see some light on this major problem. I am going to Moscow on the 13th March along with the Indian Ambassador in the USSR and I expect to see Mr. Gromyko and Mr. Khrushchev there. After having a talk with them about our two major headaches the India-Pakistan conflict and the India-China conflict, I expect to proceed to Washington after a brief halt in London to see Mr. Harold Wilson, an old friend of mine.

The occasion for this letter is to tell you that I very much hope that there will be a chance for me to see you while I am in Washington. I do not know the exact date of my arrival but my friend B.K. Nehru, the Indian Ambassador, will know my whereabouts.

Alas, the great friend of India, President Kennedy, is no longer there and Washington must be a very different place without him. I can no longer go and see this great benefactor of mankind; I can only go to Arlington to pay my respects to him.

With warm regards,

Yours sincerely,

Sudhir Ghosh

(Sudhir Ghosh)

Mr. McGeorge Bundy,
The White House,
Washington D.C.

APR 2 1964

The Governments of USSR and USA -
Being desirous of reducing tensions, step by step,
in all parts of the world, and with a view to
maintaining and strengthening peace throughout the world,

Have agreed to issue the following joint statement:

The Governments of USSR and USA feel concerned
about the tense situation existing between India and
Pakistan. India and Pakistan are two great neighbours
which have had strong cultural, racial, religious and
other friendly ties for centuries. It is unfortunate
that relations between them should have become strained
soon after Independence. It is regrettable that large
scale migrations of minority communities should have
taken place. In the larger interests of the peoples
of India and Pakistan, and in the interests of peace
in Asia and the world, it is necessary and desirable
for these two great countries to restore an atmosphere
of peace and friendship, and to create conditions for a
peaceful settlement of all differences, including the
question of refugees, the situation in Kashmir, and
other problems, which may pose a threat to their
peaceful and friendly relations.

The Governments of USSR and USA appeal to the
Governments of India and Pakistan to take every step
towards this end and to enter into direct negotiations
after a peaceful atmosphere is created so as to
resolve those differences peacefully and amicably.

The Governments of USSR and USA will be glad
to associate themselves with and to guarantee any
peaceful settlement that is arrived at between the
Governments of India and Pakistan directly or through
any other means acceptable to them both.

The Governments of USSR and USA hope that this
assurance will help remove the existing mistrust in the
minds of India or Pakistan and help them to speed up
the peaceful solution of their existing differences.

The Governments of USSR and USA sincerely hope that
India and Pakistan will never resort to the use of
force in settling these differences.

Shash

See RUK
memo for

Dec and

4/8/64

Humphrey - Sparkman
Jubright
intend to talk
w. Pres.

EMBASSY OF INDIA

MOSCOW

DECLASSIFIED

E.O. 13292, Sec. 3.5

NLJ 04/42

By ius, NARA, Date 10-19-04

Mr. Sudhir Ghosh met the Soviet Foreign Minister, Mr. Gromyko, this afternoon at 3 P.M.; Mr. Kuznetsov, Vice-Foreign Minister in charge of U.N. Affairs and Mr. Firyubin, Vice-Foreign Minister in charge of South Asian affairs were also present. The meeting lasted about 90 minutes. During the meeting Mr. Firyubin took extensive notes.

At the outset Mr. Ghosh explained with the help of a map the India-China military confrontation in the Eastern Sector where the Chinese military build-up between Bhutan and Sikkim, just above the Chumbi Valley, was increasing instead of decreasing. Mr. Ghosh explained that the Chinese army were in a position to cut off at any moment the 25-mile wide strip of land connecting the vast area of Assam-NEFA-Nagaland with the rest of India; he added that the U.S. military assessment was that the Chinese were in a position to do it but were not likely to do it. The Soviet assessment also was that the Chinese could do it but would not do it; but India's problem was: what would India do if they did it tomorrow. India knew that the military assistance so far received from the U.S., the USSR and Britain, all put together, was a fraction of what was needed to hold the Chinese if they decided to cut off Assam-NEFA-Nagaland.

Mr. Ghosh explained further that in the West India-Pakistan problem over Kashmir (with Mr. Chou-En-Lai having a finger in the pie) had become serious; Pakistan was by no means a military threat to India but Pakistan had a sense of grievance against India about the unsettled problem of Kashmir and when it decides to put pressure on India all it has to do is to kill a few hundred Hindus of the minority community in East Pakistan (which is ruled by West Pakistan, 1500 miles away) and there is immediate repercussion in India where some innocent Muslims are killed by the non-Muslims and there is general breakdown of law and order; this is a peculiar problem and this together with the pressure from China has created an intolerable situation; and this will continue to be so until a settlement was found of the Kashmir problem which was acceptable, first, to Pakistan and India, and then the other parties involved, mainly the U.S. and the USSR.

Mr. Ghosh then handed to Mr. Gromyko the draft of the suggested joint US-Soviet Statement on the India-Pakistan situation and explained why he thought that such a joint US-Soviet initiative would create a situation in which a peaceful settlement would become possible. Mr. Ghosh stated that there was general appreciation in the Indian Parliament of the consistent support given to India by Mr. Khrushchev in the Kashmir dispute; during his visit to Kashmir Mr. Khrushchev made a public statement that the whole of the State of Jammu and Kashmir belonged to India, including that part of the State which is in the occupation of Pakistan; Mr. Khrushchev said at a public meeting in Kashmir that if they needed any help for the defence of Kashmir all they had to do was to give a shout to the Russians across the mountains; the Russian veto was also made available to India in the U.N. Security Council whenever necessary. So whatever may be the nature of the settlement, it will have to be acceptable to Mr. Khrushchev; Mr. Nehru cannot make a settlement without Mr. Khrushchev. The U.S. Government was also very much involved in that situation; the U.S. does not want to see India go under due to pressure from China; the late President Kennedy tried very hard to find a just settlement of the Kashmir dispute. In the circumstances it seemed appropriate for the two super powers who have a predominant responsibility for peace-keeping to take a joint initiative.

PRESERVATION COPY

Mr. Ghosh also talked briefly about the suggestion he had put up to the late President Kennedy in March 1963 about the possibility of a joint U.S.-Soviet declaration for a peaceful settlement of the India-China conflict. Although the Government of India had made known to the U.S. Ambassador and the Soviet Ambassador in New Delhi its interest in this proposal nothing had so far materialized. Mr. Ghosh wondered what the Soviet Government's views were, although he appreciated their difficulty in participating in such a joint statement because of their military alliance with China which still existed in spite of ideological differences.

Mr. Gromyko then gave his replies to the points raised by Mr. Ghosh. He said he was going to be very frank. On Kashmir, he said that the Soviet position was well-known. The Soviet Union had consistently supported India's position and there was no question of any change in that policy. As Mr. Khrushchev himself had said, the Soviet Union would continue to pursue this policy. Mr. Gromyko said that the Soviet Government had no doubt whatsoever in their mind on this and, "you should have none either". "We have firmly and fully supported you on Kashmir -- our position is the same as before and I can say this in front of anybody without hesitation." The Soviet Union continued to support India's stand on Kashmir in spite of criticism from "certain countries", he added.

Mr. Gromyko went on to say that the American position on the Kashmir issue was very different; Pakistan was their military ally; Pakistan was a member of the aggressive SEATO and CENTO military blocs; the U.S. had deep military involvements in Pakistan; the U-2 plane which smashed the Paris Conference came from Peshawar for spying in the USSR; the Americans had certain military installations there, mainly for spying; because of these involvements the Americans cannot even show firmness to Pakistan. "Today Pakistan has become an ally of China and that seems to suit the Americans. It is an odd situation." According to their understanding the Americans, more so the British, did not want a peaceful settlement of the Kashmir problem. Kashmir is no longer a dispute between two neighbors; it has become a pawn in the international chess game; the Americans and the British secretly resented India's non-aligned position, although they are polite to India about it; they want to dislodge India from its non-aligned position and Kashmir is being used as an instrument for pressurising India into giving up her non-aligned position. That must be the reason why Pakistan's intrigues with China to create an intolerable situation for India seems to suit the United States in spite of her profession of friendship for India. In these circumstances, Mr. Gromyko wondered how the U.S. position and the Soviet position could be reconciled and Mr. Ghosh's suggested U.S.-Soviet statement could be considered. He saw no objection to such a joint statement but he did not believe that the U. S. Government would be prepared to go along with it.

Mr. Ghosh then said that he knew the Americans too well to accept Mr. Gromyko's analysis of the American position in the Kashmir dispute; he said he was not sure what sort of game the British Conservative Government was playing in this matter but personally he was deeply convinced that the Americans wanted a peaceful settlement of the Kashmir problem. Mr. Ghosh went on to say that he did not think that the U. S. Government desired to dislodge India from her non-aligned position; his impression was, and he knew a very large number of Americans amongst politicians and in the Administration, that the U.S. felt that India's non-aligned position and India's friendly contacts with the Soviet Government and the Indian Prime Minister's personal friendship with Chairman Khrushchev were good things for the non-communist world.

~~SECRET~~

Mr. Ghosh explained that he had an opportunity of meeting the late President Kennedy briefly on the 27th of March, 1963 and had talked with him about the Kashmir problem; Mr. Ghosh was completely convinced that President Kennedy had a deep feeling for India; he understood the real nature of the Kashmir problem; he was determined to find a peaceful settlement which was just and fair to both India and Pakistan and he did not want anything to happen which did real injury to India's position in Kashmir and her ability to offer effective resistance to China. It was a tragedy for the world that he was removed from the world scene last November; if he lived a little longer he was sure to find a settlement of this problem and many other problems that threaten the peace of the world.

At the mention of President Kennedy's name the expression on the faces of the Soviet Ministers visibly changed. Mr. Gromyko quietly said that he agreed with Mr. Ghosh that Kennedy was a man of peace. He had no love for Communism or Soviet Russia but they felt that they could do business with him. Mr. Gromyko, however, seemed to make a distinction between Mr. Kennedy and the U. S. State Department; he made the caustic remark that there were far too many men in the U. S. State Department who made a career of the cold war.

Mr. Gromyko went on to say that he did not wish to discourage Mr. Ghosh. Mr. Ghosh can certainly try and persuade his American friends in Washington to participate in such a joint statement but he felt that there was no chance of their agreeing to it; the State Department would never agree to it; Washington without Kennedy was a different place. "This new man Johnson" he said "has been making nice speeches but we don't take him seriously" He says he is going to support Kennedy's policies. We don't really believe it. You will not know as we will not know what he is really like -- until after the November election; he will show his hand only after that. The U. S. Administration is already paralyzed because of the coming election; you will get nothing out of them now."

Mr. Gromyko added that Mr. Ghosh should certainly make his effort, whether he succeeded or not. He made complimentary remarks about Mr. Ghosh's association with Mahatma Gandhi and said that efforts made by people like him were never wasted, even if they did not produce immediate results.

As regards Mr. Ghosh's suggestion of last year about a joint U.S.-Soviet statement on the India-China situation, of which proposal he was aware, Mr. Gromyko said this was not really feasible in the present circumstances; the situation between Russia and China was very delicate; if the Soviet Government did such a thing along with the U. S. Government "it would be one more brick the Chinese would have to throw at us".

Throughout the interview Mr. Gromyko and his two colleagues were extremely courteous to Mr. Ghosh and invited Mr. Ghosh to stop by on his way back from Washington to New Delhi.

J. S. Teja
(J. S. Teja)
First Secretary
16 . 3 . 1964



DEPARTMENT OF STATE
WASHINGTON

1727
M. Komer
212
MAR 28 1964
India
X Bowles
X India map

~~SECRET~~

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Status Report on Ambassador Bowles' Proposals

There is enclosed a summary of major policy proposals which Ambassador Bowles has submitted in recent weeks and a status report of action on each of these proposals. This report has been written in preparation for our discussions with Ambassador Bowles during his consultation here next week.

Benjamin H. Read
Executive Secretary

Enclosure:

Status Report of Action on
Ambassador Bowles' Recent
Proposals.

~~SECRET~~
GROUP 3

Downgraded at 12-year intervals,
not automatically declassified.

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By *pc*, NARA, Date *3-20-04*

MAR 30 1964

212a
~~SECRET~~

20

STATUS REPORT OF ACTION ON
AMBASSADOR BOWLES' RECENT PROPOSALS

1. MILITARY ASSISTANCE TO INDIA

a. Preemption of Soviet Assistance to Indian Air Force

Proposal: Ambassador Bowles believes that we should try to counter growing Soviet influence in the Indian Air Force by preempting Soviet rupee sales of additional surface-to-air missile complexes, MIG 21's, and MIG 21 manufacturing facilities to India. He now urges that for this purpose the U.S. and the U.K. offer to supply India with two squadrons of supersonic aircraft, and that the U.K. and the U.S. provide India a power plant and technical assistance for the Indian produced supersonic prototype, the HF-24.

Status of Action: Our approach has been to make sure the Indians are aware of the conditions under which they could obtain longer run military assistance from the U.S. (possibly including aircraft) but to avoid an all-out preemptive effort if the costs are excessive and the prospects for success are slim. We are urgently studying with the British how we can fill the immediate interim Indian air defense requirement for all-weather fighters and India's long run requirement for all-weather supersonic interceptor aircraft. For the interim requirement the U.K. has informed us that its Javelin is not available; we are considering whether we might supply U.S. F-6A's which are becoming available from the Navy. We have discussed with the British the possible U.K. support in developing a power plant for the HF-24, possibly the Rolls Royce RB-153/61. The HF-24 might then meet India's long-term requirement for an all-weather, supersonic aircraft. The U.K. has this proposal under consideration. If the HF-24 does not work out, then we should consider whether there are other means of meeting the Indian requirement for high performance aircraft. Even though Indian plans for MIG production appear to be

quite far

~~SECRET~~

GROUP 3

DECLASSIFIED

Downgraded at 12-year intervals,
not automatically declassified.

Authority State 2-11-76 ("123b") & State Guidelines

By plc NARA, Date 3-2-04

~~SECRET~~

-2-

quite far advanced, we may in this manner be able to demonstrate to the Indians how they can meet both their short and long-term requirements from the West and enable them to defer or even drop their MIG production plans.

b. Defense Production

Proposal: Ambassador Bowles has informed us that the Indians give high priority to the development of their own factories for the production of arms and ammunition and he has recommended that we be responsive to Indian requests. If we are not, he explains, we will appear to the Indians to be backing away from our willingness to consider supporting a satisfactory Five-Year defense plan. Ambassador Bowles is likely to recommend we offer substantial defense production assistance.

Status of Action: We have already provided India with an ordnance plant for the production of 7.62 small arms ammunition. We agree with Ambassador Bowles that there are good reasons for our continuing to provide defense production assistance in accordance with certain criteria and that they probably outweigh the problems defense production will cause us with Pakistan. We should be selective, however, in the projects we support. We have developed the following specific criteria for the evaluation of specific Indian requests:

- (1) Legitimate military needs.
- (2) Capacity to manufacture economically (including managerial and technical capacity).
- (3) Prospects for long run foreign exchange savings and project's potential contribution to Indian economy.
- (4) Effect on U.S.-Pak relations.
- (5) Diversion of foreign exchange and technical skills from other essential uses.

We believe

~~SECRET~~

~~SECRET~~

-3-

We believe we can effectively use our recently approved military sales program for India to make possible Indian development of defense production industries. Under this program we will be able to provide credit from U.S. Government sources, possibly including the Export-Import Bank for terms normally up to 5 years but with some flexibility up to 10 years for general purpose machine tools and other comparable items at interest rates up to 5½ per cent.

When L. K. Jha visited Washington in October 1963 he requested defense production assistance for the manufacture of 30mm and 120mm ammunition and also requested mechanical handling facilities. These requests were repeated by the Indians in January and again in March despite the fact that Jha had been told we did not produce 30 or 120mm ammunition and that prospects for providing even certain specific items of equipment were not good. As for handling equipment, Jha was told we did not have any surplus equipment but that the A.D. Little report and the Staley report should provide them with expert guidance in this field.

c. Defense Minister Chavan's Visit

Proposal: The Indian Defense Minister, Y. B. Chavan, will visit Washington in mid May, preceded by a group of officials. Ambassador Bowles has explained the political importance to Chavan that his visit be successful and has said it is in our interest that he return with the feeling his trip has been worthwhile.

Status of Action: We believe that the way we handle the Chavan visit can do much to assure the Government of India about our long-term military support to India after a period of uncertainty regarding our intentions. We will not be able to convey any firm assurances of our support to an Indian Five-Year military plan since we doubt that the plan will be sufficiently developed by the time of Chavan's visit. We believe, however, that we should have specific discussions with Chavan on our interim FY 1965 military assistance program so that he may take back something with him. We hope this may include some defense production assistance.

The future of Indian Ministers frequently depends upon their success or failure in Washington. Chavan is a friend, with a good political future. It is in our interest to help him.

d.

~~SECRET~~

~~SECRET~~

-4-

d. Indian Military Plan

Proposal: As a result of Ambassador Bowles' and General Taylor's recommendations we have begun exploratory approaches to the Government of India looking toward possible Five-Year U.S. military assistance predicated on Indian development of the satisfactory defense plan. The Ministry of Defense has prepared a plan which has not, however, yet been reviewed by the Ministry of Finance and approved by the Government of India. Ambassador Bowles is likely to urge that the U.S. be responsive to Indian requests within this plan.

Status of Action: The Indian plan is a complex document and there will be a number of questions and clarifications we will want to ask the Government of India regarding it. We have not yet had an opportunity to make a thorough study of its implications and so believe we should reserve judgment on it for the present.

2. RUPEE SALES TO INDIA OF NON-FERROUS METALS FROM US STOCKPILE SURPLUSES

Proposal: Ambassador Bowles has emphasized that one of the major barriers to greater industrial production in India is the shortage of raw materials, especially non-ferrous metals. He recommends that the U.S. use its strategic stockpile surpluses to break this bottleneck and to create a surge of industrial output in India by instituting a program of sales to India for rupees of six non-ferrous metals believed to be surplus to our stockpile needs.

Status of Action: Interested Washington agencies have met to consider this proposal and Ambassador Bowles has been informed of the results of this meeting. The basic problem may be one of financing; prospects for rupee sales seem poor--the possibility of some sort of lend/lease arrangement or long-term credit is being explored. One promising course of action may be to develop a Free World defense program for making more effective use of our stockpiles in a limited number of countries. These would be countries where we have important political, economic and military interests at

stake,

~~SECRET~~

SECRET

-5-

stake, in which we have substantial MAP allocations, and where such raw materials are required for defense production. Defense production data concerning the use of these six non-ferrous metals have been solicited from our Embassies in the various MAP countries and on the basis of very preliminary and sketchy information the office of Foreign Economic Affairs in Defense (ISA) has put together some tables showing the significance of the use of these non-ferrous metals in defense production in MAP countries. The crucial metal seems to be copper, which is the metal needed in the largest quantities and with respect to which there has never been more than a modest U.S. "surplus." DOD is now making inquiries to determine the availability of this metal for disposal overseas and whether it could be made available under existing legislation. (It may be that a recomputation of U.S. needs may reveal that there is no longer a copper "surplus.")

3. PAKISTAN: COMMUNAL PROBLEMS AND KASHMIR

Proposal: Ambassador Bowles wants us to use our influence to get Pakistan to "lay off" its policy of pressure on India, and in particular, to remain at least neutral in the Sino-Indian dispute and to stop agitating about Kashmir both in the Security Council and elsewhere. It is Ambassador Bowles' expectation that if there is a let-up of external pressure, the new Indian leaders will see the wisdom of moving toward greater autonomy for Kashmir and of eventually settling the issue with Pakistan on the basis of an autonomous Kashmir. Discussions between India and Pakistan could begin now on the refugee and communal disturbances, move on to India's policy of evicting Muslims from eastern India, and in time lead into an exploration of the Kashmir problem.

Status of Action: In conversations at all levels, and most recently in Mr. Talbot's encounter with President Ayub we have sought to get across to Pakistan the futility of using pressure, particularly in combination with the Chinese Communists, to bring India to a settlement of the Kashmir dispute acceptable to Pakistan. President Ayub has flatly told us that the GOP does not agree with our assessment and it will not alter its policy of pressure on India.

Without

SECRET

SECRET

-6-

Without departing from our traditional support for a negotiated settlement of Kashmir in line with the will of the people concerned, the U.S. opposed the GOP tactic of raising the Kashmir issue in the Security Council at this time, and took an impartial position in the tactical aspects of the Security Council consideration of this issue. We refrained from a lead role in the negotiations; we resisted Pakistan's efforts to get a resolution (which would probably have encountered a USSR veto) to beat India with, and supported a consensus formulated by the non-permanent members; supported India's request for adjournment of debate until May 5, as we had an earlier Pakistani request for adjournment in February.

Ever since the communal outbreaks began in January we have been urging bilateral talks on both parties. Again on March 24 Ambassador McConaughy told Pakistan Foreign Secretary Aziz Ahmed that we hoped for a positive Pakistan response to a March 20 letter from Nehru to Ayub proposing urgent talks by the Home Ministers of the two countries on communal and eviction issues. On March 23 Ayub replied agreeing to the talks and preparatory details are being worked out in Karachi with the Indian High Commissioner.

4. UTILIZATION OF U.S.-USES RUPEES (See attachment for more detailed account of this subject.)

Proposal: Ambassador Bowles has made several proposals for using a large share of the enormous quantities of rupees held in the U.S.-uses account. These include a more adequate financing of the Mission's administrative operations, expanding existing programs, and establishing some new ones, especially a major binational foundation.

Status of Action: Although no Budget Amendments or Supplementaries are to be sought for FY '64 and FY '65, the Department will press for a Congressional excess foreign currencies appropriation in FY '66 for improved administrative operations or expanded existing programs. Possible Congressional action on the foundation could be sought before the appropriation requests for FY '66. Several alternative possibilities for financing the foundation are discussed in the attachment.

Attachment:

Utilization of U.S.-Uses Rupees.

SECRET

LIMITED OFFICIAL USEUtilization of U.S.-Uses Rupees

At the end of 1963, the balances of rupees available for U.S. uses in India were the equivalent of \$331.0 million, comprising repayments of principal and payments of interest on our past development loans to India, the U.S.-uses portion of PL 480 proceeds, and interest on our rupee bank deposits in India. Current expenditures amount to less than half of new receipts and rupees are accumulating at a rate which may double our holdings by FY 1966 or FY 1967.

In working out such ways of using our rupee resources, Ambassador Bowles believes we should look for uses which 1) would not usurp Indian real economic resources already constructively programmed, 2) would not contribute to inflationary pressures, and 3) would involve little or no additional dollar expenditures by the United States.

Ambassador Bowles' Proposals

Ambassador Bowles has made a number of specific proposals which would permit a significantly greater expenditure of U.S.-uses rupees without any serious conflict with the limitations outlined above. The proposals fall into three categories: a) to strengthen U.S. administrative operations in India, b) to strengthen and supplement existing programs, and c) to finance new programs which will promote both U.S. and Indian interests in India.

a. Administrative Operations

Our administrative operations in India are severely restricted because the Mission has access only to the rupees which can be purchased with the limited allotments of dollars appropriated by Congress. If some of our large rupee holdings could be freed for use by the Mission, they could be used for increased local travel, to provide more adequate remuneration and possibly some fringe benefits for the Mission's physical plant and property, and for the construction of housing and office space.

b. Strengthening and Supplementing Existing Programs

Some of our successful programs in India suffer from inadequate financing and could usefully be expanded, but rupee expenditures of these programs are again based on dollar appropriations. Among these are USIS's low-cost book program, the Fulbright Program, and special project support for Peace Corps efforts.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 2 -

c. New Programs

The three specific proposals made for new programs are: 1) the support or establishment of institutions to teach the English language in India, 2) the endowment of public libraries, and 3) the endowment of a Binational Educational and Cultural Foundation.

The proposed Foundation would be similar in organization and pattern of activities to the large American foundations. Some of the activities could be providing scholarships for outstanding students in India, strengthening selected educational institutions, making grants for improving textbooks, and supporting existing American institutions. The library construction and English language programs could also be associated with and financed by the Foundation. This is not an exclusive list--other programs could be devised which would be useful in promoting U.S. interests in India and which would be within the limitations outlined above in paragraph 2.

Access to the Rupees

Ambassador Bowles suggested that maximum use be made of the President's authority to waive the appropriation requirement in order to make the U.S.-uses rupees available for the programs he has proposed. In reply to a letter from the Ambassador, Kermit Gordon said that he did not think that the waiver authority offered a solution to the problem because among other reasons, of Section 702 of the 1964 Appropriation Act for the Departments of State, Justice, Commerce, the Judiciary and Related Agencies which says that no appropriation shall be used to administer a program funded from foreign currencies for which a specific dollar appropriation has not been made. He suggested that a better access route to the rupees is to ask Congress for special foreign currency appropriations and that if a budget amendment were proposed by the Department of State, he would recommend to the President that he transmit the amendment to Congress.

Other possible approaches to making additional rupees available might be 1) the addition of another subsection to section 104 of PL 480 which would permit a broader use of U.S.-uses rupees for development purposes, and 2) amending all existing PL 480 agreements to reduce the percentages reserved for U.S.-uses and minimizing those percentages in future agreements.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 3 -

Status of Proposals

The Department has decided, after testing Congressional attitudes, not to seek any 1964 Supplementals or 1965 Amendments at this time but rather to submit requests for special foreign currency appropriations and vigorously to support the expanded use of excess foreign currencies in FY 1966. With the possible exception of the binational foundation, this puts off any implementation of the proposals for more than a year. Alternative financing arrangements for the foundation are discussed below. The Ambassador's proposals are at various stages of consideration by the agencies concerned.

a. Administrative Operations

There is general agreement among the agencies that a way should be found to make some of the U.S.-uses rupees available for administrative operations. The way most likely to succeed seems to be to seek a special excess foreign currencies authorization from Congress for FY 1966. The Bureau of the Budget has indicated that it would favorably consider proposals for the use of rupees which did not have high enough priority for dollar appropriations and believes that Congress would take much the same attitude.

b. Strengthening and Supplementing Existing Programs

USIA has reservations about expanding the low-cost book program in India. There is already fairly large unexpended balance of rupees allocated to the program, indicating that more rupees would not alone be enough greatly to increase its size. Nor does there seem to be a real shortage of rupees now for student travel. If 300 more students were to be sent from India, it would be extremely difficult to find scholarships or other ways of paying for their expenses here even if all efforts now being made for foreign students were confined to Indian students alone. The Peace Corps might be able to use some small quantities of rupees, but does not wish to contribute much capital input in its programs. The Peace Corps' policy is to have local currency program costs paid by the host country to insure real and continuing interest. Possibly if the rupees could be converted to country-uses funds, the Peace Corps could use some, since it would mean that the establishment of priorities would still be up to the host government.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 4 -

c. New Programs

Prospects seem more favorable for the new programs suggested. AID believes that we should begin now to solicit the approval of Congress for the eventual establishment of a binational foundation. David Bell has already floated a trial balloon before the House Committee on Agriculture which survived the flight. AID would see the foundation's financing a variety of activities rather than diffuse our efforts among a series of smaller separate projects. The Department is enthusiastic about the expansion of English language teaching and, although not prepared to ask for a Supplementary for FY 1965, would be happy to see the program included as one of the binational foundation's projects. The foundation would be a major effort indeed and careful planning would be essential, with later consultation with the GOI before much publicity is given to the idea. AID has done some preliminary thinking and planning, and is preparing to give the concept shape as soon as possible.

Alternative Possibilities for Financing the Foundation

Several alternatives could be considered for financing the foundation. Ambassador Bowles has proposed the transfer of Rs 1000 million (\$200 million) to the proposed foundation as a capital fund to produce an annual income of Rs 50 million (\$10 million) on which the foundation would operate. The capital fund would be invested in blue-chip and special GOI securities. As a fallback alternative, the Ambassador proposes setting aside some Rs 1000 million to be drawn upon each year for the foundation's operations. Annual withdrawals of Rs 50 million would give the foundation a first life of 22-25 years, which would be renewed as more rupees accumulate.

Two other possibilities have been suggested which appear to have certain advantages:

1) The Rs 1 billion could be made available for a limited term to the foundation at no interest by something short of an outright grant, with the possibility of renewal upon expiration. The foundation would invest the capital and operate on the interest.

2) Existing PL-480 agreements with India could be revised to transfer a maximum amount of rupees to country-use accounts. In the past, the amounts reserved for US-uses have been above the minimum legal requirements. The difference could be made available as a capital fund for the foundation and new PL-480 agreements could provide for additional capital contributions.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 5 -

Consideration is being given to the concept of the foundation as an institution not so much cultural as developmental. Given this slant, the idea of the foundation might be more readily promoted both in the U.S. and in India. Also, although it could still have a clear U.S. stamp on it (be named, for example, the Kennedy Indo-American Foundation), it could be given the appearance of primarily an Indian institution. If the capital fund were not created as an outright grant and the U.S. retained ultimate control over it, operational control over the foundation could more acceptably be entrusted to the Indian directors, although with continuing U.S. advice. This arrangement would mute the impression of a large U.S.-controlled organization deeply involved in Indian education and cultural life.

~~SECRET~~

Clearances:

NEA - Mr. Grant
UNP - Mr. Jones (Section 3)
G/PM - Mr. Warren (Section 1)
NR - Mr. Padelford
E/OFE - Miss Milne (Section 4)
E/ISM - Mr. Getzin (Section 2)
CU - Miss Alden (Section 4)
AID/NESA - Mr. Furst (Sections 2 and 4)
AID/PC - Mr. Arril (Section 1)
DOD/ISA - Mr. Solbert (Section 1)
DOD/ISA - Mr. Darling (Section 2)
GSA - Mr. Romeo (Section 2)
USIS - Mr. O'Neill (Section 4)
BOB - Mr. Lewis (Section 4)
A - Mr. Sinderson (Section 4)
AID - Mr. Chenery (Section 1, b.)

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By jc, NARA, Date 3-15-04

~~SECRET~~

~~SECRET~~

213
India - Nehru

SOUTH ASIA

4. Nehru's Political Life Ebbing

25X1X

[REDACTED] doubts, on the basis of a recent meeting with Nehru, that the 74-year-old leader can last long as an effective political force in India.

25X1C

[REDACTED] Nehru's physicians are so alarmed by the deterioration in his condition that they have urged that he refrain from taking part in the conduct of official business.

25X1C

Nehru has sharply curtailed his work load during his convalescence from a stroke in January, but he is still too active for his own good. He continues to appear frequently--if briefly--on the floor of Parliament, to take part occasionally in public ceremonies, and to see many visitors.

Nehru reportedly has again been toying with the idea of resigning--a form of escapism in

which he has often indulged when things were not going his way. He seems to be torn between a subconscious preference to continue working for the ideas to which he has devoted his life, and a more rational acknowledgment that in the circumstances these ideas might be better served by prolonging his life and influence even in a retired or semiretired status. He is said to be receiving advice from interested parties on all sides of this argument.

Government business meanwhile is being handled by a cabinet committee system. Minister without Portfolio L. B. Shastri, who was brought in to handle Nehru's routine responsibilities, is coming to dominate the structure. He has assumed a strong role in Parliament, has developed effective working relations with party leaders, and was responsible for resolving the recent government crisis in Kashmir. (~~SECRET~~ NO FOREIGN DISSEM)

~~SECRET~~

SANITIZED

Authority NLJ-032-023-001/K

By JC NARA, Date 3-2-04

~~SECRET~~

COMMUNIST ASIA

3. Peiping's Foreign Exchange
Earnings in Hong Kong at Record
Rate

Peiping's net trade earnings from its Hong Kong trade --its largest single source of convertible currency--reached about \$250 million in 1963; almost 25 percent over its 1962 trade earnings there.

Stepped-up exports of foodstuffs, textiles, and manufactured goods to Hong Kong along with reduced imports--down roughly 20 percent--are the main reasons for last year's higher trade earnings. To increase its foreign exchange earnings, Peiping apparently pushed exports of more plentiful foodstuffs, such as vegetables and livestock, which accounted for a large part of its expanded exports. Grain prod-

ucts were the only major item regularly exported to Hong Kong that declined last year.

Also, it is likely that overseas remittances to the mainland from Hong Kong increased somewhat last year over the \$50-million level estimated for 1962. Peiping has encouraged cash gifts from Hong Kong in lieu of food parcels by making more food and consumer goods available to recipients of cash vouchers. In another effort to attract foreign currency, Peiping has offered Hong Kong businessmen guaranteed returns on investments in mainland business ventures.

~~(CONFIDENTIAL)~~

संसदीय काँग्रेस दल
Congress Party in Parliament

Ref. No.

24-25, PARLIAMENT HOUSE,
NEW DELHI-1.

11 March 1964

~~Confidential~~

Dear Sudhir,

I write to convey to you our warmest wishes for your visit to Moscow and Washington. We do hope you will be able to talk very fully with our Russian and American friends about our twin-problem, the India-China conflict and the India-Pakistan conflict, and our earnest desire for a peaceful settlement of these problems and our belief that a peaceful settlement will become possible if our Russian friends and our American friends feel able to put their heads together to find a way out.

The military power of China hangs on our head like the Sword of Damocles. We have no desire to have a military conflict with our Chinese neighbours; but what are we to do in view of the steadily increasing Chinese military build-up, except to get ready to defend the territorial integrity of India and to resist Chinese aggression? Quite clearly China does not believe in co-existence with India as equals; China wants India to exist but wants India's existence to be at the mercy of China.

As regards the India-Pakistan problem, we do want a peaceful settlement; but the anxiety of our British and American friends about the right of self-determination of 2 million Kashmiris in the Kashmir Valley has puzzled us: they have shown no anxiety at all about the right of self-determination of 60 million men and women living in East Pakistan. In order to get rid of the British we unhappily accepted the partition

DECLASSIFIED

Authority PAC 032A-23-1-12-8
By JDL VARA Date 2-12-18

संसदीय कांग्रेस दल
Congress Party in Parliament

-2-

24-25, PARLIAMENT HOUSE,
NEW DELHI-1.

Ref. No.

of India. What was India has now become three pieces : (1) East Pakistan (2) India (3) West Pakistan and (4) Kashmir, which is hanging fire; situation created by the partitioning of India has yet to be stabilised. Don't our friends want self-determination for all the four parts ? Or do they want self-determination only for one part, Kashmir ? Have they ever heard of a country consisting of two parts, one at a distance of 1500 miles from the other, with an independent Sovereign State in between ? That is Pakistan today; and culturally, racially and linguistically East Pakistan (consisting of Bengali Muslims and Hindus) has nothing whatever to do with West Pakistan; there is no bond either of common economic or political interests. Please show our friends the enclosed statement of the eminent Muslim leader of East Pakistan, Maulana Bhasani. Do not his people have a right of self-determination ? Peace will prevail in this subcontinent if self-determination is guaranteed for all.

We shall look forward to talking with you on your return. Please know that you are fortified by the good wishes of all of us in the Party.

Yours sincerely,

Surendra Mohan Ghose

(Surendra Mohan Ghose)
Deputy Leader,
Congress Party in Parliament.

Shri Sudhir Ghosh, M.P.
95 South Ave.
New Delhi.

Bhasani: Pak made subject of ridicule

Dacca, March 7 (PTI) — The National Awami Party chief, Maulana Bhasani, said here today that denial of the right of franchise to the people of Pakistan by the present Government had made the country "a subject of world ridicule."

The Maulana, who was commenting on President Ayub Khan's radio address of March 1, referred to the right of self-determination demanded by the Ayub Government in its stand on Kashmir.

In a statement Maulana Bhasani said while he "broadly agreed" with the stand taken by the President on Kashmir, he hoped that the President (who had remarked in this connection that the people once roused could not be put down indefinitely) would welcome a call given by Maulana Bhasani for "a peaceful demonstration" throughout the country demanding the restoration of fundamental rights in Pakistan.

He further hoped that the President would welcome this "opportunity to assess the reality in the country and will order his subordinates not to interfere" in the people's movement to express themselves collectively.

The Maulana deplored that the Government had even neglected the recommendations of the Franchise Commission which was "carefully constituted not to include the elements undesirable in the eyes of the party in power."

Maulana Bhasani said: "The President has created for himself a frankenstein in the shape of political nobodies elevated to the position of power. These persons have now a vested interest to perpetuate this 'windfall' and are misleading the President on the matter of popularity of the regime."

215
2/24/64

~~CONFIDENTIAL~~

SITUATION IN INDIA

India

An Assessment and Three Issues

A. Assessment

- (1) Leadership of Nehru now waning, but not yet to point of transfer to new hands.
- (2) When transfer of power consolidated, conservative elements of Congress likely to be more influential.

If these are secular conservatives, easier US-Indian relations very likely; if religious conservatives, more difficult.

(3) Economic performance and politics

- success of moderate conservatives will continue to hinge, in part, on pace and scope of development.
- Marked inflation will accentuate unrest in cities.
- Slowdown in labor-intensive capital development will mean more unrest among unemployed and indirectly will affect the Congress Party's chances.
- to reduce the Rivers-and-Harbors type of development expenditures will make it harder for state leaders to hold their parties together, encourage factionalism, expand opportunities of regional, religious, or extremist parties of Right or Left.

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By jc, NARA, Date 3-2-04

~~CONFIDENTIAL~~

-2-

(4) Economically, performance has been disappointing.

- agriculture virtually stagnant for past three years, per capita actual decline, heavily dependent on weather, projection for this year still uncertain.
- industrial development 8-9% advance instead of expected 15-16%; industrial capital outlay slower than planned; out-turn from new capital delayed and less than planned; unused capacity resulting from scarcity of imported raw materials and parts, and management problems.
- foreign exchange position
 - a net decline in 63/64 of \$4 million, but with some repayment of IMF advance.
 - exports improved, due to good price for jute, larger sales of sugar and oilcakes, largely to Soviet bloc; while iron ore from Goa now in export earnings.
 - planned increase in imports by 15% - to make up for increased food needs not met by local supplies and by capital goods imports now required to meet investment plans even though these still lag by \$250 million behind planned targets.
 - decontrol is now limited as much by foreign exchange limitations as by government philosophy.
- bureaucracy - Overloading increasingly evident.
- price levels - some advance in consumer index, perhaps by 4%, but stable in raw materials and manufactured goods.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-3-

(5) Favorable economic signs

Positive indicators

- export position has been improving.
- neither power nor transport are immediate impediments.
- everywhere investments take time to pay off; consortium has only been going five years, may have considerably improved output within next two years as new plants come into production.
- growing sense of frustration with bureaucratic controls already has led to:
 - decontrol of 16 items.
 - inquiry to US for extra releases of steel, etc. should steel prices be decontrolled.
 - experimental decentralization of management in two state-operated mills--steel and fertilizer.
 - Minister of Finance increasingly encouraging policies toward private sector and readiness for foreign investment.
- Fourth Plan is in preparatory stages and we have a closer consultative relationship on economic matters than ever before.
- Serious and expeditious review of management problems in public sector has already made recommendations.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-4-

B. Issues

(1) Size and types of assistance

Assistance running at approximately \$1 billion per year, mainly through consortium, underutilization on capital investment side, continued restrictive shortages due to lack of maintenance imports. One-half US assistance, roughly, already going to maintenance imports.

- (a) What do we see as foreign exchange position for next three years? (Al White, AID)
- (b) How much is Indian development impeded by shortages of foreign exchange for (i) capital and (ii) maintenance imports?
- (c) What are the chances that the IBRD or others will be able to expand their assistance for maintenance imports, if that is necessary?

(2) The private sector

Virtually the only sector performing beyond its targets; a recent lag, however, in private sector investment; but increasingly GOI easing its restrictive policies and administrative practices.

- (a) What can the US do (i) in Delhi and (ii) in the US to encourage greater foreign investment in India?
- (b) How can we help the Indian government to give greater freedom to the private sector?

(3) Defense industries

There is a strong Indian preference for maximizing its own defense industries in order to be as independent as possible on all defense matters.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-5-


We would like to limit their expansion of defense industries for the sake of economic development, to minimize friction with Pakistan and to continue their dependence upon us for materiel we can make available at reduced prices and at little real cost to India. But we are competing against the USSR and may not want to let Moscow monopolize the defense field.

~~CONFIDENTIAL~~

S/P:HWriggins:ms
2/24/64

CROSS REFERENCE SHEET

TYPE OF DOCUMENT Cable

Letter 

Memo _____

Other _____

DATE 2/18/64

FROM Kenneth Gordon

TO Chester Bowles NUMBER

SUBJECT Use of Excess Indian Rupees

SEE *Bonnes*

INTELLIGENCE SUMMARY

This section of Current Foreign Relations, prepared by the Bureau of Intelligence and Research, is for background purposes only. It is not necessarily an official statement of Department policy.

THE COMMUNIST PARTY OF INDIA: DISCORD AND POLARIZATION

The Communist Party of India (CPI) is heir to a tradition which makes it particularly vulnerable to factionalism. It consistently has looked abroad for guidance -- primarily to Moscow, but also at varying times to London, Belgrade, and Peiping -- and more often than not has been battered and discredited for its troubles. The Party's central authority often has been disputed by leaders with personal followings; the individual state components of the Party have substantial power.

The present crisis within the CPI has been developing gradually since the early 1950's when the Party's violent tactics had lead it up a blind alley. As part of a general policy reassessment towards the new nations, the Communist Party of the Soviet Union (CPSU) instructed the CPI to curtail its opposition to the Congress Party government and attempt to build parliamentary strength. The policy of accommodation to Nehru bore fruit for the USSR diplomatically, as well as for the CPI in terms of membership and votes gained. The CPI even came to power in Kerala state in 1957. Nevertheless, a substantial minority within the Party continued to maintain that it could gain power only by opposing the Congress government -- ultimately by violent means .

The CPI was painfully aware that the friendship and cooperation which Nehru offered to Communists on the international level did not extend to them. Under the adept leadership of its Secretary General, Ajoy Ghosh, the CPI persisted in its traditional acquiescence in Moscow's dictation. Discontent was fairly effectively muffled. Relatively few radicals made their unhappiness known and even the radicals were not prepared to take independent action without sanction from external authority.

The Indian-China-USSR Triangle and the Emerging Crisis-
The basic points of difference between the radicals and the moderate majority soon were mirrored in a much larger dispute -- the conflict between Communist China and the Soviet Union. The

~~SECRET~~

major point at issue was whether local Communists should work in relative harmony with "progressive" national leaders such as Nehru or should preach revolution and attempt to seize control of the ongoing revolutions from the nationalists.

In the midst of the confusion surrounding the Sino-Soviet dispute in 1959 and 1960, the first publicized border incidents between China and India occurred. Despite considerable hedging, Ghosh -- with the approval of the Soviet Union -- took a stand generally favorable to the Indian position although not directly critical of the Chinese. His moderate position was unacceptable to the leftist minority and by late 1961 the CPI was in a state of considerable disorder.

In January 1962, Ajoy Ghosh died suddenly, leaving the divided party leaderless and the contending factions unable to agree upon a successor. Although the moderates had a voting majority, they were unwilling to risk a possible split in the Party. A tenuous compromise was reached whereby E.M.S. Namboodiripad (former Chief Minister of Kerala under the Communist regime) was installed as Secretary-General on the assumption that he occupied a middle ground between the opposing factions. As an anchor to windward, however, the moderates created the new post of Party Chairman. S.A. Dange, a moderate trade-union leader from Bombay, was installed in this post and the Party began the task of trying to find common ground on which to reunify itself.

Effects of the Chinese Invasion - What slight chances there might have been for compromise were lost in the chaos following the Chinese invasion of India in October 1962. Dange immediately rallied to the Indian cause -- even approving arms purchase from the United States. He demanded special powers (thus limiting Namboodiripad's influence) and carried the majority of the leadership with him. The GOI moved rapidly to arrest all prominent left-wing extremists within the CPI, reasoning that their sympathy for Communist China made them dangerous to Indian security. Even Namboodiripad was imprisoned for a short period, and the moderates found themselves with very little opposition at the higher Party levels.

The Chinese criticized Dange for his position, CPI leftists were equally incensed (three Secretariat members resigned); and even the Soviets thought he had gone too far in backing Nehru. Dange persevered, however, believing the CPI could not hope to play a role in India if it attempted to resist the flood of patriotic and anti-Chinese sentiment which was engulfing the country. In December, with Nehru's apparent blessing, Dange undertook a successful trip to the USSR and East and West Europe to explain the CPI position and seek the support of other Communist parties against the Chinese.

~~SECRET~~

The problems facing the CPI in 1963 were: 1) to find a basis for party unity; 2) to minimize the damage done to the Party's image by the Chinese Communist invasions; 3) to find a program which would distinguish their position from that of the Congress Party without appearing disloyal in a time of national crisis; and 4) to obtain the release of the imprisoned leaders.

The left and right factions viewed these problems very differently. Having installed his supporters in positions of power vacated by imprisoned leftists -- especially in Punjab and West Bengal -- Dange was not overly anxious to see his opponents return to political activity.

The leftists, on the other hand, were not interested in a Party policy or image which smacked of capitulation to Nehru and opposition to their Chinese mentors. Both sides were chary of establishing CPI unity so long as it remained unclear who would control the party. Dange's tactic was to maximize his control before the leftists could reassemble their forces; the leftists hoped to keep the situation sufficiently fluid so they could propagandize their position, organize their strength at the lower party levels, get their leaders out of jail, and wait for the crisis atmosphere engendered by the Chinese invasions to subside. A National CPI congress would have been the logical forum for settling the dispute over Party control and policies, and one was scheduled for 1963. The leftists managed to postpone it, however, claiming that no Party congress could be valid unless the imprisoned leftists were present.

A Year of Inconclusive Sparring - In February 1963, Secretary-General Namboodiripad tendered his resignation, stating that he could not accept Dange's policies. He also relinquished his posts as a member of the Secretariat and editor of the Party newspaper. Dange was left in full charge of the official Party machinery, and the National Council passed a resolution firmly opposing the Chinese attack on India. Yet the Council was unable to agree on organizational moves which might in some degree have curbed the disunity, indiscipline and demoralization which beset the Party throughout the country.

Following the Council meeting, Dange set about consolidating his position as best he could. Under Soviet instructions to prevent a formal Party split, he could take no really effective measures to break the leftists' power. He also needed to mend his own political fences, since his over-enthusiastic support for Nehru had been received coolly by the Soviets and other foreign Communists. Dange apparently considered that under the circumstances, a mass action to protest economic grievances would be the safest tactic. In this way he could stimulate enthusiasm among the Party's demoralized membership and enlist some leftist support.

~~SECRET~~

In addition, since mass enthusiasm for the Indian war effort was waning, the CPI could thus exploit discontent without appearing unpatriotic.

The mass demonstration, involving a petition circulated throughout India and a mass march on the Parliament building in New Delhi, was the CPI's most impressive performance of the year. Crowds estimated at between thirty and seventy thousand were mobilized on September 13 under the CPI's aegis. They protested not only economic grievances but also the joint US-Indian air defense exercises and the abortive agreement to establish a Voice of America transmitter in India. As a demonstration of Communist influence in India, and the degree to which the Party has avoided being tarred by the Chinese brush, it was a vindication of Dange's policy. The leftist leaders, however, chose to interpret it as evidence of the readiness of the masses for direct action. The mass agitation thus was unsuccessful in bridging the gap between party factions; factional activity continued unabated and even increased during the following months.

The leftists established their own party center at New Delhi under the direction of A.K. Gopalan, the Communist leader in the Lok Sabha (Indian Parliament). In West Bengal, Punjab and South India, groups of leftists set up parallel organizations, distributed anti-Dange and pro-Chinese materials and began wooing the Party membership. Although these factional groupings did not split off from the CPI, they did not hesitate to flout CPI directives and in some cases appropriate the Party treasury and other assets.

By the end of the summer, New Delhi found it expedient to have the state governments release the imprisoned leftist leaders. With few exceptions -- mostly extremists in West Bengal -- these individuals were able to return to normal political activity. Even with many of their leaders among them again, the leftists remained in a minority at the national level. Nevertheless, the inability of the majority to enforce its will was again demonstrated at the meeting of the National Council on October 14-19. The principal items of business were disciplinary action against Gopalan and steps to be taken against leftists who were forming alternate Party apparatuses. Dange was unable to secure effective action on the latter point, and in the face of a threatening split the Council merely censured Gopalan instead of suspending him. Late in the year there were some indications that Dange, having detected a loss of momentum in leftist ranks, had decided to move forcefully against them, especially at the state level. Although he made some progress in the Punjab, the leftist minority continued to maintain a veto power through its ability to split the Party.

~~SECRET~~

Situation at the Beginning of 1964 - The danger of a split does not appear to be imminent. The rightists occupy the important posts in the central apparatus and predominate in many of the states. They have no desire to jeopardize their position. Among the leftists, only an extremist fringe is in favor of a split. The more powerful figures of the left prefer to remain within the CPI in the hope of capturing control. Peiping's views toward a CPI split are not known. Recent Chinese policy statements have spoken favorably of dissident Communist parties, but the prospect of the leftists forcing their will on the entire CPI would be much more attractive. Should Peiping go to the extreme of establishing its own International, many of the CPI leftists probably would rally to its standard.

The chances of a reconciliation between the two factions are slight. Personal animosities are high, issues of ideological substance are at stake, and both factions consider themselves parts of a larger, worldwide movement. One of the most significant events in the CPI during 1963 was the erosion of any middle-ground between the factions from which a compromise leader might spring. In previous years Dange and Namboodiripad, for instance, could claim to be moderates with rightist and leftist leanings, respectively. Now they are regarded as belonging to the right and left factions, albeit with moderate inclinations. In fact, neither has substantially changed his ideological position. Dange remains at odds with the extreme rightists, and Namboodiripad probably has more in common with Dange than with the Bengal extremists.

Dange's tactics apparently are based upon the hope of isolating the moderate leftists from the extremists, as the first step in reconstituting Party unity. At the January Central Executive Committee meeting, he made a few organizational concessions to the leftists, including conditional reinstatement of the old West Bengal leadership, and agreed to leftist demands to call a national congress, although not until October 1964. (The leftists, with most of their leaders released from jail, reversed their earlier position against calling a congress, in the belief they are now strong enough to contest control of the Party.) About the only thing which can be predicted about the Congress is that it will be the scene of a bitter struggle. If the rightists use their organizational strength to pack the congress, irresistible pressures could be generated within the left in favor of a Party split. Prior to the congress, the prognosis for the CPI must be for more of the in-fighting and administrative paralysis which have been characteristic of the past year. Dange will be able to continue to woo the moderate leftists by sponsoring agitation on economic grievances and exploiting anti-American

~~SECRET~~

sentiment on such issues as the presence of a Seventh Fleet Task Force in the Indian Ocean or joint military exercises.

The CPI and Nehru's Succession - Especially since the Chinese invasion, Dange and Nehru have found each other to be useful. By cooperating with Nehru, Dange has been able to prevent the banning of the Party (a step which was widely advocated in late 1962) and preserve a degree of respectability for the CPI as a "national" party.

Should Nehru pass from power, Dange's entire political program would be jeopardized. Nehru's successors may well not be as tolerant of Dange and the moderate Communists as Nehru has been. Should the right wing of the Congress Party gain preponderant power, Dange's policy of selective cooperation with the Congress Party would be completely discredited. The CPI would be politically isolated and the leftists' wholesale opposition to the Congress Party would be vindicated. Thus Nehru's illness of January 1962 might have major implications for the continuing factional struggle within the CPI.

The CPI Between Moscow and Peiping - During the year a number of the most important CPI leaders, including Dange and Namboodiripad, visited Moscow. The Soviets also maintain extensive contact with CPI leaders through their diplomatic and consular establishments. The CPSU's word obviously carries considerable weight with Dange and his group and there is no doubt but that the CPSU continues to give financial assistance to the CPI.

The ties between Peiping and the leftists are less obvious. The Chinese have been hampered in their contacts by the closing of their consulates and the general freeze in Sino-Indian relations. Although there is still a Chinese embassy in New Delhi, the principal channel of communications reportedly is through the North Vietnamese Consulate General in New Delhi, which disseminates material to the various centers of leftist activity.

Although the right and left factions of the CPI are oriented toward Moscow and Peiping respectively, neither is the creature of its mentor in the way the CPI used to be Moscow's puppet. Within the rightist faction, there is a considerable group centered around P.C. Joshi which is inclined to pursue parliamentary tactics and support the leftists in the Congress Party with more ardor than Moscow would condone. Dange himself thinks and acts more independently than his predecessors would have done. Among the leftists, it is the extremists who are wedded to Peiping. The more moderate leftists are frequently critical of Chinese actions.

~~SECRET~~

~~SECRET~~

27

In general, it would be erroneous to regard the present dissension within the CPI solely as a result of the Sino-Soviet conflict. Aside from the omnipresent personal antagonisms of long standing, the most important grounds for the CPI's present split are to be found in disputes over domestic policies to be pursued -- violence or parliamentary tactics; support of opposition to Nehru. Serious as these disputes may be, the CPI may in time find a higher degree of maturity as an Indian party which professes Communism rather than the foreign-directed Indian branch of an international Communist movement. In this it is following, perhaps with unusual speed, an evolutionary development similar to that of other Communist Parties which have been learning to live within a polycentric, rather than a monolithic, movement.

--Current Foreign Relations, Issue No. 8, 2/19/64

FBIS 64

NEHRU MESSAGE TO KHRUSHCHEV

MOSCOW TASS INTERNATIONAL SERVICE IN RUSSIAN 1345 27 JAN 64 L

(TEXT) MOSCOW--THE INDIAN AMBASSADOR IN MOSCOW, T.N. KAUL, HAS HANDED TO THE USSR FOREIGN MINISTRY THE FOLLOWING MESSAGE FROM J. NEHRU:

TO HIS EXCELLENCY MR. N.S. KHRUSHCHEV, CHAIRMAN OF THE USSR COUNCIL OF MINISTERS, MOSCOW.

YOUR EXCELLENCY: I THANK YOU FOR YOUR MESSAGE OF 31 DECEMBER 1963 WHICH WAS CONVEYED TO US ON 5 JANUARY 1964 BY YOUR AMBASSADOR IN NEW DELHI. THE TREATY CONCERNING THE PROHIBITION OF NUCLEAR TESTS AND THE AGREEMENT ON NOT PUTTING INTO ORBIT OR PLACING IN OUTER SPACE NUCLEAR WEAPONS AND OTHER TYPES OF WEAPONS OF MASS DESTRUCTION CONSTITUTES POSITIVE AND CONSTRUCTIVE STEPS TOWARD THE CONTROL OF ARMAMENTS AND THE REDUCTION OF TENSION. THESE STEPS WERE TAKEN IN 1963. SUCH CONCRETE MEASURES BRING US CLOSER TO ACHIEVING THE MAIN GOAL--GENERAL AND COMPLETE DISARMAMENT. IT IS THEREFORE IMPORTANT THAT WE SHOULD ALL CONSIDER FURTHER STEPS WHICH SHOULD BE TAKEN IN THE NEW YEAR AND WHICH WOULD CONTRIBUTE TO PEACE AND THE PEACEFUL SETTLEMENT OF DISAGREEMENTS BETWEEN STATES.

THE MOST ESSENTIAL AND VITALLY IMPORTANT PROBLEM FACING MANKIND IS PRESERVING AND STRENGTHENING PEACE, AND ALL PROPOSALS, EVEN OF A LIMITED CHARACTER, DIRECTED TO THIS END, DESERVE THE IMMEDIATE CONSIDERATION OF THE GOVERNMENTS AND PEOPLES OF THE WORLD. I AGREE WITH YOU, MR. CHAIRMAN, THAT DISAGREEMENTS CONCERNING STATE FRONTIERS AND TERRITORIES LEAD TO SERIOUS TENSION AND INCREASE THE RISK OF WAR. IRRESPECTIVE OF WHETHER THESE DISPUTES CONCERN SMALL OR LARGE STATES, ANY ATTEMPT TO SOLVE THEM BY USING WEAPONS CONSTITUTES A REAL THREAT TO INTERNATIONAL PEACE AND SECURITY. THEREFORE, IT IS ESSENTIAL THAT THE INTERNATIONAL COMMUNITY SHOULD TACKLE THIS EXPLOSIVE PROBLEM.

AS YOUR ANALYSIS SHOWS, SOME COUNTRIES DEMONSTRATE A REGRETTABLE INCLINATION TO TURN TO FORCE ON THE BASIS OF ALL KINDS OF ARGUMENTS OF A PSEUDO-HISTORICAL OR OTHER CHARACTER. AS YOU KNOW, MR. CHAIRMAN, WE RECENTLY SUFFERED FROM SUCH ACTIONS WHICH VIOLATED OUR FRONTIERS, AND THEREFORE VERY MUCH OF WHAT YOU SAY IS VERY CLOSE AND IMPORTANT FOR US.

IN YOUR MESSAGE YOU RECALLED SIMILAR CONFLICTS OBSERVED IN ASIA AND CORRECTLY EMPHASIZED THAT WE--INHABITANTS OF ASIA AND ALSO OF OTHER AREAS OF THE UNDERDEVELOPED PARTS OF THE WORLD--ARE FACED WITH GIGANTIC PROBLEMS OF ECONOMIC DEVELOPMENT WHICH CAN BE SUCCESSFULLY SOLVED ONLY BY MEANS OF THE PEACEFUL USE OF THE ACHIEVEMENTS OF SCIENCE AND TECHNOLOGY WITH THE AIM OF IMPROVING THE LIFE OF MILLIONS AND MILLIONS OF PEOPLE. TENSION, WHICH IS A RESULT OF ACTUAL OR POTENTIAL AGGRESSION, INEVITABLY LEADS TO THE DEFLECTIONS OF THE MEAGER RESOURCES OF THESE POOR COUNTRIES (WHICH IS UNAVOIDABLE UNDER PRESENT CONDITIONS, BUT IS NONETHELESS UNPRODUCTIVE AND USELESS) TOWARD STRENGTHENING DEFENSE POTENTIAL, AND ALSO HINDERS THE ACHIEVEMENT OF THE MAIN AIM: THE MOBILIZATION OF ALL EFFORTS AND MEANS TO INSURE BETTER LIVING CONDITIONS FOR THE PEOPLES OF THESE COUNTRIES.

(M O R E)

27 JAN 202P RV/OP

218
Lif Komer
India
PRESERVATION COPY

FBIS 65

ONLY ADD 64 (NEHRU MESSAGE)

X X X OF THESE COUNTRIES.

(TEXT) YOU PROPOSE, MR. CHAIRMAN, THAT THE GOVERNMENTS OF ALL STATES SHOULD, WITH THE AIM OF SOLVING THIS PROBLEM, CONCLUDE AN INTERNATIONAL AGREEMENT ON THE REJECTION OF THE USE OF FORCE FOR THE SETTLEMENT OF TERRITORIAL DISPUTES OR BORDER ISSUES. YOU ALSO MENTION SOME OF THE POINTS WHICH MIGHT BE INCLUDED IN SUCH AN AGREEMENT, AND PROPOSE THE HOLDING OF TALKS BETWEEN STATES ON ALL THESE QUESTIONS.

THE GOVERNMENT OF INDIA IS ON THE WHOLE IN AGREEMENT WITH THE APPROACH CONTAINED IN YOUR PROPOSALS, WE HAVE ALWAYS ADHERED TO THE VIEW THAT THE USE OF FORCE DOES NOT SOLVE PROBLEMS, AND WE CONSIDER THAT ALL GOVERNMENTS SHOULD ARRIVE AT AGREEMENT ON THE REJECTION OF THE USE OF FORCE FOR SETTLING TERRITORIAL DISAGREEMENTS OR BORDER ISSUES, AND SHOULD ALSO UNDERTAKE TO RETURN TO HISTORICAL BOUNDARIES WHERE THEY HAVE BEEN VIOLATED BY FORCE IN RECENT YEARS.

AN AGREEMENT ON THIS QUESTION BETWEEN STATES WOULD, IN OUR OPINION, LEAD TO A CERTAIN EASING OF TENSION AND WOULD BE ANOTHER STEP TOWARD CREATING INTERNATIONAL TRUST, WHICH IS OBLIGATORY FOR PURPOSEFUL PROGRESS ON THE PATH TOWARD AGREEMENT ON GENERAL AND COMPLETE DISARMAMENT.

THE GOVERNMENT OF INDIA, MR. CHAIRMAN, WELCOMES THE INITIATIVE DISPLAYED BY YOU AND EXPRESSES THE HOPE THAT THE MAIN, INTERESTED POWERS WILL TAKE THE LEAD AND UNDERTAKE JOINT MEASURES OF THIS NATURE, BEGINNING WITH PURPOSEFUL DISCUSSION OF YOUR PROPOSAL AND HAVING IN MIND THE WORKING OUT OF AN ACCEPTABLE FORMULA, AS OCCURRED ON 6 AUGUST AT THE TALKS BETWEEN THE GREAT POWERS WHICH AGREED ON BANNING NUCLEAR TESTS AND THE DEMILITARIZATION OF SPACE.

WITH BEST WISHES, YOUR SINCERELY, JAWARHALAL NEHRU. NEW DELHI,
20 JANUARY 1964.

(ENDALL)

27 JAN 223P RV/OP

PRESERVATION COPY

1 2 7 1 5
219

209
Radhakrishnan
1/24/64

OUTGOING TELEGRAM Department of State

INDICATE: ☐ COLLECT
☐ CHARGE TO

UNCLASSIFIED

54
Origin
PR
Info:
SS
G
NEA
SSC
P
USIA

ACTION: To Be Sent January 24, 1964.
USIA Do Not Release Before January 26,
Please send INFO COPY To Amembassy New Delhi.

- BUNDY-SMITH
- ALEXANDER
- BELK
- BRUBAKER
- CHACE
- DEAN
- DUNGAN
- FORRESTAL
- JESSUP
- JOHNSON
- KLEIN
- KOMER
- SALINGER
- SAUNDERS
- SCHLESINGER
- SMITH, WM. Y

JAN 24 7 59 PM '64

HIS EXCELLENCY

DR. SARVEPALLI RADHAKRISHNAN,
PRESIDENT OF INDIA,
NEW DELHI.

India
Cables

The people of the United States of America
join with me in extending to Your Excellency and
to the people of India warm wishes and hearty
congratulations on the occasion of the anniversary
of the Republic of India.

LYNDON B. JOHNSON

Drafted by:
U/PR:JEBowers:mf 1-22-64

Telegraphic transmission and
classification approved by: **Angier Biddle Duke**
Chief of Protocol

Clearances: **NEA - Mr. Grant**
SOA - Mr. Lakeland

S/S-C - Mrs. Halla
S/S - Mr. Moose

WHITE HOUSE CONCURRENCE
NOT NECESSARY

UNCLASSIFIED

REPRODUCTION FROM THIS
COPY IS PROHIBITED
UNLESS "UNCLASSIFIED".



DEPARTMENT OF STATE

WASHINGTON

January 15, 1964

Kover

220

~~CONFIDENTIAL~~MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Succession to Nehru

Refer India

There are indications that Prime Minister Nehru is more seriously ill than has been reported to the Indian public. President Radhakrishnan has confirmed this in private to Ambassador Bowles. An interim arrangement apparently has been made for the conduct of official business during Nehru's illness. Home Minister Nanda, the senior cabinet minister, is to look after "internal matters" and preside over the cabinet and Finance Minister T. T. Krishnamachari is to "supervise" the work of the External Affairs Ministry in addition to performing his regular duties. Neither Nanda nor Krishnamachari has a substantial political base in India and neither is regarded as a prime candidate to succeed Nehru should he be compelled formally to relinquish office. Under this interim arrangement the Government of India will undoubtedly lack strong executive leadership, which is particularly needed because of the current difficulties in Calcutta and Kashmir.

If Nehru dies or is compelled to resign in the near future, there is every reason to expect an orderly and constitutional transfer of power. Congress Party members of Parliament will elect a new leader who will formally be designated as Prime Minister by President Radhakrishnan. However, the crucial selection will probably be made in advance by a caucus of top party leaders.

There is no clear heir-apparent to Nehru and he has always maintained he should not and could not name a successor. The next Prime Minister will certainly lack, at least for some time, the power, prestige and popularity of the present incumbent. Some form of collective leadership is probable. Nehru's successor will probably have to rely heavily on the support of the important regional leaders who are expected to play a major role in his selection. Great skill will be required to find a viable balance between regional and national interests.

None of

~~CONFIDENTIAL~~
GROUP 3Downgraded at 12-year intervals;
not automatically declassified.

DECLASSIFIED

Authority State 2-11-76By *pfh* NARA. Date 3-2-04

JAN 16 1964

PRESERVATION COPY

~~CONFIDENTIAL~~

-2-

None of the three most widely-mentioned candidates to succeed Nehru--ex-Home Minister Shastri, ex-Finance Minister Morarji Desai and Mrs. Indira Gandhi, Nehru's daughter--is presently in the cabinet. From within the cabinet the two possible successors are Defense Minister Chavan and Home Minister Nanda. The Congress Party President, Kamaraj Nadar, who is a powerful state boss from the south, might be a contender, but lack of national experience and his inability to speak Hindi and English are a considerable handicap. His personal predilection seems to favor the role of Kingmaker. Brief biographical sketches of these six persons are enclosed. All of them have had considerable experience in domestic politics and virtually none in international affairs. Ambassador Bowles reports that one of the points which emerged from a recent talk with President Radhakrishnan is that Shastri "almost certainly" will be chosen as Nehru's successor.

The leading candidates to succeed Nehru are moderates who can be expected to follow Nehru's broad policies of nonalignment in international relations and the planned development of a mixed economy at home. In domestic affairs Nehru's successor is likely to be more pragmatic and less concerned with ideology. He may devote less attention to international affairs and may reduce India's involvement in issues which do not bear on its immediate interests. Relations with India's immediate neighbors, Communist China and Pakistan, can be expected to play an even greater role than at present in shaping India's foreign policy. There is little prospect for an early rapprochement with either country.

Nehru's departure will also require the selection of a new External Affairs Minister. T. T. Krishnamachari is perhaps one candidate but it is not known whether he would prefer External Affairs to the more powerful Finance portfolio which he presently holds. Mrs. Gandhi and Madame Pandit are other possibilities, along with a number of lesser known figures.

The major task facing Nehru's successor will be that of demonstrating a capacity to provide stable and progressive government in the interim before the 1967 general elections. Specifically, he will have to show progress toward economic development, which

currently

~~CONFIDENTIAL~~

PRESERVATION COPY

~~CONFIDENTIAL~~

-3-

currently is lagging seriously, and toward building military security. Psychologically India is ripe for a change of leadership. However, domestic and international problems of mammoth proportions will have to be coped with. The degree of material and moral support from the United States may be a crucial factor, not only in determining the stability of the successor government, but also of the continuation of democracy itself in India.



for Benjamin H. Read
Executive Secretary

Enclosures:

Biographic Sketches (6).

~~CONFIDENTIAL~~

PRESERVATION COPY

220a

~~CONFIDENTIAL~~

LAL BAHADUR SHASTRI

Lal Bahadur Shastri, a fifty-nine year old Hindu from Nehru's home state, is widely regarded as the most likely candidate to succeed Nehru as Prime Minister under present circumstances. His principal qualification is his acceptability to the major factions of the Congress Party. Thus far, he has not demonstrated strong qualities of leadership but he has shown considerable skill in the art of compromise. As Nehru's principal lieutenant for domestic affairs in recent years—he served as Home Minister from 1960 to 1963—Shastri has acquired a detailed knowledge of Indian politics. Moreover, he has gained broad administrative experience in a variety of official positions, but he lacks experience in international affairs. He has an inoffensive and retiring personality, matching his small and frail physical appearance. Colleagues consistently describe him as a man of goodwill and sincerity. In October 1959 he suffered a serious heart attack, but appears to have made a full recovery.

Shastri's greatest support for the Prime Ministership is believed to come from regional leaders who feel that he would be responsive to their desires. Under Nehru, regional leaders have frequently complained of being overly-dominated by the Center.

Shastri is pragmatic in his approach and moderate in his views. He could be expected to follow middle-of-the-road policies in domestic affairs and to adopt a firmer attitude toward the Communist Party than Nehru has. To establish his personal authority as Prime Minister he would probably have to exercise more assertiveness, and a greater willingness to make difficult decisions, than he has during his years as a subordinate of Nehru.

As Prime Minister, Shastri could be expected to continue Nehru's policy of nonalignment but perhaps in a more pragmatic and less activist manner. He is considerably more parochial in his outlook and background than Nehru. His personal instincts would favor reconciliation with Pakistan but it is questionable whether he would have a free hand in pursuing such a course. His only known trip out of India was a recent visit to adjacent Nepal, where he was reportedly skillful at soothing Nepali fears of Indian domination.

~~CONFIDENTIAL~~

GROUP 3

Downgraded at 12-year intervals;
not automatically declassified.

DECLASSIFIED

Authority NLS 00-310(708a)

pkb NARA. Date 3-2-01

PRESERVATION COPY

2206

~~CONFIDENTIAL~~

MORARJI DESAI

The political strength of former Finance Minister Morarji Desai appears to have waned over the past year and observers no longer regard him as the leading candidate to succeed Nehru. Nonetheless, he continues to enjoy considerable support within the large conservative wing of the Congress Party and his chances of becoming Prime Minister cannot be ruled out. Desai's principal handicaps are his conservative image and his rigid, moralistic personality. He is bitterly opposed by the party's leftist faction and is disliked by the dominant party leaders of the south because of his inflexible attitudes.

Desai has proven himself to be a good administrator and has had long experience in party politics and government. He has the strongest and most decisive personality of the leading contenders for the Prime Ministership. Should he fight hard and imaginatively for the Prime Ministership he might obtain it, but at some risk of splitting the party. At times in the past, however, he has considered it beneath his dignity to seek power overtly. While he is in good health, at nearly sixty-eight, he is probably past his peak.

Desai is a staunch anti-communist and generally pro-western in his orientation but he is primarily a Hindu nationalist. He has been particularly unyielding in his views on the Kashmir question. During his tenure as Finance Minister from 1958 to 1963, he made frequent trips to the United States and Europe but has had little direct experience in international affairs.

DECLASSIFIED

Authority

NLJ00-310 (#108a)

By

jc/cb

NARA. Date

3-2-01

~~CONFIDENTIAL~~

GROUP 3

Downgraded at 12-year intervals;
not automatically declassified.

PRESERVATION COPY

220c

~~CONFIDENTIAL~~

MRS. INDIRA GANDHI

Nehru's daughter, Mrs. Indira Gandhi, is often mentioned as a possible successor to her father. Her most vocal support comes from the small Krishna Menon faction of the Congress Party which evidently believes that she would be more amenable to its influence than any of the other major candidates. Her strength might be that she could hold the broad spectrum of the Congress Party together, by keeping the left from defecting. In domestic politics Mrs. Gandhi has identified herself with the younger and "progressive" segments of the Congress Party. However, there is no evidence to suggest that she shares the fellow-travelling views of Menon, and she played a key role in securing the dismissal of the communist government of Kerala in 1959.

Mrs. Gandhi's greatest asset in politics has been her relationship to Nehru. She tends to be high handed and inconsiderate in her dealings with party colleagues, and is accused of being vain and susceptible to flattery. While she is intelligent and well-educated, she lacks her father's subtlety and finesse. Emotional stability is not one of her strong characteristics. In short, while she is not popular with party colleagues and does not have an independent political base, she might be installed as Prime Minister in an effort to retain her father's enormous prestige and mass popularity for the Congress Party. Nonetheless, some observers believe that she will be relegated to political obscurity after Nehru's departure.

The forty-six year old Mrs. Gandhi, a widow, is the youngest of the major candidates for the Prime Ministership. She has also had limited official responsibilities. She has served briefly as President of the Congress Party, has been a member of the party's top executive for some years, and is India's representative on the UNESCO Executive Board. In addition, as Nehru's official hostess and travelling companion, she has been privy to the formulation of the national and international policies of India.

Should Mrs. Gandhi become Prime Minister, she could be expected to pursue her father's policies of nonalignment in international affairs and democratic socialism in domestic affairs. Of the major contenders, she would probably be the most receptive to Soviet overtures but within the framework of nonalignment.

~~CONFIDENTIAL~~
GROUP 3

Downgraded at 12-year intervals;
not automatically declassified.

DECLASSIFIED

Authority NLS 00-310 (#108a)
By jc/cb NARA Date 3-2-04

PRESERVATION COPY

220d

~~CONFIDENTIAL~~

GULZARILAL NANDA

Nanda, 65, is currently the senior ranking minister in the cabinet. He is both Home Minister (in charge of internal security and general administration) and Labor Minister. Reportedly, he has been designated to preside over Cabinet meetings and supervise internal affairs in Nehru's absence. Nonetheless, Nanda commands little political support and is not generally considered to be a likely successor to Nehru. However, should a statemate develop over the choice of a Prime Minister, there is an outside chance that Nanda would be designated by virtue of his seniority among current members of the Cabinet and his relative acceptability to the major factions.

Nanda is a devoted follower of Gandhian principles and exhibits a certain degree of Hindu mysticism in his politics. He entered politics through the Gandhian labor movement. In the period immediately following World War II, he took the lead in organizing an anti-communist trade union federation. In addition to his long experience in the labor field, for six years Nanda was Planning Minister and was also Deputy Chairman of the Planning Commission for several years. He is said to be in poor health and to suffer from asthma.

Nanda is basically traditionalist and moderate in his views. Nonetheless, because of personal differences with the leading pro-western conservatives of the Congress Party, in recent months Nanda has moved closer to the party's small leftist faction. Following the ouster of Krishna Menon and K. D. Malaviya from the Cabinet, Nanda has been hailed by the leftist press as the spokesman of "progressive" views in the government. Therefore, Nanda's candidacy could be expected to have the support of the leftist faction of the Congress Party. In view of his Gandhian background he would probably be acceptable to most moderates and conservatives but only as a compromise and interim choice.

Nanda could be expected to follow the main policies of the present government in domestic affairs. He has had no real experience in international affairs and as Prime Minister would probably continue the nonalignment policy and delegate the external affairs portfolio to someone else.

~~CONFIDENTIAL~~
GROUP 3

DECLASSIFIED

Downgraded at 12-year intervals;
not automatically declassified.

Authority NLS 00-310 (*108a)

By jc/cb. NARA. Date 3-2-04

PRESERVATION COPY

220e

~~CONFIDENTIAL~~

Y. B. CHAVAN

Chavan succeeded Krishna Menon as Indian Defense Minister on November 14, 1962. Before joining the central cabinet, he earned a national reputation for political skill and administrative accomplishment as Chief Minister (equivalent to Governor) of Bombay. He is young (49) and probably one of the real "comers" in Indian politics.

Chavan has gotten off to a slow start as Defense Minister, obviously experiencing difficulty in making the transition from state to national politics. Being young, Chavan can afford to wait and is not expected to make a major bid for the Prime Ministership on this round. However, in view of his strong political base and his broad acceptability within the Congress Party, he cannot be eliminated as a dark horse possibility to succeed Nehru.

Chavan has a peasant shrewdness and has been described as a man who never makes the same mistake twice. He does not impress Westerners as being articulate or sophisticated but his countrymen clearly perceive strong leadership qualities in his personality. A wide reader, Chavan tends to "think left" on social and economic questions. He is, however, basically pragmatic and thoroughly political in his behaviour. He plays his cards close to his chest and is a better listener than a talker.

As Prime Minister, Chavan could be expected broadly to continue present domestic policies. He would be more interested in measures that "work" than in ideology. Like most of his colleagues, Chavan has had very little experience in international affairs. He is still "feeling his way" in defense matters and has much to learn about the more sophisticated aspects of military affairs and strategy. Nonetheless, his experience as Defense Minister undoubtedly has broadened his horizons and given him a greater appreciation of the importance of international consideration to Indian security. It is unlikely that he would formally alter India's nonalignment policy but in practice he would probably apply it in a pragmatic manner and avoid involvement in issues not directly affecting India's interests.

~~CONFIDENTIAL~~

GROUP 3

Downgraded at 12-year intervals;
not automatically declassified.

DECLASSIFIED

Authority NLS 00-310 (408a)

By JCB. NARA. Date 3-2-04

PRESERVATION COPY

2208

~~CONFIDENTIAL~~

K. KAMARAJ NADAR

Known primarily as the undisputed political boss of Madras, Kamaraj recently was elected President of the all-India Congress Party. In addition to control of his home state, Kamaraj is leader and spokesman of a coalition of the four state Chief Ministers (equivalent to Governors) of south India. He has very considerable influence within the Congress Party. His recent acceptance of the national party presidency represents a significant move from state to national politics and has stimulated some press speculation that he might be chosen to succeed Nehru as Prime Minister. This seems unlikely because of Kamaraj's personal limitations and his predilection for the Kingmaker's role.

Kamaraj, aged 60, enjoys mass popularity in his home state but his inability to speak languages other than Tamil is a serious disqualification for the Prime Ministership in a nation where Hindi and English are the national languages. Moreover, he continues to be identified primarily as a regional leader and deep opposition to his candidacy could be anticipated from many northern leaders.

Despite his lack of formal education, Kamaraj for a decade prior to becoming party president was one of the most skilled and successful state Chief Ministers in India. Under his leadership, Madras was generally considered the best administered state in India and had an outstanding record of economic development. In addition to his administrative talents, Kamaraj has demonstrated exceptional political insight. He prefers quiet and efficient methods to flamboyance.

In the unlikely event that Kamaraj should become Prime Minister, he could be expected to concentrate almost exclusively on internal matters. As indicated above, he is more interested in results than in ideology. In international affairs he would probably continue Nehru's policy of nonalignment but would be inclined not to involve India in matters which do not directly affect its interests.

~~CONFIDENTIAL~~

GROUP 3

Downgraded at 12-year intervals;
not automatically declassified.

DECLASSIFIED

Authority NLJ 00-310 (*108a)

By JK/AB NARA. Date 3-2-01

PRESERVATION COPY

~~SECRET~~221
Asia-Africa

NEHRU'S ILLNESS BRINGS UNCERTAINTY TO INDIA

Available evidence suggests that Nehru has suffered a minor paralytic stroke but that, with complete rest for a month or more, he has a good chance for recovery. It is doubtful, however, that the 74-year-old Indian leader will ever again assume the full burdens of his office.

As a temporary expedient, Home Minister Nanda, an 11-year veteran of Nehru's cabinets, is functioning in effect as acting prime minister. Finance Minister T. T. Krishnamachari is supervising Nehru's external affairs portfolio. Neither is a contender for Nehru's mantle. While each of them as well as Congress Party President Kamaraj--also a noncontender--will consult with Nehru on matters requiring immediate decision, the over-all effect of their stewardship will be a near moratorium on decision-making in Indian politics and government until Nehru's future is clarified. This is not likely to occur before Parliament reconvenes in mid-February, if then.

Nehru was stricken during the biennial conclave last week of his Congress Party at Bhubaneswar, in Orissa State. Jockeying for position in the new period of uncertainty was quick to begin, facilitated by the presence there of every major Congress leader in the country. They used the opportunity for extensive formal and informal consultations, and each one's performance on the floor of the session took on new meaning in

the context of the leadership question.

Among the people who will play an important role during the convalescence will be President Radhakrishnan, whose activist bent will ensure his maximum use of presidential powers in any power vacuum. Nehru's 46-year-old daughter Indira Gandhi is already playing a strong role as his main channel of communication with the outside world. Long his only real confidante, Indira is a member of the party's leading policy-making organs and has served as party president. The party's noisy left wing, which has always drawn strength from its influence with her father, would probably press for her appointment as his successor, but she does not have the necessary party-wide strength to be selected.

Lal Bahadur Shastri is generally conceded to be the party's overwhelming choice to succeed Nehru. A former home minister, the 59-year-old Shastri has been working full time on party matters since August. He has long been a trusted Nehru aide, has few enemies, and has a reputation as a conciliator and as a competent parliamentarian. His politics are moderate and pragmatic,

25X6

Shastri could be expected in general to continue policies long associated with Nehru. (SECRET NO FOREIGN DISSEM)

25X6

~~SECRET~~

17 Jan 64

CURRENT INTELLIGENCE WEEKLY SUMMARY

Page 4

Approved For Release 2000/09/11 : NLJ-032-023-1-20-1

SANITIZED

Authority NLJ-032-023-00/20By PC NARA, Date 3-2-04

OUTGOING TELEGRAM Department of State

INDICATE: ☐ COLLECT
☐ CHARGE TO

LIMITED OFFICIAL USE

BUNDY-SMITH
ALEXANDER
BELK 05254
BRUBECK
CHASE
DINGEMAN
DUNGAN
ECKEL
FORRESTAL
JOHNSON
KLEIN
KOMER
SAINTS
SCHLESINGER
SMITH, WM. V.

222

59

Origin

NEA

Info

SS

G

PR

P

USIA

RMR

ACTION: Amembassy NEW DELHI 1408 PRIORITY

Jan 11 3 58 PM '64

Embassy requested at earliest opportunity transmit following message

from President to Prime Minister Nehru:

QUOTE I am glad to see that you are making a good recovery from your recent illness. I know you feel as I do about the inconvenience of such interruptions. We all look forward to your early return to good health. UNQUOTE

The White House does not plan release text. If Embassy and GOI desire to do so, please inform Dept 24 hours in advance to permit simultaneous release.

End

RUSK

Drafted by: NEA:SOA:DTSchneider:fah:1/9/64

Telegraphic transmission and classification approved by:

NEA - Phillips Talbot

Clearances:

White House - Mr. Bundy
S/S - Mr. Rowe

LIMITED OFFICIAL USE

REPRODUCTION FROM THIS COPY IS PROHIBITED UNLESS "UNCLASSIFIED"

JAN 13 1964



S/S 498

*Ret'd to me g B
1/10/64 -*

DEPARTMENT OF STATE
WASHINGTON

January 10, 1964

~~CONFIDENTIAL~~

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Mac - this is a good
noise that I suspect EBJ
wld like. It's not yet
wholly clear Nehru is
recovering, but optimism
is always acceptable.

RWK

Subject: Get Well Message to Prime Minister Nehru
From the President.

We enclose a suggested telegram transmitting a get well
message from the President to Prime Minister Nehru. All
reports now indicate Nehru is recovering and we believe a
brief message along these lines would be helpful. Since
Nehru dislikes great note being taken of his health problems,
we have tried to play down his recent illness.

Stephen Wiles for

Benjamin H. Read
Executive Secretary

Enclosure:

Suggested telegram to
New Delhi.

~~CONFIDENTIAL~~
GROUP 3

Downgraded at 12-year intervals,
not automatically declassified.

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By *pc*, NARA, Date *3-2-04*

PRESERVATION COPY

LIMITED OFFICIAL USE

Ambassy NEW DELHI

PRIORITY

Embassy requested at earliest opportunity transmit following message from President to Prime Minister Nehru:

QUOTE I am glad to see that you are making a good recovery from your recent illness. I know you feel as I do about the inconvenience of such interruptions. We all look forward to your early return to good health. UNQUOTE

The White House does not plan release text. If Embassy and CBI desire to do so, please inform Dept 24 hours in advance to permit simultaneous release.

End

NEA:SOA:WFSchneider:fm:1/9/64

NEA - Phillips Talbot

White House -
S/S

LIMITED OFFICIAL USE

Corrections made on original green MUST be made on this and other
flurry work copies before delivery to Telecommunications Operations Division

FORM
6-63

DS-322

PRESERVATION COPY



S/S-457

DEPARTMENT OF STATE
WASHINGTON

January 9, 1963

CONFIDENTIAL

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Consequences of Prime Minister Nehru's Illness

Preliminary reports indicate that Prime Minister Nehru may have suffered a stroke which may prevent him from performing his normal duties for an unspecified period. There is no evidence at present to indicate that Nehru's condition is likely to be fatal. However, in view of his age (74) and medical history (a prostate condition) there could be complications and it seems probable that even after an initial recovery he would have to curtail his activities considerably if he is to survive for long.

During any initial period of Nehru's incapacitation and recuperation it is doubtful that an Acting Prime Minister will be formally designated. If any delegation of his responsibilities should occur, it would probably involve some of his present duties as Foreign Minister. If cabinet meetings are held, Home Minister Nanda, presently the senior ranking minister after Nehru, presumably will preside but without authority to impose decisions in the event of serious disagreements within the cabinet. A period of governmental indecision and uncertainty is likely.

Nehru's illness will intensify the struggle for succession which has been open and vigorous since Nehru's last serious illness in mid-1962. There is no clear heir-apparent. The best known contenders at present are ex-Home Minister Shastri, ex-Finance Minister Desai, and Nehru's daughter, Indira Gandhi. All of these are essentially moderates who have had considerable experience in domestic politics and administration but very little experience in international affairs. There is every indication that the succession, when it takes place, will be orderly. Nehru's immediate successor may be an interim choice, but will certainly not enjoy the great power and prestige of the present incumbent. A period of collective leadership is therefore likely after Nehru, although a single pre-eminent national leader may ultimately emerge.

DECLASSIFIED

Authority State 2-11-76
By jc/lw NARA, Date 3-2-01

Benjamin H. Read
Executive Secretary

CONFIDENTIAL
GROUP 3

Downgraded at 12-year intervals,
not automatically declassified.

AN 1 0 1964

THE WHITE HOUSE
WASHINGTON

6 January 1964

MEMORANDUM FOR:

Mr. Robert Komer

1. For your information.

Tay
TAZEWELL SHEPARD, Jr.
Captain, U. S. Navy
Naval Aide to the President

Taz
A jackass article, inspired
largely by Taylor's prudently
avoiding press, which miffed
Ruckelshaus.
I'm still battling on all
fronts, and expect our flag to be
flying permanently in 10 before
too long. I need a Harriman
Johnson et al regularly.
PWK

JAN 7 1964

225
India
orig. returned to
Shepard 1/8/64.
PRESERVATION COPY

India Tense On 7th Fleet Move; Taylor Held At Fault

By LOUIS R. RUKEYSER
(New Delhi Bureau of The Sun)

New Delhi, Dec. 22 — Faulty American public relations has contributed to tension here over proposed movements of 7th Fleet warships in the Indian Ocean.

And a week in which the United States had an important military story to tell in India ended with that story mangled and largely untold.

The man chiefly responsible appears to have been Gen. Maxwell D. Taylor, chairman of the United States Joint Chiefs of Staff, who visited both India and Pakistan last week.

Missed Opportunities

Coming to New Delhi at a time of growing interest in the reported American naval plans, Taylor missed numerous opportunities to get Washington's position across early and effectively.

With a visual vacuum on the American side, alert pro-Soviet elements here had a clear field as they booted home their objections to Washington's proposals — which they freely distorted.

The expected leftist opponents of the plan soon were joined by nervous middle-of-the roaders worried about "nonalignment."

Not a single Indian newspaper said the American maneuvers would be a good thing for this country.

And the real purpose of Taylor's mission — to extend the prospect of long-range military aid to India — never became generally known amid the hubbub over the 7th-Fleet.

Taciturn Soldier

From his arrival, when he represented himself as a taciturn traveling soldier, Taylor made no effort to get the American story told here.

He is understood to have spurned repeated suggestions from officials here that he meet journalists either formally or informally to do a selling job on the 7th Fleet plan, which Washington sees as a means of discouraging potential aggression from Red China and elsewhere.

Instead, he took the position — with Prime Minister Jawahar Lal Nehru — that the plan was extremely tentative and not significant.

Although Taylor said nothing

at all publicly, except for some brief airport remarks at departure, the Indian press, meanwhile, had been filled with criticism of a plan that everyone but the Americans seemed willing to discuss.

Amenable At First

Nehru who had been amenable enough at the start, appeared to be responding to this torrent of criticism as the week ended.

When Taylor called on the aging Prime Minister Tuesday, it is understood, the magic words were said by Ambassador Chester Bowles, who pleaded Nehru by describing the 7th Fleet issue as one on which he need make no decision.

This was the position Nehru took on emerging from the meeting, pointedly refraining from endorsing the proposal but emphasizing that India could not sensibly object to "anyone going where they like in the high seas."

The Prime Minister held to this basic approach during a parliamentary discussion two days later, even conceding — not spontaneously, but in response to a question — that the proposed American task force did not appear to be to India's "detriment."

By yesterday, however, Nehru may well have begun to wonder why the United States was not stimulating some positive talk here about the planned Indian Ocean cruise early next year of an aircraft carrier and other warships now based in the Pacific.

The anti-Americans were in full cry and the moderates were almost without ammunition. The chief source of factual news in the Indian press was not New Delhi but Washington. Reports were cabled back about what American correspondents here were saying and what the United States Government was leaking thousands of miles from the scene.

There even appeared to have been a clearer exposition of the American point of view in Indonesia, where President Sukarno — one of those the fleet is meant to deter — made it clear that he did not like the idea a bit.

"Glad To Take" Nehru is among the most sensitive of politicians, and the wind direction in the Indian Parliament was obvious. He rose yesterday with the plain intention of appeas-

ing the swelling leftist criticism. Replying to an agitated Communist member, Nehru said the presence of "a few United States naval ships" cruising in the Indian Ocean would neither "threaten" India's freedom nor "imperial our policy of nonalignment."

But he added significantly:

"To prevent misgivings, however, I would like to take this occasion to state emphatically that while we are glad to take assistance from friendly countries in our defense build-up, there is no question of any foreign ships or foreign troops or foreign aircraft participating in the actual defense of our country."

"This defense will be effected only by the armed forces and the people of this country."

"This declaration may have a hollow ring in view of the recent Western-Indian joint air exercises — and the fact that American warships in the area would hardly lay idle in the event of a big Chinese invasion — but Nehru's making it at this time seemed a tacit recognition that the United States had not stirred much support for a move in which he had tentatively acquiesced.

Ticklish Question

Nehru has reserved decision on the most ticklish question — whether nuclear-equipped American warships could pay courtesy calls in Indian ports during their proposed periodic cruises in this area.

As recently as last summer, it will be recalled, he endorsed an American proposal for establishment of a Voice of America transmitter near Calcutta and then backed away in the face of some very similar shouting about "non-alignment."

As with the Voice, the 7th Fleet plan carries major advantages for India. The proposed extension of American naval influence to this area would both discourage Communist aggression and diminish the importance of United States land bases in Pakistan.

Doubly Serious

And if propaganda deficiencies were again weakening the American position here, it seemed doubly serious because Taylor's entire message was intended to be helpful to New Delhi.

He even is understood to have held out the possibility that India may get some of the supersonic American jets on which its heart has been set since the Red Chinese incursions more than a year ago.

Qualified sources said Washington had been encouraged by signs that India has been adopting a pragmatic, reasonable attitude to its defense and diplomatic problems — declining, for example, to

20 IN RED FORCE KILLED IN AMBUSH IN SOUTH VIETNAM

SAIGON, South Vietnam, Dec. 21 — Vietnamese forces, using surprise tactics advocated by their United States advisers, ambushed a Communist guerrilla unit before dawn today. They killed 20 to 30 guerrillas and captured an important supply of automatic weapons.

A military spokesman from the United States reported the attack, by a Vietnamese Army battalion on a Communist heavy-weapon company. The only reported Government casualties were two wounded.

CUT

play tit-for-tat with Pakistan in their perennial feuding.

The tentative thought, it is understood, is that arms aid to India might be put on a long-range basis — three-to-five years at a time — if these four conditions were met:

1. The needs as seen in New Delhi seemed reasonable in American eyes.

The United States was put in the position of chief supplier, in effect, and authorized to handle much of the defense procurement — even when not the actual supplier India still would be allowed to fortify its neutralism by taking some arms from Moscow but it would be expected to curb its present haphazard and inefficient scampering around Europe and elsewhere for everything it needs.

3. Some moderation was shown on the old Kashmir question. Indications were that the American demands here would not be too rigorous.

4. Some willingness was shown to join with the United States in containing communism in South-east Asia.

All Are Negotiable

These requirements are plainly negotiable. The United States has no desire for a treaty that would compromise India's political shibboleths, but it would appreciate a franker acknowledgement of this country's "alignment" against Peking.

Such plans, however, must now be discussed in a slightly polluted atmosphere. The cause is an unbroken failure to consider the reluctance in discuss a subject gives ammunition to the opposition and breeds suspicion in a cautious buyer.



THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

24 December 1963

Mac:

During my meeting with the President yesterday on the subject of my trip to India and Pakistan, he inquired as to the value of India's gross national product. Unfortunately, I did not have the figures available.

For 1962, India's GNP was approximately \$37.2 billion with an average annual increase of over 4% per year over the last 5 years.

In terms of population the GNP is about \$83 per capita. The Indian goal was to double per capita income in the period 1951 to 1976. In 1951 it was \$50.

Would you please pass the foregoing information to the President?

mo2
M. D. T.

The Honorable McGeorge Bundy
The White House

DEC 26 1963

~~SECRET~~

227

*India
Bowles*

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON 25, D.C.

December 20, 1963

MEMORANDUM FOR MR. ROBERT W. KOMER

SUBJECT: Surplus materials for Indian defense production

The question of providing raw materials for defense production in India has been discussed in several contexts during the past year. As Joe Jordan's memorandum indicates, proposals for MAP and AID funding have been turned down on a number of policy grounds, which generally reflect the view that aid recipient countries must assume the basic responsibility for the supply of consummable materials in their economies. This general approach is certainly reinforced now by the need for more rigorous priorities within reduced aid appropriations. However, we have told the Indians that program loans for import of such industrial raw materials are based on an analysis of the total requirements of the Indian economy including military as well as civilian production. It has been suggested that India include the defense production requirements in future total requests for assistance from the IBRD consortium.

In October, Bill Bundy told the Indian Finance Minister that he would look into the possibility of securing surplus stockpile materials for Indian defense production and the possibility of making sales at less than current market prices. This conversation is being followed up by a Defense study which has not yet been completed.

As you know, the whole business of strategic stockpile objectives and disposal has grown terribly confused over the years. The administration is now trying to bring some order into it with a combination of Executive Branch actions and proposed legislation. The problem is to establish realistic criteria for determining stockpile objectives, to consolidate the data and procedures for the three stockpiles which now operate under separate legislative authorities, and to develop improved methods for disposing of surpluses without upsetting commercial markets, stirring up political hornets nests, or damaging U. S. foreign policy interests.

~~SECRET~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
NSC Memo, 1/30/95, State Guidelines
By *jc/p* NARA, Date *3-2-01*

DEC 20 1963

~~SECRET~~

2

At present, only the Defense Production Act stockpile can be used for sales by purely Executive Branch action, without the technically and politically complicated process of obtaining Congressional approval. Our initial impression is that, under existing law, materials could not be furnished to India from this stockpile at less than current domestic prices, except through MAP or AID funding. There might be some possibility of interpreting provisions of the pending legislation to allow such materials to be turned over to a U. S. agency for aid purposes, but this possibility seems slight--and the outlook for early passage of the legislation is poor in any event. It would take a good bit of further study to determine whether additional amendments of the legislation to permit disposal to India would be desirable or feasible.

On balance, the outlook for Ambassador Bowles' proposal does not appear encouraging at this point. However, we would be glad to pursue the matter further with Bill Bundy when he returns from the Far East, and with the other offices concerned, to be sure that any possible avenues are at least being fully explored.



Robert Amory, Jr.
Chief, International Division

~~SECRET~~

Surplus Mineral Disposal Authority and Procedures

Inventories surplus to stockpile objectives are held under three authorities: the Defense Production Act, the strategic and critical materials stockpile, and the supplemental stockpile.

Disposal of Defense Production Act inventories is governed by section 303(a) of that Act, which provides that sales shall be at not less than the domestic market price for the material. No congressional review of specific disposal plans is required. For most materials, domestic prices are higher than in alternative markets partly because of duties and partly because of transportation costs. If a transaction could be arranged to meet this disadvantage, there remains the question of whether the foreign currency equivalent of such transaction could be treated as its dollar equivalent payable to Treasury as an offset to dollar obligations incurred under the borrowing authority. These are matters to be determined by OEP and Treasury. Supplies of aluminum, copper and nickel could be made available under this authority by GSA upon instruction of OEP.

Surplus disposals of strategic stockpile materials are governed by section 3(e) of the 1946 Strategic and Critical Materials Stockpiling Act, generally requiring express congressional approval of a disposal plan having due regard for the protection of U.S. against loss on sale or transfer, and protection against market disruption. If legislation were devised and approved by the Congress, a proposal of this type could be implemented without the usual six-month waiting period prescribed in the basic statute. Control is vested with OEP, and implementation is by GSA.

The supplemental stockpile was created as part of the P.L. 480 complex relating to agricultural surpluses, and may not be disposed of without express approval of Congress under the procedure of section 3 of the Stockpile Act. While some of these inventories were intended to be a part of the strategic stockpile, for the most part there is no purpose to be served by the acquisition of the mineral except to provide for disposal of agricultural products. The resultant inventories present a dilemma because there are no criteria or standards for retention, and therefore there is no basis for declaring a surplus, and providing a disposal plan to the Congress. Responsibility for the inventory accumulation is largely Agriculture's, usually with approval of OEP. No procedure for disposal has been formulated.

Legislation to consolidate these inventories has been introduced by Senator Symington. That proposed legislation has qualified support of the administration, and includes as one of the disposal methods, provision for transfer of surplus to departments and agencies for their use. The legislation also provides for disposal by sale, subject to a 60-day notice to the Congress. The legislation is complex, and amendments have been suggested which may result in legislation in this session. Among the recommendations of the Symington subcommittee on stockpiling is one which indicates approval of using surplus materials to discharge commitments of U.S. under foreign aid and defense procurement contracts.

|| If the proposal contemplates sale of these surpluses for blocked Indian rupees, the problem becomes even more complex.

In our judgment, disposal of strategic materials for blocked Indian rupees would place the United States in a relatively worse position vis a vis the various "surpluses".

1. We already have over \$.5 billion in Indian rupees available for U.S. uses, largely derived from title I, P.L. 480 transactions (See Special Analysis K in the 1965 budget).
2. We continue to barter agricultural surpluses for Indian minerals. Late in 1963 we consummated arrangements to move about over \$50 million in agricultural surplus, principally cotton, for manganese, beryl and mica. (Over half this total was used to pay U.S. processing costs relating to ferromanganese).
3. The demand for these nonferrous metals has been expanding on a world basis, and the stocks may be valuable to combat pressures on domestic price levels.
4. What dollar volume of products whose exchange value is heavily influenced by the cost of these metals are exported from India (brass bells, etc.)?
5. In the eyes of Agriculture and the Agriculture Congressional Committees barter has a superior rank compared with foreign currency in the various disposal techniques relating to agricultural surpluses. This is probably because in barter we realize currently a commodity return roughly equal to the market value of the agricultural surpluses in materials which have a good chance of appreciating in value and are inexpensive to store. Foreign currency is largely blocked, largely used for foreign development, and is subject to considerable shrinkage in relationship to dollars, particularly in the underdeveloped areas.

How about bartering minerals for minerals?

If a program which incorporates these Indian metal requirements is sufficiently important to our foreign policy, dollar appropriations should be requested together with new legislative authority to sell abroad from DPA inventories at domestic prices, less duty, but not transportation costs. Thus if the DPA stocks could be delivered to India at a delivered cost less than procurement from alternative sources, the DPA inventories would be used. A further adjustment might be necessary, if American bottoms are required.

But this isn't the point. We're trying to use this in place of AID dollars.

229

India

December 19, 1963

Dear Mr. President:

Your letter of November 25 was most thoughtful and considerate. It is a source of great encouragement and satisfaction to me to have your best wishes as I take on the responsibilities of the Presidency.

During your historic visit to this country last June you had occasion to experience the respect and admiration which the people of the United States have for India. During my visit to India in 1961, at a time when you and I were the Vice Presidents of our respective countries, I was deeply impressed by the efforts of the Government and people of India to achieve economic and social betterment. We of like minds must work together toward achievement of honorable peace among men and the eradication of poverty and injustice. Rest assured that I will spare no effort in this cause.

Mrs. Johnson joins me in sending warm personal regards.

Sincerely,

/s/ Lyndon B. Johnson

His Excellency
Sarvapalli Radhakrishnan
President of India
New Delhi, India

LBJ:RWK:tmt

DEPARTMENT OF STATE
WASHINGTON

December 18, 1963

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

Subject: Request for an Appointment
with you for Ambassador Nehru
of India

The Indian Ambassador has requested an appointment with you some time between December 18 and December 23, prior to his departure for consultation in India before the end of December. I recommend that you give an appointment to Ambassador Nehru before his departure if your schedule permits.

Ambassador Nehru believes his government will expect him to have talked with you about the general state of United States-Indian relations before he returns to India. As indicated in Prime Minister Nehru's letter of November 29, the Indians desire to continue the type of relationship with you they had with President Kennedy. It seems important that you reinforce in a talk with Ambassador Nehru what you said on this subject in your letters to both President Radhakrishnan and Nehru. Ambassador Nehru, under instructions from his government, earlier asked to deliver Prime Minister Nehru's letter of November 29 to you personally, but no appointment could be arranged at that time.

George Ball
Acting Secretary

DECLASSIFIED

Authority State 2-11-76

By *pc/w* NARA. Date 3-2-01

~~CONFIDENTIAL~~

GROUP 3

Downgraded at 12-year intervals;
Not automatically declassified.

231

1. Roemer
2. L. E. R.DEPARTMENT OF STATE
WASHINGTON

18543

December 17, 1963

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Reply to Indian President Radhakrishnan's
Letter of November 25, 1963.

I enclose a suggested reply from the President to
Indian President Radhakrishnan's letter of congratulation,
dated November 25.

Upon receipt of the signed original, I will be
happy to have it pouched to our Embassy in New Delhi
for delivery.

J. H. Davis
Benjamin H. Read
Executive Secretary

Enclosures:

1. Suggested reply to letter
from the President of India.
2. Letter from Indian President
Radhakrishnan.

India
Aug 21st 2
Secretary of State
Redraft 4th
12/18/63

DEC 18 1963

469
231^a
SUGGESTED REPLY

Dear Mr. President:

Your letter of November 25 was most thoughtful and considerate. It is a source of encouragement and satisfaction to me to know that I have your good will and support as I take on the great responsibilities of the Presidency of the United States.

During your historic visit to this country last June you had occasion to experience the respect and admiration which the people of the United States have for your country. I personally share that respect and admiration. During my visit to your country in 1961, at a time when you and I were the Vice Presidents of our respective countries, I was deeply impressed by the efforts of the Government and people of India to achieve economic and social betterment. To the extent I am able to influence the future course of the world, as suggested in your letter, you may be assured that I will spare no efforts to promote an honorable peace and to advance the struggle against poverty and injustice.

Mrs. Johnson joins me in sending warm personal regards.

Sincerely,

Lyndon B. Johnson

His Excellency
Sarvapalli Radhakrishnan,
President of India.

DEC 18 1963



231 b
THE WHITE HOUSE
DEC 3 10 41 AM '63
RECEIVED

46
RASHTRAPATI BHAVAN,
NEW DELHI-4.
राष्ट्रपति भवन,
नई दिल्ली-4.

November 25, 1963

Dear President Lyndon Johnson,

I waited for a few days before writing to you as I thought you would be involved in the last ceremonies for the late Mr. Kennedy and the activities of getting into your new office. Now, may I express to you my very best wishes for your term of office as President of the United States of America. From this important and influential position you will be able to mould to some extent the future course of the world. My best wishes are with you.

Kindly remember me to Mrs. Johnson.

With kindest regards,

Yours sincerely,

(S. Radhakrishnan)

Mr. Lyndon B. Johnson,
President of the United States
of America, White House,
Washington D.C. (U.S.A.)

CROSS REFERENCE SHEET

TYPE OF DOCUMENT Cable _____

Letter _____

Memo ✓

Other _____

DATE 12/26/63.FROM H. ColeTO Mr. SmithNUMBER attached correspondence from
J. J. Singh to Sen. Humphrey,
12/11/63; Senator Humphrey to
President - 12/20/63; Cornell to Jenkins 12/20

SUBJECT

Visit of J. J. Singh and request for an
appointment.SEE India - Pak

India

233

CROSS REFERENCE SHEET

TYPE OF DOCUMENT Cable _____

Letter _____

Memo _____

Other File

DATE 12/16-12/20/63

FROM _____

TO _____ NUMBER _____

SUBJECT Taylor Mission to
India & Pakistan

SEE India (Taylor Mission)

TAYLOR
MISSION

CROSS REFERENCE SHEETTYPE OF DOCUMENT Cable _____Letter ✓

Memo _____

Other _____

DATE 12/9/63FROM Pres. L. B. JohnsonTO Prime Minister Nehru

NUMBER _____

SUBJECT Ltr. of condolenceSEE Kennedy Administration

~~BUNDY-SMITH~~
~~ALEXANDER~~
~~BELK~~
~~BRUBECK~~
~~CHASE~~
~~DINGEMAN~~
~~DUNCAN~~
~~ECKEL~~
~~FORRESTAL~~
~~JOHNSON~~
~~KILDUFF~~
~~KLEIN~~
~~KROMER~~
~~SAUNDERS~~
~~SCHLESINGER~~
~~SMITH, WM. Y.~~

INCOMING TELEGRAM

Department of State

~~SECRET~~

38

Action
SS

Info

RR RUEHCR
DE RUSBAE 299 07/1350Z
R 071345Z ZEA
FM AMEMBASSY NEWDELHI
TO SECSTATE WASHDC
STATE GRNC
BT
~~SECRET~~

004950

1963 DEC 7 AM 10 55

012

1806, DECEMBER 7, 7 P.M.

VERBATIM TEXT LIMIT DISTRIBUTION S/S

EMBASSY TODAY RECEIVED FROM MEA COPY OF LETTER DATED NOVEMBER 29 FROM PM NEHRU TO PRESIDENT JOHNSON WHICH IS BEING DELIVERED BY AMBASSADOR NEHRU. TEXT FOLLOWS:

"A WEEK HAS PASSED SINCE A DISTINGUISHED AND DEDICATED CAREER, PLEDGED TO THE EQUALITY OF MAN AND RESPECT FOR HUMAN DIGNITY, SO RICH IN ITS PROMISE OF PROMOTION OF COOPERATION AND UNDERSTANDING BETWEEN MANKIND, WAS CUT SHORT IN ITS VERY CFN 1806 7 7 29

PAGE TWO RUSBAE 299 ~~SECRET~~

PRH/ BY AN ASSASSIN'S BULLET. FOR ME AND MY COLLEAGUES, THIS TRAGEDY, REVIVING AS IT DOES, POIGNANT MEMORIES OF OUR REVERED LEADER, MAHATMA GANDHI, WHOSE LIFE WAS SIMILARLY CUT SHORT BY AN ASSASSIN'S BULLET WORDS ARE INADEQUATE TO CONVEY THE SENSE OF SHOCK AND TRAGEDY WE FEEL AT THE LOSS OF JOHN F. KENNEDY, THE GREAT AMERICAN WHO WAS ALSO A GREAT WORLD CITIZEN.

"THE WAYS OF PROVIDENCE ARE INDEED INSCRUTABLE. THOSE OF US WHO ARE LEFT BEHIND HAVE, HOWEVER TO FACE LIFE AND ITS PROBLEMS WITH EVEN GREATER DEDICATION TO THE CAUSES CONSECRATED IN THEIR SACREDNESS BY THIS SUPREME SACRIFICE. MY COLLEAGUES IN THE GOVERNMENT OF INDIA AND MYSELF HAVE

DECLASSIFIED
E.O. 13292, Sec. 3.4
NSC Memo, 1/30/95, State Guidelines
By jc, NARA, Date 3-2-04

~~SECRET~~

DEC - 9 1963

REPRODUCTION FROM THIS COPY IS
PROHIBITED UNLESS "UNCLASSIFIED"

~~SECRET~~

-3- 1806, DECEMBER 7, 7 PM, FROM NEW DELHI.

"-LEASE ACCEPT, MR. PRESIDENT, ON BEHALF OF MY COLLEAGUES

PAGE FOUR RUSBAE 299 ~~SECRET~~
IN THE GOVERNMENT OF INDIA AND MYSELF OUR WARMEST WISHES
FOR YOUR SUCCESS IN THE GREAT RESPONSIBILITIES YOU HAVE
TAKEN OVER.

"WITH WARM REGARDS,". END TEXT.

GP-2.
BOWLES

~~SECRET~~



S/S 18373

~~CONFIDENTIAL~~

DEPARTMENT OF STATE
WASHINGTON

December 6, 1963

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Reply to Prime Minister Nehru's
Letter of November 29

As requested in your memorandum of December 4, there is enclosed a suggested reply from the President to Prime Minister Nehru's letter of November 29, which was delivered by the Indian Embassy to the White House on December 4.

Since Ambassador Nehru was under instructions to deliver Prime Minister Nehru's letter personally, we should like to be authorized to provide him a copy of the letter.

for Grant G. Hilliker
Benjamin A. Read
Executive Secretary

Enclosure:

Telegram.

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By *jc*, NARA, Date *3-2-01*

~~CONFIDENTIAL~~

GROUP 3

Downgraded at 12 year intervals;
not automatically declassified.

DEC - 6 1963

TELEGRAPH BRANCH

WORK COPY

245

236a

~~CONFIDENTIAL~~

Ambassy NEW DELHI

DECLASSIFIED

E.O. 13292, Sec. 3.4

NSC Memo, 1/30/95, State Guidelines
By pk, NARA, Date 3-2-01

Please deliver soonest following letter from President to Prime Minister
Nehru:

QUOTE Dear Mr. Prime Minister:

I am deeply grateful for your letter of November 29. You and your fellow
countrymen have demonstrated in a heart-warming way that India does indeed
share, in a very special sense, our tragedy and our grief over the loss of a
friend and a great man.

Now our efforts are turned toward advancing the causes he served, in life
as well as in death. I I have pledged myself to this, and I am confident that
my fellow Americans join me in a renewed sense of dedication to the end that
President Kennedy's death shall not have been in vain.

No causes had greater claim on his heart and mind than the search for
peace and the struggle against poverty and injustice. India and the United
States have, as you say, been linked over the years in our common pursuit of
these goals. As you know from our several meetings, I participated in and
fully support President Kennedy's policies in these areas, particularly as
they contribute to India's economic and military security. I will continue
to uphold them, and in doing so I count on your understanding, support and
counsel.

Thank you

NEA:SOA:CCLaise:mb 12/5/63
White House
S/S

NEA - Phillips Talbot
M - Governor Harriman
The Under Secretary

~~CONFIDENTIAL~~

Corrections made on original green MUST be made on this and other
flimsy work copies before delivery to Telegraph Branch

2

Amembassy NEW DELHI

~~CONFIDENTIAL~~

Thank you for your good wishes which mean so much to me at this time. As I asked Ambassador Bowles to tell you, it has been my hope that we will carry on the tradition of a frank and friendly exchange of views on the problems we jointly face. I am glad you share this feeling and I look forward to hearing from you whenever you can write. To me, mutual confidence and respect for each other's views is at the heart of our relationship.

Sincerely yours,

Lyndon B. Johnson UNQUOTE

In accordance usual custom, this letter is not to be published.

GP-3

End

~~CONFIDENTIAL~~

Corrections made on original green MUST be made on this and other flimsy work copies before delivery to Telegraph Branch

237

THE WHITE HOUSE
WASHINGTON

Mr. Bundy:

The following was received from
Mr. Komer Saturday afternoon:

"B.K. Nehru has a letter from
his boss (contents unknown) with
instructions to deliver personally.
This not urgent, but trying dis-
creetly to turn B.K. off. R.W.K."

John Guion
Situation Room D.O.

Keep it up

DEPARTMENT OF STATE
ASSISTANT SECRETARY

237a

Indici

~~CONFIDENTIAL~~

December 2, 1963

MEMORANDUM FOR ROBERT KOMER, THE WHITE HOUSE

Confirming our telephone conversation on November 30 about the Indian Ambassador's request to see the President to present a message from Prime Minister Nehru, I would propose the following:

That the President be informed that the Indian Ambassador, on instructions from his Government, has asked to meet him to present this message;

That the President be told I have suggested informally to the Ambassador that in view of the President's extremely crowded schedule in his first days in office a fuller discussion of Indo-American relations might be possible if the Ambassador's call were to be deferred until some time before he leaves for India about December 20;

That if the President agrees this would be the better course, I suggest to the Indian Ambassador that he request his Government to withdraw his instructions to seek an appointment with the President at this time. I am confident he would agree.

G.J.
Phillips Talbot

NEA:Phillips Talbot/hmh

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By *pk*, NARA, Date *3-2-01*

DEC - 2 1963