THE WHITE HOUSE WASHINGTON

January 31, 1966

TO BOB KOMER

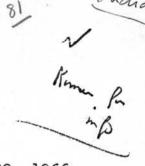
FROM: Bill Moyers

Julia Contrata
Conference Live

Untout. I. die JAMES O. EASTLAND, MISS., CHAIR JOHN L. MCCLELLAN, ARK. EVERETT MCKINLET DIRKSEN, ILL. ROMAN L. HRUSKA, NEBR. HIRAM L. PONG, HAWAII HUGH SCOTT, PA. JACOB K. JAVITS, N.Y. SAM J. ERVIN, JR., N.C. BAM J. ERVIN. JR., N.G.
THOMAS J. DODD. COON.
PHILIP A. HART, MICH.
EDWARD V. LONG, MO.
EDWARD W. KENNEDY, MASS.
BIRCH BAYH, IND.
QUENTIN N. BURDICK, N. DAK.
JOSEPH D. TYDINGS, MD.
GEORGE A. SMATHERS, FLA. Alnited States Senate COMMITTEE ON THE JUDICIARY January 25, 1966 Sur to Boby Mr. Bill D. Moyers Special Assistant to the President The White House Washington, D. C. Dear Bill: Thank you for your informative and thoughtful reply to my letter of December 27 concerning India. You can be certain of my support for any sound proposal to reform the incredibly wasteful restrictions imposed on our handling of the so-called U.S.-Uses funds, and I am looking forward to examining proposals which you indicate will be included in the President's legislative program to that end. Sincerely, JDT: jej

Sergian of Mi

P. K. Banerjee, Minister/Charge d'Affaires.



January 28, 1966.

My dear Mr. President:

I wish respectfully to convey to you my deep appreciation and grateful thanks in which the members of this Embassy and the Indian community in Washington join for your gracious presence this morning at the Memorial Service at Washington Cathedral in memory of His Excellency Lal Bahadur Shastri, Prime Minister of India. You are a man of peace and champion of oppressed and distressed. Your contribution to protect and help freemen in the world is a common knowledge in India. Therefore, your participation, this morning, which I am conveying to the Government of India will not only be appreciated very sincerely but will also give new faith, new hope and a new dimension of friendship between our two countries. You are a great and sincere friend of India and your friendship is a source of strength and inspiration to her.

With highest consideration and esteem,

Yours

(P. K. Banerjee)
Minister Charge d'Affaires.

His Excellency Lyndon B. Johnson



EMBASSY OF THE UNITED STATES OF AMERICA



New Delhi - January 27, 1966

Dear Bob:

Last night Mrs. Gandhi delivered her first nation-wide address on the occasion of Republic Day. I am enclosing a copy of her remarks.

As you will see she makes a point of thanking the United States for our assistance in meeting the food crisis. More importantly the whole tone and direction of her comments are, I believe, very much in line with our own hopes for this key nation.

I am convinced that this is one more manifestation of the opportunity for a real breakthrough in our relations with India which we face in the next few weeks.

With warm personal regards,

Sincerely

Chester Bowles

Enclosure:

As stated.

Mr. Robert Komer, The White House.

Prime Minister's Broadcast to the Nation - January 26, 1966

In a broadcast to the nation today, the Prime Minister, Shrimati Indira Gandhi, said:

Thirty six years ago, on this very day, my voice was one of thousands repeating the historic and soul-stirring words of our Pledge of Independence.

In 1947 that pledge was fulfilled. The world knew that a new progressive force, based on democracy and secularism, had emerged. In the seventeen years that Jawaharlal Nehru was Prime Minister, the unity of this country with its diversity of religion, community and language became a reality, a democracy was born and grew roots. We took the first steps towards securing a better life for our people by planned economic development. India's voice was always raised in the cause of the liberation of oppressed peoples, bringing hope and courage to many. It was heard beyond her frontiers as the voice of peace and reason, promoting friendship and harmony amongst nations.

During this brief but memorable stewardship, Shastriji enriched the Indian tradition in his own way. He has left our country united and determined to pursue our national objectives. Only yesterday we committed his mortal remains to the sacred rivers. The entire country sorrowed for the great loss. I feel his absence intensely and personally, for I worked closely with him for many years.

My own approach to the vast problems which confront us is one of humility. The tradition left by Gandhiji and my father, and my own unbounded faith in the people of India give me strength and confidence. Time and again, India has given evidence of an indomitable spirit. In recent years, as in the past, she has shown unmistakable courage and capacity for meeting new challenges. There is a firm base of Indianness which will withstand any trial.

NUMEROUS PROBLEMS

The coming months bristle with difficulties. We have numerous problems requiring urgent action. The rains have failed us. There has been drought in many parts. As a result, agricultural production, which is still precariously dependent on weather and rainfall, has suffered a sharp decline. Economic aid from abroad and earnings from export have not come to us in the measure expected. The lack of foreign exchange has hurt industrial production. Let us not be dismayed or discouraged by these unforeseen difficulties. Let us face them boldly. Let us learn from our mistakes and resolve not to let them recur. I hope to talk to you from time to time to explain the measures we take and to seek your support for them.

Above all else we must ensure food to our people in this year of scarcity.

This is the first duty of government. We shall give urgent attention to the management and equitable distribution of food-grains both imported and procured at home. We expect full cooperation from State Governments and

all sections of the people in implementing our plans for rationing, procurement and distribution. Areas like Kerala which are experiencing
acute shortage will receive particular attention. We shall try especially
to meet the nutritional needs of mothers and children in the scarcity affected
areas to prevent permanent damage. We cannot afford to take risks where
basic food is concerned. We propose, therefore, to import large enough
quantities of foodgrains to bridge this gap. We are grateful to the United
States for her sympathetic understanding and prompt help.

MORE PRODUCTION

Only greater production will solve our food problem. We have now a well-thought out plan to reach water and chemical fertilisers and new highyielding varieties of seed as well as technical advice and credit to farmers.

Nowhere is self-reliance more urgent than in agriculture and it means higher production not only for meeting the domestic needs of a large and increasing population, but also for growing more for exports. We have to devise more dynamic ways of drawing upon the time and energy of our rural people and engaging them in tasks of construction. We must breathe new life into the rural works programme and see that the income of the rural labourer is increased.

BASIC INDUSTRIES

Our strategy of economic advance assigns a prominent role in the public sector for the rapid expansion of basic industries, power and transport.

In our circumstances, this is not only desirable but necessary. It also imposes

obligation to initiate, to construct and manage public sector enterprises for further investments. Within the framework of our plans, there is no conflict between the public and private sectors. In our mixed economy, private enterprise has flourished and has received help and support from government. We shall continue to encourage and assist it.

SELF-RELI ANCE

Recent events have compelled us to explore the fullest possibilities of technological self-reliance. How to replace, from domestic sources, the materials we import, the engineering services we purchase, and the know-how we acquire from abroad. Our progress is linked with our ability to invent, improvise, adapt and conserve. We have a reservoir of talented scientists, engineers and technicians. We must make better use of them. Given the opportunity, our scientists and engineers have demonstrated their capacity to achieve outstanding results. There is the shining example of Dr. Homi Bhabha and the achievements of the Atomic Energy Establishment. The path shown by Dr. Bhabha will remain an inspiration.

Our programmes of economic and social development are encompassed in our Plans. The Third Five Year Plan is drawing to a close. We are on the threshold of the fourth. The size and content of the Fourth Plan received general endorsement of the National Development Council last September even while we were preoccupied with the defence of our country. Its detailed formulation was interrupted due to many uncertainties, including that of

foreign

foreign aid. We propose now to expedite this work. In the meantime an annual plan has been drawn up for 1966-67, the first year of the Fourth Plan, which takes into account the main elements of the Five Year Plan.

GAP BETWEEN INTENTION AND ACTION

In economic development, as in other fields of national activity, there is a disconcerting gap between intention and action. To bridge this gap we should boldly adopt whatever far-reaching changes in administration may be found necessary. We must introduce new organizational patterns and modern tools and techniques of management and administration. We shall instil into governmental machinery greater efficiency and a sense of urgency and make it more responsive to the needs of the people.

POLICY OF PEACE

In keeping with our heritage, we have followed a policy of peace and friendship with all nations, yet reserved to ourselves the right of independent opinion. The principles which have guided our foreign policy are in keeping with the best traditions of our country, and is wholly consistent with our national interest, honour and dignity. They continue to remain valid. During my travels abroad I have had the privilege of meeting leaders in government and outside and have always found friendship and an appreciation of our stand. The fundamental principles laid down by my father, to which he and Shastriji dedicated their lives, will continue to guide us. It will be my sincere endeavour to work for the strengthening of peace and international cooperation so that people in all lands live in equality, free from domination

and fear.

TASHKENT DECLARATION

We seek to maintain the friendliest relations with our neighbours and to resolve any disputes peacefully. The Tashkent Declaration is an expression of these sentiments. We shall fully implement it, in letter and spirit.

Peace is our aim but I am keenly aware of the responsibility of government to preserve the freedom and territorial integrity of the country. We must therefore be alert and keep constant vigil, strengthening our defences as necessary. The valour, the determination, the courage and sacrifice of our fighting forces have set a shining example. My thoughts go out today to the disabled and the families of those who gave their lives.

WAR AGAINST POVERTY

Peace we want because there is another war to fight—the war against poverty, disease and ignorance. We have promises to keep to our people—of work, food, clothing and shelter, health and education. The weaker and underprivileged sections of our people—all those who require special measures of social security, have always been and will remain uppermost in my mind.

Youth must have greater opportunity. The young people of India must recognize that they will get from their country tomorrow what they give her today. The nation expects them to aspire and to excel. The worlds of science and art, of thought and action becken to them. There are new frontiers to cross, new horizons to reach and new goals to achieve.

ONE NATION

No matter what our religion, language or State, we are one nation and one people. Let us all, farmers and workers, teachers and students, scientists and technologists, industrialists, businessmen, politicians and public servants, put forth our best effort. Let us be strong, tolerant and disciplined, for tolerance and discipline are the very foundations of democracy. The dynamic and progressive society, the just social order which we wish to create, can be achieved only with unity of purpose and through hard work and cooperation.

Today I pledge myself anew to the ideals of the builders of our nation-to democracy and secularism, to planned economic and social advance, to
peace and friendship among nations.

Citizens of India, let us revive our faith in the future. Let us affirm our ability to shape our destiny. We are comrades in a mighty adventure. Let us be worthy of it and of our great country.

Jai Hind.



DEPARTMENT OF STATE

WASHINGTON

January RECEIVED 60FFICE

MEMORANDUM FOR MR. McGEORGE BUNDYS JAN 25 AM 8 47

Subject:

Condolence Message to President

Radhakrishnan of India on Air

Disaster

We recommend that the President send a message of condolence to President Radhakrishnan of India on the crash on January 24 of an Indian jet airliner in the Alps. Such a message seems particularly desirable in this case, since the disaster was great (117 persons were reportedly on board) and the fatalities include the Indian Minister of State for Irrigation and Power, Dr. K. L. Rao, and the distinguished head of India's atomic energy program, Dr. Homi J. Bhabha.

A suggested message is enclosed.

W.6. Muller

Benjamin H. Read

Executive Secretary

Enclosure:

Suggested message.

JAN 2 5 1966

TELECOMMUNICATIONS OPERATIONS DIVISION

WORK COPY

84 a

UNCLASSIFILD

ACTION: Amenbassy NEW DELHI IMMEDIATE

1. Deliver soonest following message from the President to President Radhakrishnan:

of an Air India jet aircraft in the Alpa. The American people join me in sending heartfelt sympathy to you, Prime Minister Gandhi, and to the bereaved families on the death of the unfortunate victims, which sadly include your distinguished colleagues, Dr. K. L. Rao and Dr. Momi J. Bhabha. END QUOTE.

2. White House does not rpt not plan release of text but has no objection if GUI wishes do so.

END

MEA: SOA: BGWing:mlk 1/24/66

MEA - Raymond A. Mare

MEA/SOA - Mr. Schneider White House - HEA/P - Mr. Brown P - Mr. Reap S/S -

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

FORM DS-322



DEPARTMENT OF STATE WASHINGTON

1. Mr. Komer 5 2. Ret.

15

January 25, 1966 Program

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Message to President Johnson from Interim Prime Minister Nanda of India

In response to Mr. Smith's memorandum of January 25 concerning a message to President Johnson from interim Prime Minister Nanda of India thanking the President for his message of sympathy on the death of Prime Minister Shastri, the Department recommends that no further reply be made.

Benjamin H. Read Executive Secretary

Enclosure:

Copy of message to the President.



भारतीय राजदूतावास वाशिगटन, डी० सी० EMBASSY OF INDIA WASHINGTON, D. C.

January 22, 1966

Dear Mr. President,

I am desired by His Excellency the Prime Minister of
India to convey to you the following message:-

Begins

On behalf of the Government and people of India and myself personally I thank Your Excellency for your kind message of deep sympathy on the passing away of our beloved and revered Prime Minister, Lal Bahadur Shastri. I am grateful to Your Excellency and your Government and people for the tribute you have paid to the late Prime Minister. He was indeed a man of peace. He lived and worked for his cherished ideals and the maintenance of peace was one of his foremost goals. He strove hard for peace and died at the moment of achievement. The Tashkent Declaration will be a lasting memorial to him.

GULZARI LAL NANDA.

ends.

With my highest regard and esteem,

Yours sincerely,

(P.K. BANERJEE) Charge d'Affaires

The President, The White House, WASHINGTON D.C. P.m. nanda to 2 BJ 1/22/66

THE WHITE HOUSE WASHINGTON

25 Jan. 1966

TO: Mr. Komer

FROM: Bromley Smith

Joseph

The attached is for your immediate attention. Please have your secretary keep Miss Simpson of my staff (145-697) informed of all action taken.

JAN 2 5 1966

Ouge with power of and one

locker



DEPARTMENT OF STATE

WASHINGTON

1. Mr. Komer 2. Ret.

MCGETARIE TONDY'S 01966

MEMORANDUM FOR MR. McGEORGE BUNDY 25 AM 8 47

Subject: Message to President Radhakrishnan of India on Indian Republic Day, January 26

In accordance with the usual custom, we recommend that the President send a message to Indian President Radhakrishnan on the occasion of Indian Republic Day, January 26. We believe that this is an appropriate occasion to go beyond the usual protocol message because of the recent death of Prime Minister Shastri and the appointment of Mrs. Indira Gandhi.

A suggested message is enclosed.

Benjamin H. Read
Executive Secretary

Enclosure:

Suggested message.

TELECOMMUNICATIONS OPERATIONS DIVISION

WORK COPY

866

UNCLASSIFIED

ACTION:

Amembassy NEW DELHI

Please deliver following message from the President to
President Radhakrishnan:

QUOTE: On the occasion of this anniversary of the founding of the Republic of India, the people of the United States join me in sending to you, and through you to the people of India, sincere best wishes and the assurances of our warm friendship.

The recent death of Prime Minister Shastri has been a grievous blow to India and to the whole world, but India, under new leadership, is facing the future with courage and confidence. May the long-standing ties of mutual trust and confidence between our two countries be strengthened from year to year. END QUOTE.

END

NEA: SOA: XXX HGWing: mlk 1/24/66

NEA - William J. Handley

NEA/SOA - Mr. Schneider

S/S -

S/CPR - XHOOMESKA Mr. King (substance) P - Mr. Reap

NEA/P - Mr. Brown

UNCLASSIFIED

FORM DS-322

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



भारतीय राजदूतावास वाशिगटन, डी॰ सी॰ EMBASSY OF INDIA WASHINGTON, D. C. January 24, 1966

Dear Mr. President,

I am directed by Her Excellency the Prime Minister of India to convey to you the following message:-

Begins

Dear Mr. President,

I am deeply touched by your warm message of congratulations which was delivered to me by Ambassador Chester Bowles. A heavy responsibility has fallen on I am heartened by the fact that in my my shoulders. new office, I inherit from my predecessors principles and traditions which have taken deep root in the hearts of our people, as well as the friendship and goodwill of many countries all over the world. The relationship between our two countries is, as you have pointed out, firmly grounded in our common dedication to the principles of human dignity, human welfare, democratic institutions and peace, and your assurance of friendship and cooperation in the pursuit of these ideals is a source of strength to me.

Prime Minister Shastri was eagerly looking forward to visiting your great country and meeting you. I am grateful to you for renewing the invitation to me. I accept it with great pleasure. However, for reasons you will appreciate, it will take a few weeks before I can go abroad and have the pleasure of meeting you and Mrs. Johnson.

Meanwhile, some of the problems facing us which would have been discussed between you and Mr.Shastri next week have acquired added urgency. I shall be most grateful, Mr. President, if pending my visit, you will be good enough to receive Ambassador B.K.Nehru to whom I have conveyed my thoughts and ideas on these matters. It is my earnest hope that after your talk with him, you will find it possible to issue appropriate direction to your Administration so as to avert the damage which could, in certain instances, be caused if decisions were deferred.

I treasure happy memories of my last meeting with you and with Mrs. Johnson and look forward to seeing you both again soon.

With warm regards,

Yours sincerely,

Sd/- INDIRA GANDHI.

Ends.

With my highest regard and esteem,

(P.K. BANERJEE) Charge d'Affaires.

Yours sincerel

The President, The White House, WASHINGTON D.C.

DECLASSIFIED

Butcob. NARA, Date 325-04

OUTGOING TELEGRAM Department of State

13639

INDICATE: ☐ COLLECT ☐ CHARGE TO

SECRET

80 Origin 55

ACTION: Amembassy NEW DELEI IMMEDIATE

1353

Jan 25 8 19 PM '66

EXDIS

QUOTE Dear Mr. Ambassador: I enclose copies of an exchange of messages which I have had today with your Prime Minister, Mrs. Gandhi. As you undoubtedly know, she asked that I receive you to discuss some urgent problems. I have told her that I shall be very glad to do so just as soon as you get back, and I send this note to ask if you will call Mr. Marvin Watson on your arrival so that no time will be lost in having this discussion. Sincerely, Lyndon B. Johnson INQUOTE

THE REPORT OF THE PERSON OF TH

GP- 3

End

RUSK

7 B J France 1/25/66

Text received from White ... House al /25/66

XIII DY:

classification approved by:

NEA - William J. Handley

Clearances:

s/s - Mr. Miller

XXXXXXXXXXXX

DECLASSIFIED E.O. 13292, Sec. 3.4 NSC Memo, 1/30/95, State Guideline

SECRET

REPRODUCTION FROM THIS COPY IS PROHIBITED UNLESS "UNCLASSIFIED"

JAN 26 1966

By Ac , NARA, Date 3-25-0

OUTGOING TELEGRAM Department of State

INDICATE: COLLECT

ACTION: Amembassy NEW DELHIL IMMEDIATE

EXDIS

Following is text of letter from Frime Minister Candhi to the President received January 24, 1966:

QUOTE Dear Mr. President, I am deeply touched by your warm message of congratulations which was delivered to me by Ambassador Chester Bowles. A heavy responsibility has fallen on my shoulders. I am heartened by the fact that in my new office, I inherit from my predecessors principles and traditions which have taken deep root in the hearts of our people, as well as the friendship and goodwill of many countries all over the world. The relationship between our two countries is, as you have pointed out, firmly grounded in our common dedication to the principles of human dignity, human welfare, democratic institutions and peace, and your assurance of friendship and cooperation in the pursuit of these ideals is a source of strength to me.

Prime Minister Shestri was eagerly looking forward to visiting your great country and meeting you. I am grateful to you for renewing the invitation to me. I accept it with great pleasure. However, for reasons you will appreciate, it will take a few weeks before I can go abroad and have the pleasure of meeting you and Mrs. Johnson.

Mesowhile.

Text received from White House: 1/25/66 Drafted by: **国家市场的大型的市场的企业的企业的企业的企业的企业**

NEA - William J. Handley

s/s _ Mr. Miller DECLASSIFIED

WENTER WENTER

Authority NG 00-172 (=11)

FORM DS-322 By C. B. NARA, Date 3-25-04



REPRODUCTION FROM THIS COPY IS PROHIBITED UNLESS "UNCLASSIFIED"

JAN 26 1966

SECOLI

Meanwhile, some of the problems facing us which would have been discussed between you and Mr. Shastri next week have acquired added urgency. I shall be most grateful, Mr. President, if pending my visit, you will be good enough to receive Ambassador B.K. Nehru to whom I have conveyed my thoughts and ideas on these matters. It is my earnest hope that after your talk with him, you will find it possible to issue appropriate direction to your Administration so as to evert the damage which could, in certain instances, be caused if decisions were deferred.

I treasure happy memories of my last meeting with you and with Mrs. Johnson and look forward to seeing you both again soon.

With warm regards, Yours sincerely, Sd/-INDIRA GANDEL UMQUOTE

Emd

RUSK

SECRET

OUTGOING TELEGRAM Department of State

Amembassy NEW DELHI

INDICATE: COLLECT CHARGE TO

ACTION:

UNCLASSIFIED

84

Origin NEA

G P

Info: SS

USIA

CPR

NSC

Please deliver following message from the President to President Radhakrishnan:

QUOTE: On the occasion of this anniversary of the founding of the Republic of India, the people of the United States join me in sending to you, and through you to the people of India, sincere best wishes and the assurances of our warm friendship.

The recent death of Prime Minister Shastri has been a grievous blow to India and to the whole world, but India, under new leadership, is facing the future with courage and confidence. May the longstanding ties of mutual trust and confidence between our two countries be strengthened from year to year. END QUOTE.

END

BUNDY-SMITH

BATOR BOWDLER

RUSK

Tel. Ext. NEA: SOA: MME HGWing: mlk 1/24/66

Telegraphic transmission and

classification approved by:

NEA - William J. Handley

NEA/SOA - Mr. Schneider

White House - Mr. Komer

S/S - Mr. Lancaster

S/CPR - MEXICON Mr. King (substance) P - Mr. Reap

NEA/P - Mr. Brown UNCLASSIFIED

REPRODUCTION FROM THIS COPY IS PROHIBITED UNLESS "UNCLASSIFIED"

THE WHITE HOUSE

WASHINGTON

January 24, 1966

Dear Mr. Ambassador:

I enclose copies of an exchange of messages which I have had today with your Prime Minister, Mrs. Gandhi. As you undoubtedly know, she asked that I receive you to discuss some urgent problems. I have told her that I shall be very glad to do so just as soon as you get back, and I send this note to ask if you will call Mr. Marvin Watson on your arrival so that no time will be lost in having this discussion.

Sincerely,

Enclosures

His Excellency
B. K. Nehru
Ambassador of India
2107 Massachusetts Ave., N. W.
Washington, D. C.



U.S. DEPARTMENT OF STATE

DIRECTOR OF INTELLIGENCE AND RESEARCH



RNA-5, January 21, 1966

13

To : The Secretary

Through: S/S

From : George C. Denney, Jr. A.C.D.

Subject: Indira Gandhi as Indian Prime Minister: A Preliminary Estimate

The Congress Parliamentary Party, composed of the members of the majority party in the Indian Parliament, have selected Mrs. Indira Gandhi, daughter of the late Prime Minister Jawaharlal Nehru, to be the new Prime Minister of India. We have in the following memorandum attempted to outline the problems that she faces in her new job, and some of the ways in which she may deal with them in her initial months in office.

ABSTRACT

Indira Gandhi brings a number of significant qualifications to the Indian Prime Ministership. Above all, she is the daughter of Jawaharlal Nehru and is thus a figure known throughout India and the world. She does not represent any regional or communal interest in India and therefore can be a significant factor encouraging Indian unity. Having long been associated with the Congress Party, and having been her father's confidante, she is thoroughly familiar with the issues and personalities of Indian politics. Her term as Congress Party President was generally successful and she demonstrated an ability to make difficult decisions — even over her father's misgivings.

In choosing Mrs. Gandhi, the party leaders probably gave little attention to her personal talents. She was picked because she is Nehru's daughter: the candidate most likely to block Morarji Desai's bid for the Prime Ministership and to be a vote-getter in the national elections of 1967. The Congress Party bosses probably believe that they will be able to control and manipulate her with relative ease and that she will be fairly well bound to follow the political

DECLASSIFIED

E.O. 13526, Sec. 3.5

NLJ / PRC 13-366

NARA, Date (23-19-2014)

GROUP Z
Downgraded at 12 year
interest; est
automatically declarelfied

course charted by Nehru and Shastri. Certainly the mere task of coping with the myriad problems now facing India would tax the abilities of any politician, and Mrs. Gandhi is neither physically robust nor is she fond of political rough-and-tumble.

It is possible, however, that Mrs. Gandhi's political sponsors have reckoned wrong. She is a determined woman who undoubtedly sees her task as developing India into the type of society that her father dreamed of. This apparently includes a certain "leftness" in her approach to domestic and foreign affairs. She is probably more doctrinaire in her approach to "socialism" than was Shastri, and despite an inherited basic sympathy toward the West, she has been sharply critical of some US policies and well disposed towards the Soviet Union. The Soviets will almost certainly view her appointment with enthusiasm, as a turning point in the recent rightward drift in India that has worried them for some time. They may hope to establish close rapport with the new Prime Minister and will probably at least reconsider their recent policies of movement away from a close identification with India and the Congress Party.

Whatever her personal predilections, for some time to come Mrs. Gandhi will be restricted in her conduct of Indian policy because of the influence of her sponsors and advisers. At least through the 1967 elections, we would not expect her to attempt any significant new policy departures and in many fields her freedom of action is inevitably narrowly circumscribed. She will have little scope to improve relations with either Pakistan or China, although she will almost certainly endeavor to implement the Tashkent agreement and seek a reduction of Indo-Pakistani tensions. She may seek to play an international role along the lines that her father did. Following in her predecessors'

footsteps, she is likely to be sharply critical of domestic Indian Communism; resist India's entry into the nuclear club; emphasize the role of non-alignment in Indian foreign policy; continue -- probably reluctantly -- a high rate of military spending; and concentrate on agricultural development for the immediate future. She may make some changes in the composition of the cabinet but is unlikely to bring in such controversial figures as Krishna Menon.

Such changes as Mrs. Gandhi is likely to bring about will probably be more of tone and style than of major substance. There may perhaps be more high-level criticism of the US than there has generally been during the past few years, but the Indian leadership, including Mrs. Gandhi, is well aware of the importance to India of good relations with both the US and the USSR.

Mrs. Gandhi will almost certainly remain in office until the 1967 elections. No doubt some leaders are already thinking in terms of removing her thereafter, and Mrs. Gandhi might herself wish to leave office. Should, however, the Congress win strikingly in 1967 -- as is likely to be the case -- and should Mrs. Gandhi desire to remain on, she might prove extremely hard to displace.

Chief Talents and Attributes

Mrs. Gandhi's chief asset is that she is the daughter of the late Jawaharlal Nehru, India's charismatic leader who served as Prime Minister of independent India from 1947 to the time of his death in May 1964. As the early-widowed Nehru's only child, Indira Gandhi was his close companion and confidante. Inevitably, she grew up in an intensely political environment and was virtually forced to absorb paternal lessons on politics and statecraft regardless of her inclinations or aptitudes. She accompanied her father on most of his official travels overseas and thus was afforded the opportunity to meet a wide spectrum of world leaders. Although Mrs. Gandhi appears to have a basic distaste for the rough-and-tumble of political campaigning, she has nevertheless been deeply involved in Congress Party activities. She has had extensive experience as a public speaker; although she has on occasion made indiscreet statements, she is usually articulate and poised in speaking.

The "king-makers" of the Congress Party, composed largely of regional bosses, presumably handpicked Mrs. Gandhi as the candidate most likely to overcome the challenge of the determined and respected conservative, 70-year-old Morarji Desai. With a view to the elections scheduled for 1967, the Congress bosses had also another consideration very much in mind -- that of having a party leader who possessed wide appeal to, and great emotional impact on, the Indian electorate. Possibly, a further factor taken into consideration was the putative necessity of choosing someone who might convey best the Shastri image of combining gentleness with firm leadership, conciliation with toughmindedness, and dedication to unity and peace with a sense of justice. The most cynical ingredient in the complex of factors may have been the view of Kamaraj and his associates that Indira Gandhi could be manipulated by them to their advantage. In assessing her potential, the Kamaraj-centered leadership was particularly impressed by the following: (1) she carries the name and blood of India's greatest vote-getter; (2) she is regarded by her fellow citizens as a national rather than a regional or state figure as are most of her contemporaries; and (3) she appears to hold substantial appeal to India's youth, women, and vaguely left-inclined voter blocs; and (4) she is acceptable to communal minorities which may be fearful of Morarji Desai's Hindu orthodoxy.

Highlights of Career

Mrs. Gandhi has served the Congress Party not only as a longtime member of its Working Committee but also as its President for a year, in 1959-60. She also has ministerial experience, having served in the Shastri cabinet as Minister of Information and Broadcasting. More important, however, is her image as a close confidente of her illustrious father.

During her term as Congress Party President, Indira Gandhi left a generally good impression. She had a major, perhaps paramount, voice in the decision to upend the Communist ministry in Kerala State in mid-1959; reportedly, while Prime Minister Nehru temporized, she persuaded President Prasad to exercise his constitutional powers to declare that state government incapable of maintaining law and order. A few months later, Mrs. Gandhi played a key role in the Congress Party decision to partition Bombay State into the language-based states of Maharashtra and Gujarat; that decision, in due course enacted into law by the

Congress-dominated Indian Parliament, not only put an end to a series of byelection reverses suffered by Congress in Maharashtra, but also made it Congress'
biggest winner in the general election of 1962. In both these instances, Mrs. Gandhi
displayed considerable political acumen. Near the end of her term as party
president, she overrode the strong objections of some of her compatriots in
encouraging the Kerala State Congress unit to enter into an alliance with
communal groups, such as the Muslim League, in an effort to defeat the strong
local Communist Party. This gambit, known to have been frowned on by her father,
succeeded. These actions would seem to indicate that she has the capacity to
make tough decisions when necessary.

Mrs. Gandhi has gained prominence by other notable actions. During the severe Hindu-Muslim rioting in Jabalpur in 1961, she was the first Congress leader to appear on the scene to damp the communal flames. Again, at the time of bloody rioting in Madras a year ago over the national language issue, Mrs. Gandhi was the first Hindi-speaking Congress leader to put in an appearance in that troubled spot. These actions would seem to indicate that Indira is not lacking in courage. Evidently, India's unity means much to her, as it did to her father, and she is prepared to meet potentially divisive situations head-on.

Domestic Problems Confronting 'New Leadership

Mrs. Gandhi's handling of her responsibilities as Prime Minister may disappoint those party leaders who expect her to be easily manageable. Certainly, Mrs. Gandhi lacks many of the qualities of her illustrious father, and she also apparently lacks the highly developed sense of compromise and conciliation that was the hallmark of Lal Bahadur Shastri. But her pride, sense of patrician leadership, and independence of mind might well assert themselves, perhaps after an initial period of hesitancy. What seems almost certain is that Indira will adhere closely to the broad precepts and policy leads established by Jawaharlal Nehru and continued by Lal Bahadur Shastri, with certain unavoidable variations in style and tone. How well she will be able to stand up to the more irrepressible and power-thirsty of her colleagues, in or out of the cabinet, remains to be seen; there may well be times when her leadership qualities will be put to severe test and when her control will be circumvented if not openly challenged. Especially during the next year leading up to the 1967 general election, Mrs. Gandhi will be inhibited by party interests from taking stern measures against any prominent colleague. In this situation, one or more cabinet ministers may seize the initiative and act boldly to force decisions on her.

Mrs. Gandhi's conduct of domestic policy will, as in the case of her two predecessors, face many challenges. India's internal problems are many, varied, and awesome in magnitude and severity; some of them will no doubt defy resolution for a long time to come. Food shortages and inflationary trends are likely to be recurrent features of the Indian scene. Regional, caste, religious, and linguistic differences pose continuing threats to political stability. Kashmir is in an acute stage of restiveness. A few separatist movements now in abeyance might be renewed.

Insurrectionary activities in remote Nagaland State, while suspended over the past year and a half, could be resumed by its independence-minded tribal inhabitants at any time. The new Prime Minister will do well merely to hold the line on the many-faceted domestic front.

Likely Conduct of Domestic Affairs

On a number of basic domestic policies, Mrs. Gandhi may be expected to echo the stands taken by her two predecessors in office. She is highly likely, for example, initially to adhere to the policy of refraining from the manufacture of acquisition of nuclear weaponry; whether she will be able to withstand mounting pressure for the attainment by India of nuclear capability is problematical. Her attitude toward the defence establishment is not clear; presumably, however, she shares her father's basic lack of enthusiasm for the military. She probably does not wholly approve of the current emphasis on military spending, but will probably have to defer to others on this matter. From all indications, Mrs. Gandhi will lean heavily on the advice of her cabinet subordinates on domestic matters. She has inherited a number of ministers with experience in depth, most of whom worked with her as co-equals over the past year and a half. She is not likely to make many changes in the make-up of the cabinet until after the 1967 general election, but certain members of the cabinet may get favored treatment from her. Chidambara Subramaniam, in particular, is reportedly on especially good terms with the new Prime Minister. Mrs. Gandhi, in the past, has been closely associated with former Defence Minister V. K. Krishna Menon. but the possibility of his return to the cabinet or of a sharp increase in his. influence may be regarded as very slight at this time. Indeed, she has recently stated to Ambassador Bowles that she considers him an adversary rather than a friend.

Socialist Leanings

Like her father, and perhaps because of his influence, Mrs. Gandhi is credited with having a soft spot in her heart for Fabian socialism and probably has at least grudging admiration for Soviet domestic policies. In any case, the currently thin leftist bloc in the Congress Party has long claimed her as a family member, and it has become common coin to label Mrs. Gandhi as "leftist" While it is true that she was associated with the formation of a "ginger group" within the Congress to bolster the leftist arm of the party, she has done comparatively little in behalf of that group in recent years. Moreover, her interest in it seems to have been based less on ideological conviction than on the felt need for stronger leftist representation within the Congress which would enable it to keep a virtual monopoly on the broad political center and leave opposition parties with nothing but circumscribed areas on the extreme right and left. Nevertheless, she has identified herself on occasions with dedicated proponents of socialist movements and has allowed leftist media to so identify her without protest. Until she proves herself otherwise, Mrs. Gandhi must be reckoned on the left of the Indian political spectrum and her selection would appear to mark a symbolic turning point in the trend in India toward right-of-center leadership. However, her attachment to "socialism" probably will have little short-term impact on economic development planning. No doubt Mrs. Gandhi shares her father's fascination for heavy industry and its potential for rapid development. Nevertheless, faced with the responsibilities of a Prime Minister, Mrs. Gandhi may tend to subordinate whatever doctrinaire leanings she may have to a pragmatic approach more akin to that taken by her immediate predecessor. Moreover, since she is faced at the outset of her administration with the dire need for improvements in agricultural productivity, she presumably will go along with the trend toward greater emphasis on agriculture set into motion by Shastri. Food is a basic consideration with the voters, as she will be reminded by her advisers, and the next general election is nearly in sight. If nothing else, her political instincts should induce her to cater to the electorate's immediate basic need.

Domestic Communism

Mrs. Gandhi has in the past shown a willingness to oppose domestic Communism forcefully. In 1959, as president of the Congress Party, she was reportedly in large part responsible for the ousting of the Communist government in the state of Kerala. In her new role, she would probably follow and enlarge upon her father's policy of opposing domestic Communism effectively. In contrast to 1959, however, there are now two Communist parties in India, and the rightist group (the one that would be seeking a common front with the Congress left) has been generally successful in casting off the stigma of foreign domination. This opprobrium now attaches to the leftist Communists, so that an attempt by the Communist rightists to collaborate with the Congress would not be so certain of rejection as would have been the case a few years ago. We doubt, however, that Mrs. Gandhi would see much utility in working together with Communists of any stripe, unless she felt that the right wing within the Congress was achieving a dominant position from which it could jeopardize what she would regard as her father's legacy.

Foreign Affairs

The menace of domestic Communism in India is rather small; the threat from China is a specific and so far limited military threat; the principal danger to India lies in the increasingly pervasive presence of the USSR. Unfortunately, it is precisely this danger that Mrs. Gandhi might be least well equipped to counter. Of all conceivable condidates (Krishna Menon was not conceivable) probably no one is more acceptable in Moscow. Mrs. Gandhi has been a frequent visitor to the USSR and has basked in the adulation provided by the Soviets; she is identified with her father's public posture of cooperation with the USSR; and Moscow might attempt to class her as a "revolutionary democrat" along the lines of Nasser, Nkrumah, or Ne Win. The Soviets are aware that India's dependence on the US, as well as the powerful forces at work within India, would almost certainly prevent an excessively close rapprochement between Moscow and New Delhi; nevertheless, the chances would seem to be good that they will consider the selection of Mrs. Gandhi as grounds for a reassessment of their recent policy towards India.

This will in fact be a reassessment of a reassessment, for there have been clear signs that the USSR has recently taken a hard look at its subcontinent policy and has begun to move away from a close identification with India and its Congress government. The Soviets have taken a position of neutrality on the Kashmir question; dragged their feet on deliveries of military supplies; publicly bemoaned the increasing influence of the right wing on the Congress Party; and reportedly sought to unify the rightist and leftist Communist elements in India on a platform of opposition to the Congress. Now, however, that a person identified with the Congress Left is in the leadership, the Soviets and Indian Communists might launch a campaign to capture her as the symbol of a Congress-Communist popular front within India, and of close Indo-Soviet cooperation in foreign affairs.

Given the weakness of Indian Communism, the principal impetus for such a campaign would have to come from the Soviet Union. Should the Soviets make a major effort to establish a special relationship with India, Mrs. Gandhi might adopt and enunciate attitudes towards the USSR along the lines of those Which her father held. Any move towards the Soviets would, however, be limited by India's need for US aid. She, and especially some of her advisers, are well aware of the importance of the US to Indian development, so that no basic modification of the Indian non-alignment policy is likely. Indeed, non-alignment as a slogan will probably be much more in vogue, since Mrs. Gandhi will be anxious to give maximum prominence to this bequest of her father's. As was the case with Nehru, we would in almost any event expect her to side with the Soviets on a number of cold war issues. Mrs. Gandhi, as was her father, is Western educated and Western oriented in her general cultural and social outlook. However, she was perhaps the most strident critic of the US in the Indian Government during the fighting between India and Pakistan (Kamaraj ran her a close second), and last summer delivered herself of some of the sharpest criticism any prominent Indian has made of our involvement in Vietnam. She will, however, undoubtedly find it politic to mute criticism of the US -- especially in view of India's vital dependence on the US for food.

In her attitudes towards India's two immediate enemies -- Pakistan and China -- Mrs Gandhi is likely to follow the well-worn path of her two predecessors. In neither case does she have much room for maneuver. There is no reason to doubt her hostility to China. On the other hand, she is not known as a Pakistan—baiter or a hard-liner on the Kashmir issue, and would probably desire to see improved Indo-Pakistani relations -- on India's terms. She has already indicated that she would implement the Tashkent agreement. Beyond this, there might be some prospect for a more liberal Indian approach to internal Kashmir politics; Mrs. Gandhi is reportedly opposed to the detention of Sheikh Abdullah, but even if she wished to, she will not have the power to make the concessions needed to satisfy Pakistan's demands. It will take some time for her to reestablish whatever rapport Shastri had been able to reach with Ayub at Tashkent, and the future path of Indo-Pakistani relations will remain tortuous at best.

Although there is little evidence as yet, it seems likely that Mrs. Gandhi may seek to play something of the international role that her father did. She is well known in foreign capitals, and her name will carry some weight in Afro-Asian, non-aligned, and other international groupings. Thus, there may be somewhat greater emphasis once more upon India's general international stature. Mrs. Gandhi's role in this regard is likely to be circumscribed, however, by the primacy of the domestic and regional problems which affect India directly. Generally, deviations from Indian policies under Shastri -- if any -- will probably be in tone rather than substance. As in the past, however, shifts to a more unfriendly tone are likely to breed difficulties for US-Indian relations.

Prospective Longevity in Office

Despite her comparatively young age, and the brisk pace she has maintained, Mrs. Gandhi's health has not been good. She reportedly suffers from low blood pressure and has had lung and kidney ailments. At times she manifests a pronounced lack of energy; this, coupled with her often-expressed disdain for political turmoil, might lead her to lay down the burden of office after a relatively short time. In addition, some of the "king-makers" of the Congress Party probably have their own designs on the Prime Ministership, and may attempt to maneuver her out of office. Her delicate health could provide a convenient public facade for such an operation. Should the Congress falter at the polls next year, Mrs. Gandhi's days would probably be numbered, since one of the principal reasons for her selection as party leader was her presumed power as a vote-getter.

Now that she holds India's top office, however, Indira Gandhi may be difficult to dislodge. She may well come to believe that she alone is capable of perpetuating her father's policies, and be willing to sacrifice her own aspirations for the quiet life. She would seem to be a safe bet, at the minimum, to remain in office until after the next general election. If she leads the Congress Party to a sweeping victory at the polls in 1967, as is not unlikely, Mrs. Gandhi will have fortified her claim to office and be in a strong position to defy those who might entertain notions about displacing her. In that case, unless Indira Gandhi should step down from the Prime Ministership of her own free will and for genuine reasons of health, the job would appear to be hers for the indefinite future. The possibility of grave political and economic setbacks would appear to be far more menacing to her position than the power aspirations of those who surround her.

- INDIRA GANDHI Biographic Notes
- Born 19 November 1917. She is the only child of the late Prime Minister Jawaharlal Nehru.
- Education India, Switzerland, and Oxford University (for one year).
- Joined Congress Party 1938. She was actively associated with the independence movement and was jailed for some 13 months between 1938 and 1947.
- Married She married Feroze Gandhi in 1942. Mr. Gandhi (no relation to Mahatma Gandhi), a Parsee lawyer, was prominent in the left wing of the Congress Parliamentary Party -- the so-called "Ginger Group." He died in 1960. Several years prior to his death, however, he was more or less estranged from his wife.
- Early post-independence work In 1947, under the direction of the Mahatma, she worked in riot affected areas of Delhi.
- lst Position of Importance in the Congress Although always close to the political arena, it was not until 1955 that she held a position of importance in the Congress Party appointed to the Working Committee of the All India Congress Committee (AICC).
- President of Indian National Congress 1959-60. She became the 3rd generation of her family to hold this position.
- Shastri Cabinet Post In June 1964 she was appointed to the post of Minister of Information and Broadcasting in the newly formed government of Prime Minister Lal Bahadur Shastri. She was elected a member of the Rajya Sabha from Uttar Pradesh in August 1964. By virtue of this election she fulfilled the requirement that a minister be elected to Parliament within six months of the initial appointment.
- <u>Leader of Rajya Sabha</u> She served briefly as Leader of the Rajya Sabha during 1964.
- Prime Minister On January 19, 1966, Mrs. Gandhi was elected by the Congress Parliamentary Party to be party leader. She will be sworn in as Prime Minister upon the termination of the mourning period for the late Lal Bahadur Shastri.



EMBASSY OF THE UNITED STATES OF AMERICA

India Banka

New Delhi, India, January 21, 1966.

Dear Bob:

I think I have mentioned to you from time-to-time Ed Lindblom the Yale economics professor whom I brought to India with me two years ago. Ed had made an outstanding contribution to our efforts here and we were all deeply disappointed when Yale insisted on his return to resume his teaching role last summer. On his return to the United States, Ed wrote an article for Foreign Affairs (January issue) on the outlook for the Indian economy in which he outlines some of the grim problems but on the whole comes out with a rather cautiously favorable view.

Ed has just recently returned to India on a two week's special assignment and has been able to have a fresh look at the economy. He told me just last night that now he wished he could rewrite the article almost completely. He is an extraordinarily competent person whom you would like and I would be grateful if you could have a talk with him when he visits Washington late in the week of January 24 or shortly thereafter.

I have taken the liberty of suggesting that Ed call your secretary two or three days before he comes to Washington.

With my warmest regards,

Sincerely,

Chester Bowles

Mr. Robert W. Komer, The White House, Washington, D.C. ZIVED ISA

EHB877

OO RUEHEX

DE RUSBAE 1013 0200650

ZNH CCCCC

O 200645Z ZFF4 ZEL

FM AMEMBASSY NEW DELHI

TO WHITE HOUSE IMMEDIATE

STATE GRNC

BT

C O N F I D E N T L A L

1966 JAN 20 08 49 5

REE 43 875

LIMITED OFFICIAL USE JANUARY 20.

REF: CITE CAP66028 DIG 190021Z

MESSAGE FROM PRESIDENT JOHNSON TO MRS. GANDHI DELIVERED PERSONALLY AT 1100 (LOCAL) THURSDAY BY AMBASSADOR BOWLES WHO WAS FIRST AMBASSADOR TO CALL ON PRIME MINISTER-DESIGNATE. MRS. GANDHI WILL BE SWORN IN AS PRIME MINISTER ON MONDAY MORNING. BOWLES BT

NNNN

DECLASSIFIED
E.O. 13292, Sec. 3.4
State Dept. Guidelines
By C., NARA, Date 3-2504

MEGHORICE BUILDY'S OFFICE

1956 JAN 20 FW L 47

20 January 1966

OCI No. 0767/66 Copy No. 102



INTELLIGENCE MEMORANDUM

INDIA'S NEW PRIME MINISTER

DIRECTORATE OF INTELLIGENCE

Office of Current Intelligence

DECLASSIFIED

Authority NIJ-032-024-1-75

By C. NARA, Date 3-25-04

SECRET

GROUP 1 Excluded from automatic downgrading and declassification

WARNING

This Document contains information affecting the National Defense of the United States, within the meaning of Title 18, Sections 793 and 794, of the U.S. Code, as amended. Its transmission or revelation of its contents to or receipt by an unauthorized person is prohibited by law. The reproduction of this form is prohibited.

OCI No. 0767/66

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 20 January 1966

INTELLIGENCE MEMORANDUM

India's New Prime Minister

1. The rise of Mrs. Indira Gandhi to the prime ministership of India probably will not lead to any major policy changes in the near future. Although India is troubled by complex foreign and domestic problems, the ruling Comgress Party leadership, looking ahead to general elections in early 1967, is now giving paramount importance to calm, harmonious continuity. Practical considerations, rather than ideology, will necessarily control most developments, despite the replacement of the pragmatic Lal Bahadur Shastri with the doctrinaire Mrs. Gandhi.

Mrs. Gandhi's Election

Indira Gandhi's selection for the government's top position was itself dictated by political expediency. She emerged as the front runner when the leadership "syndicate" that engineered Shastri's succession to Nehru was faced by an open bid for the job by their major political foe, rightist Morarji The syndicate was unable to agree quickly on a politically acceptable alternative. Defense Minister Chavan, favored by many, was apparently vetoed by Railways Minister S. K. Patil, boss of Bombay and a leading member of the syndicate. Interim Prime Minister Nanda, not highly regarded by any of the party kingmakers, might well have come out second best in an open contest with Desai. Apparently at the behest of powerful party president Kamaraj, the leadership finally threw its weight behind Mrs. Gandhi as the candidate least likely to divide the anti-Desai vote. She has the additional virtue, as Nehru's daughter, of bringing the Nehru image to the fore at election time.

Mrs. Gandhi and the New Government

- Mrs. Gandhi brings to the prime ministership years of practical political experience gained as her late father's closest confidante. She served as Congress Party president in the late 1950's -acting largely as her father's agent -- and since 1963 as minister of information and broadcasting. has absorbed Pandit Nehru's predilections toward London School Socialism -- an ideological bent that placed them both to the left of the Congress Party majority--but she cannot be ranked with the Krishna Menon left fringe. Although subscribing to many of the same socialist tenets as the extreme leftists, her association with them has often seemed to be a one-way street, with Krishna Menon and others seeking to exploit her national image by implying closer ties than actually existed. She is intelligent, well educated, and has traveled extensively abroad. Her touchy, overly protective attitude toward her father's position and welfare--particularly in his later years--antagonized some of his associates, but her lack of strong personal ambitions prevented political enmities from developing. Frequent excursions throughout India on behalf of her father and the party have made her, next to him, probably the best known figure in the country.
- Some cabinet changes may follow Mrs. Gandhi's formal installation later this month, but most of the incumbents probably will be retained. There will be considerable pressure to keep competent Agriculture Minister Subramaniam at his present post. His deep involvement in India's negotiations with the US and other potential food donors appears to make him an indispensible cabinet figure at a time when widespread famine is fast approaching. Defense Minister Chavan, who bowed in good grace to Indira's selection, will also probably stay on, although in a general cabinet shuffle he may well angle for the politically useful Home Ministry portfolio. Whether Mrs. Gandhi will retain in his present position the newly appointed Finance Minister Chaudhury, a corporate lawyer with strong business connections, remains to be seen. Mrs. Gandhi's own sympathy toward socialist solutions to India's economic problems could put her at odds with Chaudhury on economic issues.

Problems Facing the New Government

- 5. At the top of the new cabinet's agenda is the expanding food crisis. The worst drought of this century will cause an overall drop of 10-12 million tons in food grain production in the agricultrual year ending this June. The drop may be greater if next spring's harvest also fails. Minimal import requirements needed to ward off widespread starvation will probably reach 11 million tons, in contrast to the 7.5 million tons imported last year. A major effort to improve port handling capacity would make imports of that magnitude conceivable, but the danger of harbor bottlenecks remains a critical challenge.
- 6. Efficient food distribution will also require decisive and effective direction from New Delhi. There are indications that interstate problems are already arising. Kerala State has been unable to secure promised food deliveries from Madras and Andhra on schedule and is faced with dangerous shortages until its small February harvest reaches the market-place. Elsewhere, the projected rationing schemes in the larger cities are being disrupted by administrative inadequacies and the resistance of grain producers and distributors.
- 7. There are other serious economic problems, most of them aggravated by the food crisis. Foreign-exchange reserves are critically low, and resultant import restrictions are curbing industrial production in many areas. Some enterprises, already operating well below capacity, are cutting back further and laying off workers, fostering conditions favorable to labor unrest.
- 8. The food shortage, together with the economic impact of the recent war with Pakistan, has already forced the Indians to shelve the fourth Five-Year Plan, which was to have begun last April, and to concentrate instead on an emergency one-year development program. Projected outlays are considerably reduced in the 1966-1967 plan, with renewed emphasis on agriculture and defense. When longer term planning is resumed, Mrs. Gandhi, as chairman of the Planning Commission, and the Commission's socialist deputy chairman, Asoka Mehta, will strongly influence the result. The claims

of agriculture and defense upon India's slender developmental resources will probably also contribute greatly to the character of the new five-year program.

Foreign Policy

- 9. Economic problems will also play a role in the foreign policy deliberations of the new government. A strong awareness of India's dependence upon foreign aid to help carry the country through a year of economic chaos probably will discourage foreign policy ventures likely to antagonize Western capitals. At the same time, the Indians will continue to seek help from Moscow. The result may be a continuation of Shastri's inclination to avoid entanglement in major East-West issues.
- 10. Mrs. Gandhi will have a major voice in the formulation of India's foreign policy. She is by far the most cosmopolitan of the leading political figures, and except for the obvious foreign policy ramifications of the defense and agriculture portfolios, international affairs will be left largely in her hands. She is probably as well disposed toward the US as toward the USSR, admiring the example of Soviet progress under socialism, but vastly preferring the democratic institutions of the West to the totalitarian controls of the USSR. She can be expected to continue India's traditional non-alignment, although she may, like her father, permit herself occasional impetuous outbursts of criticism directed against the West.
- 11. Communist China remains a chronic source of concern to the Indians, whose worries were reinforced late last year by a series of clashes between Indian and Chinese patrols along the Tibetan border. The Indians regard the continued good will of both the US and the USSR as the best deterrent to Chinese expansionism. Soviet military hardware continues to flow into India, and although US military aid is presently cut off, many Indians believe the US can be counted upon to step in if a major engagement with the Chinese develops.
- 12. Some improvement in India's relations with Pakistan seems likely as a result of the general acceptance of the Tashkent declarations following Shastri's

death. Troop withdrawals to positions held prior to the beginning of the Pakistani infiltrations last August will probably be carried out next month as agreed in Tashkent. An effort probably will be made to carry out the other provisions of the accord, although suspicions that the Pakistanis are planning to resume infiltrations momentarily will lead to guardedness on the part of Indian negotiators. The Indians remain unwilling to consider significant territorial concessions to the Pakistanis in Kashmir. Preoccupied with domestic problems, and not eager for new initiatives on Indo-Pakistani issues, the Indians will probably limit themselves to watching warily for Rawalpindi's next move.



DEPARTMENT OF STATE

WASHINGTON

RECEIVED

1966 JAN 18 PM 1 16

January 18, 1966

HEMORANDOM FOR HR. MCGEORGE BUNDY THE WALTE HOUSE

Subject: Message of Congratulations to India's New Prime Minister

Enclosed is a proposed telegran conveying a message of congratulations from President Johnson to Mrs. Indira Gandhi, who we anticipate will be chosen on January 19 as the new Prime Minister of India. The telegram also suggests appropriate changes in the massage to be used in the event some other candidate is selected.

> Benjamin H. Read Executive Secretary

Enclosure:

Suggested message to Indiate new Frime Minister,

P. Mele

960

LINTERD OFFICIAL MAR

Describerty wid Philips

DESCRIPTION

POR APPLARAGED

Doliver fellowing messens sommet to now Frien Minister from
Previdual Johnson:

QUITT door Muden Frim Winister:

On behalf of the prople of the Weited States I as west keppy to sexual to you our were and hearty congratulations on your appointment as Frien Madeine, and to wish you every concess as you seems the lastership of the world's largest deservary. The condist mulations between our two constrains are firmly provided in our common dedication to the principles of human dignity, human welfare, descentic institutions, and posts.

Duter your instarchip I look forward to a breakeding and desponing of this constantly of intervente, and plotge our friendship, understanding, and cooperation to this one.

For knew how much I had; been looking forward to decing Frine Minister Shastri, under whose landworking your government has make such great efforts to bring a better life to your fallow citimen. I sincerely hapo that as soon so the burdens of your new effices paralle, you will be shie to visit us in Machington to discuss some of the namentous Leaves which our two

countries

ECA: 504: 050000: 828 1/15/66

NEA - Mr. Here

S/CFL - Mr. Armour (sube)

With/Sth - Hies Letes 2/8

HEA - Mr. Brown white Bound

Limited Cytclal Die

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

MINIS MELLICE

DESCRIATE

LIMITED OFFICIAL USE

countries face. Hrs. Johnson and I remader with pleasure our earlier meetings with you, and look forward to scaing you again.

Typour S. Johnson Univers.

If Mrs. Gamelia not upt not choose as Prime Minister, change solutation to QUOKE Dear Minter Frime Minister MENDOTE and out: final memberso of text beginning QUOKE Mrs. Johnson and I UNQUOKE.

White Mouse fear not plan release of message but has no objection if GOE desirusts do so.

Superpit.

find

Corrections many accompanies and other thinsy work copies before delivery to Telecommunications Operations Division

Bundy note to Komer:

97

Leonard has had no response to his memo--the President's reaction to it being to seek the opinions you reported here. Will you pass some word to Leonard?

Leonard 25 Jon. He's Leonard 25 Jon. He's happy Had tacked

January 20, 1966 Thursday/2:30 pm

MEMORANDUM FOR THE PRESIDENT

A National Library for India as a memorial to Shastri. Neither State/AID nor the rest of us can drum up much enthusiasm for this idea. Only Bowles was all for it when I checked with him.

Even he, however, noted that (1) we haven't yet contributed to a Nehru memorial because the project (a Nehru university) was only recently selected; (2) a real national library would need dollars as well as rupees for a good collection of books. State also worries that Russian and Chinese books would have to be included; and notes that there already is an Indian national library of sorts. Nor would a gesture of this sort be much more than a one-day wonder in India, which is much more interested in food these days.

Using our surplus rupees for the binational foundation which Doug Cater is looking into would seem more sensible, and would certainly better serve our own long-term interest in educating Indians. We could call it a "Nehru/Shastri memorial" if we chose, and use it to endow libraries and English-language teaching.

If you're strong for the Shastri Library idea, however, we could easily make a gift of a few million rupees as a contribution.

R. W. Komer

DECLASSIFIED

Authority State It. 5/15/78; NS 11/11/78
By Chap NARA, Date 325-09

SECRET

LBJ Dam nit strong fait. Forget it weller Stack Dyon

January 17, 1966

RWK:

Last spring State (AID and BOB concurring) told Bowles we'd give 1 million rupees from US-use funds to the Nehru memorial once Bowles found out precisely what the project would be. There was some idea of an educational institute, but never clearly defined. State is still waiting to hear from Bowles and feels the ball is clearly in his court.

One factor in spurring us was the Indian gift of \$100,000 in dollars to the JFK memorial. But everyone here felt our million-rupee proposal was generous enough.

HHS

SANITIZED E.O. 12958, Sec. 3.5 NLJ /RAC 00-421 By COM , NARA Date 7.9-01

DO YEXADL ... DE YEXADS 61 0151740 ZNY SSSSS 0 1517402

BANDLE DIE COMINT SUNIROR SYSTEM ONLY

FE THE WHITE HOUSE WASHDO TO AMEND NEW DELHI

E0 12958 [0]

BRET HANDLE

3.4(b)(1)>25Yrs FOR ANBASSADOR BOYLES FROM KOHER.

JAHUARY 15, 1966

HAS BEEN SUGGESTED TO PRESIDENT THAT WE GIVE GO! A NATIONAL LIBRARY TO BE BUILT IN DELHI PRIMARILY WITH PL 430 RUPEES. THIS OFFER WOULD BE NADE PROMPTLY AS A MEMORIAL TO SHASTRI. STRIKES HE AS SENSIBLE AND AS HARBINGER OF NEW POLICY STARTING TO UNFREEZE SURPLUS RUPEES. WHAT SAY? REPLY VIA THIS CHANNEL.

ENDLE EL COMINT

SECRET

SECRET

January 15, 1966

TO NEW DELHI

FOR AMBASSADOR FROM KOMER

Has been suggested to President that we give GOI a national library to be built in Delhi primarily with PL 480 rupees. This offer would be made promptly as a memorial to Shastri. Strikes me as sensible and as harbinger of new policy starting to unfreeze surplus rupees.

What say? Reply via this channel.

SECRET

SANITIZED E.O. 13526, Sec. 3.5 NLJ / RAC 12-3(e-7) NARA, Date 09-03-2013

1/15/66

To: RWK

What are our views?

McG B





January 13, 1966

MEMORANDUM FOR: The President

Reference: My Memorandum of December 16, 1965

In a previous memorandum, I recommended that we give to the Government of India a national library to be built in New Delhi primarily from the accumulated fund of rupees arising from PL-480 transactions.

With the death of Prime Minister Shastri, I would like to urge that this offer be made as soon as possible as a memorial to the late Prime Minister. This offer, consistent with your State of the Union stress on international education, would receive considerable approval in India at this time.

Phy Contact an

Leonard H. Marks

June me your Vacor



SENT 8800PM EST TUESDAY, January 18,1900

SENT

01

00

1545 JAN 19

WWE255

DE RUSBAE DE RUSBAE

DE RUEPWW 070 0190021 ZNY CCCCC

0 190021Z

M THE WHITE HOUSE WASHDC

TO AMEMB NEW DELHI

ЗT

CONFIDENTIAL CITE CAP66028.

LIMITED OFFICIAL USE

FROM: THE WHITE HOUSE SITUATION ROOM

TO : AMBASSADOR BOWLES, NEW DELHI

AMEMBASSY NEW DELHI IMMEDIATE

FOR AMBASSADOR.

DELIVER FOLLOWING MESSAGE SOONEST TO NEW PRIME MINISTER FROM

PRESTDENT JOHNSON:

MRS. GANDHI:

QUOTE: DEAR MADAM PRIME MINISTER:

JANUARY 18. 1966.

DECLASSIFIED

E.O. 13292, Sec. 3.4

NSC Memo, 1/30/95, State Guidelines

By L. L. NARA, Date 3:35 200

PAGE 2 RUEPWW 070 C O N F I D E N T I A L

LET ME OFFER MY WARM CONGRATULATIONS ON YOUR APPOINTMENT AND
WISH YOU EVERY SUCCESS AS YOU ASSUME LEADERSHIP OF THE WORLD'S
LARGEST DEMOCRACY. THE RELATIONS BETWEEN OUR TWO COUNTRIES ARE
FIRMLY GROUNDED IN OUR COMMON DEDICATION TO THE PRINCIPLES OF
HUMAN DIGNITY, HUMAN WELFARE, DEMOCRATIC INSTITUTIONS, AND PEACE.
UNDER YOUR LEADERSHIP I LOOK FORWARD TO BROADENING AND DEEPENING
OF THIS COMMUNITY OF INTERESTS, AND PLEDGE OUR FRIENDSHIP AND
COOPERATION TO THIS END.

YOU KNOW HOW MUCH I HAD BEEN LOOKING FORWARD TO SEEING PRIME MINISTER SHASTRI, UNDER WHOM YOUR GOVERNMENT HAS MADE SUCH GREAT EFFORTS TO BRING A BETTER LIFE TO INDIA'S MILLIONS. I WILL BE DELIGHTED IF YOU CAN COME ON 1 FEBRUARY. I ALSO RECOGNIZE THAT YOUR NEW BURDENS OF OFFICE MAY MAKE THIS DIFFICULT, AND IF YOU ARE UNABLE TO COME THEN, I HOPE THAT WE CAN RESCHEDULE YOUR VISIT FOR AN EARLY DATE, SO THAT WE CAN DISCUSS THE MANY MOMENTOUS PROBLEMS WE BOTH FACE. MRS. JOHNSON AND I REMEMBER WITH MUCH PLEASURE OUR EARLIER MEETINGS WITH YOU, AND LOOK FORWARD TO SEEING YOU AGAIN SOON.

IF MRS. GANDHI NOT RPT NOT CHOSEN AS PRIME MINISTER, CHANGE SALUTATION TO QUOTE DEAR MISTER PRIME MINISTER UNQUOTE AND OMIT

PAGE 3 RUEPWW 070 C O N F I D E N T I A L FINAL SENTENCE OF TEXT BEGINNING QUOTE MRS. JOHNSON AND I UNQUOTE.

WHITE HOUSE DOES NOT PLAN RELEASE OF MESSAGE BUT HAS NO OBJECTION IF GOI DESIRES TO DO SO.

EXEMPT.

BT

CONFIDENTIAL LIMITED OFFICIAL USE

NNNN

Here is the price of paper I promise you. It attempts to be fair and illiminating in a sympathetic way, but it is no whitewash and their instead to hit all the probably controversial prints.

JAN 19 1966 Card, 1/19

TO:

The Secretary

THROUGH: 8/S

FROM:

NEA - Raymond A. Hare

SUBJECT:

Indira Gandhi

INFORMATION MEMORANDUM

The attached memorandum has been prepared for your information on the contingency that Indira Gandhi, the odds-on front-runner, is elected Prime Minister of India in a meeting of Congress Party legislators now scheduled for 11:00 a.m. Delhi time on January 19 (0030 a.m., Washington time, January 19).

Attachment:

Memorandum

DECLASSIFIED

E.O. 13292, Sec. 3.4

State Dept. Guidelines

By C., NARA, Date 3.2500

NEA: SOA: HGHagerty: bld 1/18/66

CONFIDENTIAL

Downgraded at 12 year intervals; not intomatically declassified

CONFIDENTIAL

MEMORANDUM FOR THE RECORD

January 17, 1966

S. Mulgaokar, editor of The Hindustan Times, came in to discuss matters Indian on the afternoon of 13 January. We naturally began by sharing laments over Shastri's death. When Mulgaokar had finished elaborating on the negative aspects of India's persistent bad luck, I said I did not see recent events so much as bad luck as rather part of a tempering process. We had seen a succession of difficult events recently. I felt that even the recent Pak Indian war had had its positive results. For instance, the Paks had been forced to choose between the US and China and had come to realize that they could not settle the Kashmir issue by force. On the Indian side in the more distant past the Chicom attack had had somewhat the same effect in making clear to India where its longer range interests lay.

We turned to the succession problem. Mulgaokar expressed the view that Moraji Desai will be a formidable contender. He said he would be badly worried by Morarji's rigidity on Pakistan issues, though he admitted in many other ways Morarji might be the best choice. Mulgaokar said he couldn't trust Chavan because one never knows where Chavan stands. When I asked about Kamaraj, Mulgaokar said that he would undoubtedly try to knock Morarji, that he would be a good team manager, but that his credentials as Prime Minister are questionable.

I said I hoped for an outward looking Prime Minister, and Mulgaokar said he just did not see such a man. I said I was afraid Chavan had showed himself unaware of larger issues, and during the recent war, had shown himself quite emotional on some issues. We agreed in summary that Shastri's death is unquestionably a tremendous setback but that our job and the Indians' now is to surmount this obstacle.

I then went on to philosophize that India and China are the last two isolationist powers left in the world. I said India is much like the United States in the Nineteenth Century, though our oceans were wider and we did not have our Pakistan. When people asked me why India does not understand the wider implications of our war in Vietnam, I tell them that this is no different from our failure to understand in the Nineteenth Century that our security depended on the British fleet. Mulgaokar pointed out that today's faster communications make a big difference, but I said I thought that India's inward focus still explains a lot of things. It certainly explains why Nehru ignored the Chinese

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ (NAC 13 - 01 NARA, Date 13 - 4-13

CONFIDENTIAL

threat as long as he did. We both saw signs that India has begun to take a little more interest in the nations around it--Burma, Nepal, Thailand.

I said it bothers me to see Indians blame us all the time for our pro-Pak attitude. In historical perspective I thought it would turn out to appear that the US had done India a great service in buying off Pakistan while India got its feet on the ground. I admitted that was not our initial motive but the fact is that we have made Pakistan a lot less dangerous to India. Turing to the present, I said I felt that it was essential if the US and India are to have a real meeting of minds, for the Indians to recognize that it is their responsibility as well as ours to keep Pakistan from going off the deep end.

I asked Mulgaokar how he felt about the food crisis. He said the big problem is that only 1/5 of Indian food production moves into the market so all of the shortfall must come out of that 1/5. I asked whether it would be possible for the Federal Government to impose greater control over the States, but he said nobody is moving in that direction.

Mulgaokar felt the real crunch would come in March when we will not only know the true agricultural picture but also when the pipeline of industrial orders will begin to run dry and unemployment will begin to set in.

When he raised the question of how much longer US aid would be frozen especially if no visit is possible until June, I gave him a candid picture of where we thought we stood until Shastri died. I said we felt that Shastri would come with his mind made up on economic policies and on the Fourth Plan. I felt that we had enough confidence in his plans to have gotten back on the track rather quickly. I pointed out the necessity of having a new bargain between us. PL-480--as much from our errors as from India--had become a crunch rather than a support for strong Indian agricultural policy. This was just an example of how both of us had to change our approach as the Fourth Plan got under way.

Mulgaokar said he couldn't see a visit before June. The new Prime Minister would not be chosen much before February. Then the budget session of Parliament would demand his attention. After that, we would have to renew the invitation, discuss dates, etc. I said, speaking very personally, that if this were the case, we would have to think what the Indians and the US can do in the interim to prevent too much fall-off

of momentum. We certainly can't just underwrite Indian deficits in the interim; we must have some interim indication that India is moving in the direction both we and the Indian experts feel is right. What we are looking for is the kind of initiative that Subramaniam took when he was here—an Indian idea of where India should go that we can ride along with. Mulgaokar said he felt that it would be difficult to produce this kind of initiative because the Indians have a new Finance Minister and he doesn't see who else might produce this sort of program. I said it seemed to me that there were plenty of good ideas already around that could be picked up, and he agreed. When he asked what sort of indications I had in mind, I said it was far too complex a matter for me to spell out, but our ideas played in the direction of liberalizing the economy and getting it moving again. I said another key indicator would be the rapid building of fertilizer capacity.

Mention of fertilizer derailed us in a discussion of the mistakes on both sides in trying to establish private American investors in Indian projects.

I turned to the broader political problem. I said that despite the current hiatus I am confident that the US and India would be able to put together a mutual understanding of the economic front. I said I was less optimistic, however, of the possibility of a political meeting of minds. I just didn't see indications that India had begun to understand the larger implications of what we are doing in southeast Asia. Basically we are buying time so India and Japan can take responsibility for this part of the world, and we are looking for indications that the Indians understand this. So far we see few. Mulgaokar said that he understood what I was talking about and admitted that developments in this area were taking longer than they should. However, he did see some little progress.

I explained to him our political problem in pursuing the Vietnamese war. I said I saw a psychology developing here in Washington that is much the same as existed during the Korean war. Such an effort naturally narrowed the focus here in Washington so that gestures of support on Vietnam turn out to be important far beyond their practical contribution to the Vietnamese war.

CONFIDENTIAL

I said I saw one difference with Ambassador Bowles. He still sees the possibility of rapproachment between the Soviet Union and Communist China. I said I thought the split was getting deeper. I said I felt that the Indian Government often leans too far in feeling that the Soviets will pull back and restore normal relations with China. I said that past experience in the UAR, Iraq, and Indonesia suggested that the Soviets are very much prisoners of their past policy. They won't cut off their aid to India so the Indians can afford to be bolder than they have been. I said I felt that both Bowles and the Government of India often underestimate the freedom of India to act independently.

In parting I expressed the hope to be in India soon and said I would like to see Mr. Mulgaokar if I come. He said he would welcome the opportunity for a further exchange of views.

R. W. Komer

lea

Dear Mr. President,

Ihave been directedby His Excellency the President of India to convey to you the following

message: -

Begins

"On behalf of the Government and people of India and myself personally, I send you, Mr. President, our very warm thanks for your kind message of deep sympathy on the passing away of our much loved and respected Prime Minister, Lal Bahadur Shastri. Your high tribute to the ideals for which he worked unceasingly and so tragically died, is a source of great comfort and strength to us in this hour of our national grief. I know that he too was eagerly looking forward to his visit to the United States, next month, because of the many common ideals which bind our two countries together in abiding friendship and it is most unfortunate that he should not have been able to fulfil his wish. May I also thank you, Mr. President, for the assurances of your steadfast support in our sorrow and say how greatly we appreciate having had with us on this solemn occasion your esteemed Vice-President Mr. \Humphrey, Secretary of State Mr. Dean Rusk, and also Senator Sherman Cooper and Professor Galbraith.

sd/- s. RADHAKRISHNAN. "

Ends.

With my high regard and esteem,

Yours sincerely,

(P.K. BANERJEE)

Charge d'Affaires

The White House WASHINGTON D.C.



ASSISTANT SECRETARY OF DEFENSE WASHINGTON, D. C. 20301

15 January 1966

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Minister Kaul of the Indian Embassy, Friday, 14 January

Minister Kaul called on me at his request "to discuss informally a range of subjects." He began by reviewing the now-shattered hope that the Johnson-Shastri visit would bring to decision a number of both economic and military matters that have been in suspension since last summer. Exchanges and preparations at lower levels have produced, he said, a substantial meeting of minds on economic issues and the Indians are fully prepared to meet the proposed US conditions to a resumption of economic aid--i.e., essentially a more vigorous effort in agriculture aimed at achieving self-sufficiency in food production, and a serious program of birth control. He said that, although the ground has been less well prepared on matters of military assistance, the Indian Government had also hoped to bring this matter to a "favorable conclusion" at the time of the Johnson-Shastri visit.

He expressed the deep personal concern of his Government at the prospect that these urgent matters would now hang in continued suspension for some months unless new initiatives were taken. In response to my question, he gave the personal opinion that any new Indian Prime Minister would be unable to visit Washington before May or June, saying that not only would the new man be faced with establishing himself in Delhi, and putting the budget through parliament, but also with the delicate problem of traveling to a foreign country for serious negotiations before he was firmly in the saddle.

His primary question to me was "How can we resume military assistance to India? What pre-conditions need to be met, and what are the chief considerations on the US side?"

Emphasizing that I was speaking personally, I said that the USG had to be assured that Indo-Pak relations were reasonably stabilized and that there was no serious risk of renewed military hostilities. I remarked that earnest follow-through on the troop withdrawal agreement reached at Tashkent and evidence that India has accepted the idea of a

CONFIDENTIAL

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ /2-6

By UCO NLJ I

NARA, Dateo3-03-2014

genuine political process to discuss a range of outstanding Indo-Pak differences would be important measures of assurance to the USG. I said that beyond this we face the problem of being sure that US resumption of military aid to India is not taken in circumstances that would destroy US influence in Pakistan and drive the Pak Government into a radical solution of its problems. In this regard, I reminded him that Pakistan, being a sovereign country, was certain to retain a respectable military force; and even though the maintenance and modernization of such a force would be extremely expensive, we assume a Pak willingness to make considerable sacrifices for what the Pak Government regards as the foundation of its security. I said the USG tends toward the view that our chances of influencing the size, composition and purposes of a Pakistan military force will be greater if we continue to be in some measure a source of supply. We believe it is in our interest to exert a constructive and stabilizing influence in this respect, (a) to buttress the moderates and their pursuit of a rational foreign policy, (b) to hold Chinese influence in Pakistan to a minimum, and (c) to avoid a magnitude of Pak military expenditure that would adversely affect the country's economic development. I opined that there were perhaps two possibilities here: (1) the US could provide economic assistance on the condition that the Paks would limit foreign exchange expenditures to a certain level for purchases of military equipment from non-US sources; or (2) the US could be a direct military supplier on a carefully selected basis.

Mr. Kaul asked whether we would provide the Paks such things as tanks. I made a noncommittal answer, but said that in general we favored a defensively equipped and oriented force. I asked Mr. Kaul what the Indian reaction would be to a US course of action along the lines of the above alternatives. He replied that he understood Pakistan's needs for legitimate self-defense forces, but that Indian public opinion, believing Pakistan had committed aggression against India and had killed numerous Indians with American equipment, would have difficulty in accepting a resumption of US military supply to Pakistan. He said, however, that the Indian Government's ability to accept this would depend importantly on the way in which the matter was presented and the nature and quantity of US equipment. It appeared that sales would be less offensive than grant aid. I came away with the impression that indirect support for Pak military purchases through economic aid could be, in certain circumstances, a quite acceptable formulation.

I asked him what he would think of a US guarantee of Pakistan's territorial integrity, either in lieu of US military aid or as a supplement to economic or military aid designed to influence the size and composition of the Pak force. Somewhat to my surprise, he said that such a guarantee would be favorably received in India, provided only it did not extend to Kashmir. He said that the Indian Government and people have no territorial designs on Pakistan and would generally favor an explicit understanding about boundaries.

He said that, given the present and prospective Chinese threat to the subcontinent, his government attaches both military and psychological importance to an on-going US-Indian military aid relationship. He said "this is the psychological moment to decide where we go from here," inasmuch as the new Indian Government will soon be facing choices, some of which have been deferred since last summer. At the present moment, he said, India is quite uncertain with respect to the US position on military aid and quite unclear as to what additional pre-conditions, if any, we expect India to meet. I said I thought that troop withdrawal, the beginning of a genuine political dialogue, and a general politico-military detente were the basic requirements.

He spoke specifically of the "urgent" need to complete the air defense radar-troposcatter system. He did not mention combat aircraft or other types of equipment.

The meeting closed with both of us emphasizing the informal nature of our exchanges.

Townsend Hoopes
Deputy

cc: Mr. McNaughton

Mr. Yarmolinsky

NESA Region

Adm. Heinz

Mr. Kuss

Mr. Komer

Mr. Hare

Miss Laise

Mr. Macomber

A Memorandum on the Kashmir Problem

A situation has now arisen in which it should be possible to find a solution of the Kashmir problem. This situation has arisen because of the shift that has taken place in the position of Soviet Russia in the Kashmir question. Until recently the U.S.S.R. position, like the position of India, was that there was no Kashmir problem and that it was finally and irrevocably settled long ago, and the Soviet Union vetoed any attempt to raise it in the U.N. Security Council. Today the U.S.S.R. is deeply concerned about the expansionism of Communist China and is anxious to prevent Communist China from subverting the Indian subcontinent any further. A year ago the Soviet thesis was that the United States did not want to see the end of the Kashmir problem; they believed that the unsolved problem of Kashmir was a very useful instrument for the purposes of U. S. diplomacy in South East Asia and the U. S. wanted to use this unsolved problem as a pawn in its diplomatic game. This is no longer the Soviet belief, according to the Yugoslav leaders. This is a significant change.

Soviet Russia says today that "something" has got to be done to get the Kashmir problem out of the way. The late President Kennedy offered mediation to India twice, before the invasion of India by the Chinese in October and November of 1962, and again in the summer of 1963. Each time the President was frustrated. The U.S.S.R. has however achieved a significant diplomatic triumph at Tashkent by acting as a mediator between India and Pakistan. Thus the U.S.S.R. has emerged in the new role of peacemaker in South East Asia. Everybody should wish the Soviet Prime Minister all success in his peacemaking. The progress made at Tashkent is good. But it is confined to the implementation of the U.N. Resolution on the India-Pakistan war of last September. It does not throw any light on the troublesome Kashmir problem.

What is the "something" that Soviet Russia wants done in the Kashmir matter? The Yugoslav leaders also say the same thing; namely, that "something" has got to be done about Kashmir in order to prevent any further expansion of Chinese influence in the Indian subcontinent. The Chinese Communists are already there in East Pakistan and also in that part of Kashmir which is in the occupation of Pakistan, in the capacity of military instructors to train Vietcong-type of armed guerillas who infiltrated into the Kashmir Valley in thousands last August and September. It is dangerous to allow Chinese influence to go any farther. But the Yugoslav leaders too have not defined what is the "something" that should be done in the Kashmir matter. Recently, President Tito and President Radhak rishnan made a joint statement on the occasion of the latter's visit to Belgrade that "Kashmir is an internal affair of India". When asked to explain what was meant by this expression the Yugoslav leaders pointed out that their position was not that there was no Kashmir problem, which is yet to be settled, but that this settlement was primarily a matter between the Kashmiris and the Indians. It is nobody's case, not even Pakistan's, that Kashmir should necessarily belong to Pakistan because it is predominantly Muslim. The case is that India has denied Kashmir what is known as the right of self-determination. The Yugoslav position is that if India gave the world a reasonable demonstration that India did not keep Kashmir merely by the force of arms but on the basis of consent of the Kashmiris, as a result of a settlement between the acknowledged leaders of Kashmir i.e. Sheikh Abdullah and his

DECLASSIFIED E.O. 13526, Sec. 3.5

NLJ /12AC 12-2

Y LUD NARA, Date 02-27-1

Stark Proposal

associates and the leaders of India, then Pakistan should have no further grievance on this issue and the Pakistan part of the Kashmir problem would become much easier to solve.

Now what is the reasonable demonstration that India could make to satisfy world opinion that India has shown decent respect for the wishes of the Kashmiris about their future? Conceivably it could be a settlement as between the leaders of the Kashmiri Muslims and the Government of India that, in the internal administration of Kashmir, the territory will be as good as independent; Kashmir is not to be reduced to the status of a Province of India, but will maintain a constitutional link with India. (Kashmir's special status can be defined in the Indian Constitution). And India will be responsible only for the defense of Kashmir and its foreign affairs and communication; If a settlement on this basis is made as between Sheikh Abdullah and his Kashmiri colleagues on the one side and the Indian leaders on the other, and if this settlement is ratified in the coming General Election in January 1967 then that could be accepted by all honest men of peace and good will as a reasonable demonstration. Self-determination need not necessarily be a Plebiscite so-called. There are many different ways of respecting the wishes of a people. This is feasible and will be satisfactory to the U.S.S.R., to the non-aligned countries and it should be satisfactory to the United States also.

Will Pakistan be satisfied? At present Pakistan is in physical possession of about one-third of Kashmir and India about two-thirds. If the Kashmir matter is settled, as between the Kashmiris and the Indians, then there is no legal or any other basis on which Pakistan can claim a part of Kashmir. It is highly unlikely that Pakistan will give up onethird of the State which is in its possession. It is also unlikely that India will use military force to recover that territory. The present division of Kashmir, between Pakistan and India, i.e., the cease-fire line is arbitrary. It makes no sense from the point-of-view of military defense or political administration. The logical division would be as between the Punjabi Muslims and the Kashmiri Muslims of the State who are two very distinct racial, cultural, linguistic entities. The Punjabi Muslims are a racially assertive group and at heart do not wish to remain with India. The Kashmiri Muslims are a racially weak and vulnerable group, apprehensive about being absorbed by the Punjabi Muslims and losing their own distinct identity. They have a better chance of survival as an entity in a secular state and in a democracy like India than in a theocratic and authoritarian state like Pakistan. If a division takes place on this basis and the territory of the Punjabi Muslims (i.e., Poonch, Rajouria in the mountains) goes to Pakistan, and the territority of the Kashmiri Muslims i.e. the valley, remains with India, it will mean that Pakistan will not only keep the one-third of the State which she has already got but will get an additional large area inhabited by the Punjabi Muslims. As a quid pro quo Pakistan may be asked to fall back some miles up in the Kargil area where the present cease-fire line is too close to India's lifeline to Ladakh where India is confronted with the military power of the Chinese Communists. This will amount to some give-and-take. It means substantial concession in favor of Pakistan even if there is no case for it after the question is settled between the Kashmiris and the Indians. It will also provide a viable finalized international frontier which may be guaranteed by the United States, the U.S.S.R. and the rest of the United Nations.

The British Government will probably say that this is not satisfactory to them because it is not likely to satisfy Pakistan but that is neither here nor there. Back in 1946 and 1947 when Britain negotiated with India the withdrawal of her power from India Gandhi said to the British Government that the only peaceful way of transferring power would be for the British Government to hand over full power to the Indian majority (who are the rulers of India today) and to leave it to the majority to devise ways of satisfying the minority (who are the rulers of Pakistan today) and securing their cooperation in running a government. The British view was that they had a conscientious objection to handing over a minority to a majority and that they were going to satisfy themselves before they left India that the minority (who are now Pakistan) got what they considered their fair share of power. The British thus went against Gandhi's advice and the result was the partition of India. This partition was the original sin from which India and Pakistan are suffering today and will suffer for decades, perhaps centuries. The United States today appears to be making the same mistake as the British made in 1947 in their anxiety to satisfy a minority. In any event no government in India can survive if it creates a situation in which the Chinese Communists will find their way to the Kashmir Valley in the same way as they have already found their way to East Pakistan and Pakistan-occupied part of Kashmir in the capacity of helpers and military instructors. And there is no point in giving American arms to Pakistan to be used for the purposes of Communist China against India.

The late President Kennedy said to the Indian Ambassador in Washington in 1963, "I can understand Mr. Nehru's difficulty. Up there in the barren mountains of Ladakh he is confronted with the power of Communist China. To deal with that situation he wants to the United States to raise India's military power substantially. We are virtually saying that the United States will not do it until there is a Kashmir settlement. And, if a Kashmir settlement means that Mr. Nehru has to hand over the Kashmir Valley to Pakistan, then I would, as a politician, if I were in his shoes, give up those barren mountains and keep the lush valley. I would not give up the valley for the sake of those barren mountains." The President was very eager to find a solution of the Kashmir problem, but it was far from his intention that a Kashmir settlement should mean the loss of the Kashmir Valley on the part of India. Today Soviet Russia wants exactly what President Kennedy wanted, namely, a Kashmir settlement without the loss of the Kashmir Valley on the part of India.

This is the United States' opportunity to show constructive leadership. What has been said in the preceding paragraphs cannot be the beginning but can be the culmination of a long process of discussion. The whole process may take twelve months but a beginning can be made today. If the discussion is to end in success, it has to be conducted in somplete secrecy, not in the glare of world publicity. This sort of effort should be made with the imprimateur of the United Nations but an open discussion in the Security Council would be useless because in the Security Council every party to the dispute plays up to the gallery back home. The Russians alone can not do it although they would like to have the credit of having done it alone. The United States alone cannot do it either. Only a joint U.S. - Soviet mediation, conducted in complete secrecy and in the name of the United Nations, is likely to succeed. Ambassador Bunker's mediation in the Dutch-Indonesian conflict over West Irian is a case in point. In the same sort of mediation by an

American like Mr. Bunker together with a Russian, someone like Mr. Fedorenko, Soviet Representative at the U.N., can perhaps jointly gather together an Indian official and a Pakistanan official and live together perhaps for some weeks and months, allowing the Indian and the Pakistani to go back to their governments from time to time for instructions until they tumble on a mutually acceptable settlement. If as a result of private consultation there is an understanding between the U.S. and the U.S.S.R. the U.N. Secretary General could then make the formal appointment of the two mediators. But it is no use making such an effort for peace unless the U.S. President is mentally prepared to go along with the kind of settlement that has been envisaged. And it would be advisable to leave Britain out of it, because there is lack of confidence between Britain and India in this whole matter.

The ultimate objective of all who want peace in the Indian subcontinent should be a Confederation of Pakistan-Baluchistan-Tibet-Nepal-Bhutan-Sikkim-India; conceivably Burma and Ceylon may join some day; this would be the real answer to Chinese Communist aggression. Once this becomes the objective Kashmir assumes its legitimate place in the picture and not the grossly exaggerated importance it has now assumed due to inflamed feelings in the sub-continent.

ROL HAT 10th

January 13, 1966

RWK:

Sudhir Ghosh is in town (Cosmos Club-DU 7-7783) and called McGB for appointment.

McGB can't see him and told Alice to ask me to call back and say McGB is terribly sorry. McGB also suggested I see him.

I'd be glad to, but knowing that you have a feeler for Ghosh, do you want to phone Bundy's regrets? Or do you want me to phone the regrets and say you'll be glad to see him?

OK >

Miller of se you

HHS

1040



MEMBER OF PARLIAMENT (RAJYA SABHA)

Mr. McGeorge Bundy, The White House, Washington, D.C. (U.S.A.) 95, South Avenue, New Delhi, December 28, 1965

Dear Mr. Bundy,

I am most grateful to you for your kind letter of the 27th November. I have taken the liberty of showing your letter to Prime Minister Shastri who is getting ready to go to Taskhant to meet President Ayub Khan and is also greatly looking forward to his visit to Washington with effect from the 1st February.

At the suggestion of Prime Minister Shastri I am coming to Washington for a visit to my friends early in January. The Prime Minister greatly values my friendship with American leaders and feels that some talks with them at this juncture about our current problems would be useful to him. He would like me to return to New Delhi and make a report to him before he leaves for Washington on the 31st January.

I am leaving for Belgrade tonight. The Yugoslav Foreign Minister and some of his colleagues wish to talk with me. I reach London on the 2nd January and Washington on the 8th. Could you possibly find a little time to see me between the 9th and the 15th January? I am eager to talk with you. It seems to me that a situation has now arisen when something can perhaps be done to start a process which might lead to a settlement of the problem of India-Pakistan conflict over Kashmir and other matters.

My address in Washington is 6613 - 32nd Street, N.W. Washington, D.C. (Telephone No. 244-6735).

With warm regards,

Yours sincerely,

(Sudhir Ghosh)

man of our mon

November 27, 1965

Dear Mr. @hosh:

I am grateful for your letter of September 30th and am sorry to have taken so long to reply. I am sure you realize that the recent fighting between India and Pakistan caused much grief here--not only because war anywhere causes sorrow but because we here have a vision of the fruits that reconciliation could bring to the peoples of both countries.

Johnson

We are indeed giving serious thought to these matters. We are deeply awars of the need to insure peace so that all of us can concentrate on the issues that will determine the future of India. We only hope that India and Pakistan will understand, as you do, that they must lead the way.

Sincerely,

McGeorge Bundy

Mr. Sudhir Ghosh 95 South Avenue New Delhi Your

1040

MAJMBER OF PARLIAMENT
(RAJYA SABHA)

95 South Avenue New Delhi

25 September, 1965

Dear Mr. Bundy,

In the midst of the sorrow of the fratricidal war between India and Pakistan I have often thought of you and your deep interest in the problems of war and peace and the particular problem of Kashmir which has caused this recent disaster. On the strength of the kindness and generosity you showed me in the past I venture to send you a copy of a letter I have addressed to Vice-President Humphrey on these problems and the present unhappy state of India-America relations.

I hope you will give some thought to these matters.

With warm regards,

Yours sincerely,

Tudhir Ghosh)

Mr. McGeorge Bundy, The White House, Washington D.C (U.S.A)

See Me and illa 165

UNITED STATES SENATE Washington D.C.

April 11, 1964

Honourable J.W. Fulbright, Chairman Senate Foreign Relations Committee Senate Office Building Washington 25, D.C.

Dear Bill,

I feel confident that some place along the line you - as well as I have come to know and respect a young member of the Parliament of India whose name is Sudhir Ghosh.

As you probably know, Mr. Ghosh is presently in the United States after having spent some time in Russia. While in Russia, he believes he has worked out an agreement which he is presently discussing between the USSR and the USA which jointly expresses continuing concern over the problem that Kashmir presents to the two countries of Pakistan and India. The joint statement, Ghosh believes, would help tremendously in bringing about an agreement between Pakistan and India whereby that particular controversial piece of geography could be settled by either by plebiscite or by mutual relations between India and Pakistan.

It would be my hope that you would have a personal talk with Mr. Chosh while he is in the United States. I know that he has stopped in your office seeking an interview.

It would be my further hope that you would be willing to have Secretary Rusk come before our committee for one of our informal discussions at which time we could visit with him about his reaction to the proposed Moscow-Washington statement regarding the problems confronting Pakistan and India.

With best regards, I am

Cordially yours,

Karl E. Mundt U.S. Senator

p.s. Inclosed is a copy of the proposed joint statement.

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. The peoples of India and Pakistan nave for centuries been neighbours with strong cultural, racial The peoples of India and Pakistan have for and other friendly ties. It is unfortunate that relations between them should have become strained after Independence. It is regrettable that large scale migrations of minority communities should have It is regrettable that large In the larger interest of the peoples taken place. 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 create an atmosphere of peace and friendship and 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 these 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.

240 Nassau Street
Princeton, New Jersey
January 11, 1966

pted me to consider
ar successful experiment

Mr. Hayes Redmon The White House Washington, D. C.

Dear Mr. Redmon:

The news of Shastri's death has prompted me to consider again my admiration for India's so far successful experiment with democracy.

It occurs to me that the occasion of the selection of a new Indian Prime Minister might be an opportunity for the President to make a statement something like the following:

The triumph of political stability amid two recent transfers of the immense power of India's Prime Ministership will be recorded by historians to come. In a nation facing challenges of such vast and even desparate proportions, democracy as an ideology is impressive and stability within this ideology truly remarkable. It is a credit to the temperance of leadership and the innate wisdom of a political credo.

My experience last year taught me how proud many Indians are of their democracy and how they resent our failure to recognize and acknowledge their unique contribution to a political philosophy both countries share.

With best regards.

Cordially,

Albert H. Cantril, Jr.



IN REPLY REFER TO:

DEPARTMENT OF STATE

RECEIVE WASHINGTON MCGEORGE BUNDY'S OFFICE

1965 JAN 11 AM 8 46

January 11, 1966

MEMORANDUM FOR MR. McGEORGE BUNDA

Subject:

Suggested letters of condolence from President Johnson to the President of India and the new Prime Minister

I enclose for consideration suggested messages to President Radhakrishnan and Prime Minister Nanda. If the letters are approved, they will be sent telegraphically to American Embassy New Delhi for delivery.

Benjamin H. Read Executive Secretary

Enclosures:

Suggested letters.

DEPARTMENT OF STATE

Suggested Reply

Dear Mr. President:

The sudden and tragic death of Prime Minister Lal Bahadur Shastri is a profound shock to me and to my countrymen. Our hearts go out to you, to his family, and to all Indians at this time of sadness.

We had watched with admiration how Mr. Shastri had calmly and courageously shouldered the heavy burdens of the high office he inherited under similar tragic circumstances not long ago. His star was bright, and his mark will be indelible. His steadfast devotion to the highest humanitarian ideals and to the improvement of the lot of his fellow men was unequalled. This rare quality singled him out as a man very much in tune with the hopes and aspirations of men everywhere.

I am especially and deeply mindful that if Mr. Shastri had lived he would have been here with us next month, and we mourn his death as if he were one of our own. To you, Mr. President, and to all who were close to him we express our deepest sympathy and assurances of our steadfast support in this dark moment of grief.

Sincerely,

Dr. Sarvepalli Radhakrishnan,
President of India,
New Delhi.

DEPARTMENT OF STATE

Suggested Reply

Dear Mr. Prime Minister:

You and your countrymen have my profoundest sympathy in this hour of trial. Lal Bahadur Shastri had shown himself to be a worthy leader of a great country and the whole world mourns his loss.

He passed from our midst even as he was making important strides to bring peace to India. We who remain must redouble our efforts in order that his unceasing toil for the welfare of his people and of all humanity shall not have been in vain.

As you and your colleagues assume the burdens which were his, I hope that the knowledge that you can count on our friendship will comfort and sustain you in whatever lies ahead.

Sincerely,

His Excellency

Gulzarilal Nanda,

Prime Minister of India,
New Delhi.

OUTGOING TELEGRAM Department of State

INDICATE: COLLECT

44

Origin ACTION: NEA

LIMITED OFFICIAL USE

The state of the s

Amembassy NEW DELHI /248 IMMEDIATE

JAN II 3 05 PM "66

SS G P

Info

USIA NSC

CPR

Please deliver following message to Prime Minister from

President Johnson:

Quote:

Dear Mr. Prime Minister:

You and your countrymen have my profoundest sympathy in this hour of trial. Lal Bahadur Shastri had shown himself to be/worthy leader of a great country and the whole world mourns his loss.

He passed from our midst even as he was making important strides to bring peace to India. We who remain must redouble our efforts in order that his unceasing toil for the welfare of his people and of all humanity shall not have been in vain.

As you and your colleagues assume the burdens which were his. I hope that the knowledge that you can count on our friendship will comfort and sustain you in whatever lies ahead. Sincerely, Lyndon B. Johnson UNQUOTE

Department plans to release upon notification of delivery to Prime Minister Nanda unless post perceives objection.

LBI To ethinist 111/66

NEA/SOA: HGHagerty: fh: 1/10/66

Telegraphic transmission and classification approved by:

NEA - Amb. Hare

White House - Mr. Komer S/S - Mr. Humphreys

P - Mr. Freeman

LIMITED OFFICIAL USE

S/CPR - Mr. Carter REPRODUCTION FROM THIS COPY IS PROHIBITED UNLESS "UNCLASSIFIED" OUTGOING TELEGRAM Department of State LIMITED OFFICIAL USE 49

Amembassy NEW DELHI

IMMEDIATE 3 05 PM '68

SS G P USIA

CPR

NEA

Infor

Please deliver following message to President from

President Johnson:

NSC QUOTE:

ACTION:

Dear Mr. President:

The sudden and tragic death of Prime Minister Lal Bahadur Shastri is a profound shock to me and to my countrymen. Our hearts go out to you, to his family, and to all Indians at this time of sadness.

We had watched with admiration how Mr. Shastri had calmly and courageously shouldered the heavy burdens of the high office he inherited under similar tragic circumstances not long ago. His star was bright, and his mark will be indelible. His steadfast devotion to the highest humanitarian ideals and to the improvement of the lot of his fellow men was unequalled. This rare quality singled him out as a man very much in tune with the hopes and aspirations of men everywhere.

I am especially and deeply mindful that if Mr. Shastri had lived he would have been here with us next month, and we mourn his death as if we were one of our own. To you, Mr. President,

111166

Drafted by:

NEA/SOA: HGHagerty: fh: 1/10/65

Telegraphic transmission and classification approved by:

NEA - Amb. Hare

White House - Mr. Komer S/S - Mr. Humphreys 以探答XXXXYVRXXXXXXX

S/CPR - Mr. Carter P - Mr. Freeman

REPRODUCTION FROM THIS COPY IS LIMITED OFFICIAL USE PROHIBITED UNLESS "UNCLASSIFIED"

LIMITED OFFICIAL USE

Department plans to release upon notification of delivery Radhakrishnan to President/ Radhakrishnan unless post perceives objection.

END

THE PROPERTY OF THE PARTY OF TH

BALL

U.S. DEPARTMENT OF STATE

DIRECTOR OF INTELLIGENCE AND RESEARCH

Intelligence 19

January 10,

BOWDLER

BOWMAN CHASE

JESSUP

JOHNSON KEENY MOODY

The Secretary

s/s Through:

INR - Thomas L. Hughes From

Subject: Prime Minister Shastri's Death: The Problem of Succession

Indian Prime Minister Lal Bahadur Shastri died in Tashkent early January 11 (local time) of a heart attack.

Following the precedent established upon Nehru's death, the second-ranking cabinet member, Home Affairs Minister G. L. Nanda, , has already been sworn in as interim Prime Minister. This procedure, backed up by the Indian commitment to constitutional government is likely to ensure that the succession to Shastri will proceed peacefully and in an orderly manner.

The decision on the succession will nominally be made by the Congress Party membership in the Lok Sabha. In practise, however, the decision-making power will probably be entrusted -- as it was following Nehru's death -- to a small high-level group in the Congress Party executive: Kamaraj, Atulya Ghosh, S. K. Patil, Sanjiva Reddy and others, probably including Y. B. Chavan, the Defense Minister. President Radhakrishnan will have a considerable voice.

Unlike the situation following Nehru's death, when Shastri was clearly the front-runner, there is now no obvious choice for the succession. Shastri's death was totally unexpected and no one had been groomed to follow him. The three candidates that appear to have the best chance at present are:

Morarji Desai -- Former Finance Minister Desai was beaten out by Shastri for the Prime Ministership after Nehru died. He does not now hold any cabinet

DECLASSIFIED

E.O. 13526, Sec. 3.5 NLJ / RAC 12-2

NARA, Date 02-27-2013

GROUP 3 Powngraded at 12 year atorvals; not item big 1777 Cooleasified office; he is unpopular in many sections of the Party; and he is mearly 70 years old. Desai nevertheless has the reputation of being a first-rate administrator; a strong man, and an advocate of a firm policy on Kashmir. Desai has a loyal following and after losing out to Shastri demonstrated that he was loyal to his new leader -- at least in public. Having once been denied the top job, many Indians will feel that Desai is entitled to the position this time. As Prime Minister, Desai would probably be inclined towards the West and is oriented towards a free enterprise system. His hostility towards Pakistan would, however, be a complicating factor.

G. L. Nanda ----- Home Minister Nanda, the 67 year old generally colorless interim Prime Minister, lacks popularity and a political base. His chances
for keeping the Prime Ministership permanently would be best if there were a
deadlock among other contestants. Even if he were to be selected to keep the
office for awhile, he would probably be regarded only as a stopgap Prime Minister
until the next elections. Nanda has in the past been associated with the more
socialist-inclined members of the Congress leadership and would probably not
be an effective leader.

Y. B. Chavan -- Defense Minister Chavan may have gained some of the luster that accrued primarily to Shastri as a result of India's successful campaign against Pakistan last September. Chavan has a solid political base in Western India and is generally well thought of in the country. His health, however, has not been the best -- he has had heart and kidney ailments. Chavan has demonstrated a capacity for growth and has filled difficult assignments well; he has, however, tended to be cautious and it has taken him some while to assume full command of his present job. Politically he is pragmatic and is not

CONFIDENTIAL/NO FORTION DISCEM

identified with any ideology.

Other possible contenders -- No one other individual stands out as a likely possibility for the succession. Congress Party President Kamaraj wields great power but is handicapped by his lack of knowledge of English or Hindi and any international experience. Moreover, he is from South India. Others, such as S. K. Patil, the Minister of Railways, and West Bengal party leader Atulya Chosh, would probably aspire to the position but do not appear to have the requisite backing. A dark horse candidate could also always emerge, especially after a prolonged deadlock, but such a development is unpredictable at the moment.

Extraconstitutional possibilities -- We consider it unlikely that non-constitutional succession would take place. The Army has traditionally been apolitical, and President Radhakrishnan, who is well-regarded and capable, can be expected to ensure that constitutional provisions will be followed.

India

X Shorter Visit Shastre died Taskent (USSR) January 10, 1966



FBIS 105

MOSCOW TASS INTERNATIONAL SERVICE IN RUSSIAN 2158Z 10 JAN 66 L

(TEXT) TASHKENT--LAL BAHADUR SHASTRI, PRIME MINISTER OF INDIA,

HAS PASSED AWAY SUDDENLY IN TASHKENT FROM A HEART ATTACK.

10 JAN 2208Z JWG/HH



THE WHITE HOUSE WASHINGTON

: Bob Komer TO

FROM: Hayes Redmon

January 8, 1966

Given your recent note to Bill on the subject, is the attached letter drafted by A.I.D. a correct and sufficient answer for Dudden?

> Lure, though / How could add all we de then Zulbrights - ash CV in state. 2 Indicate me ligae to be doing more in future, if angress is willing, and auggest he with her Engressmen.

Ret'd m. Redmond & 10166

THE WHITE HOUSE

January 8, 1966

Dear Professor Dudden:

Your letter of December 17, 1965 on books and scholarships to India and other Asian nations raises a very worthwhile issue which is not easily resolved because of bilateral agreements and foreign exchange problems.

The United States does own large amounts of Indian rupees generated from the sale of Public Law 480 surplus food commodities. These rupees are not convertible into American dollars or other foreign exchange and can be spent only within India. We cannot, therefore, purchase American books, nor establish more scholarships for other foreign nationals because these things require dollar expenditures. American book publishers have been reluctant to permit large scale reproduction of their text books by Indian publishers. If this were not the case, it would be possible to do much more in the textbook field than is currently being done.

We are using U.S.-owned rupees for constructive programs within the guidelines established by the Congress and U.S. Treasury. Large sums of rupees have been loaned to the Indian Government and are being used in the development of scientific, agricultural, technical, and engineering educational institutions. This program includes equipment, training of faculties, and direct assistance in organization and curriculum development by American educators. All such projects must be approved by the Indian Government within its planned framework of development. The Indians determine the priority of all programs and indicate the extent to which each should be funded. This is all done through close study with and cooperation from the United States.

For the past two summers, the U.S.-sponsored program of summer institutes has explained to Indian institutions of higher education the

new methods of science teaching which were developed in the United States in the post-war period. Universities, arts colleges, engineering schools, agricultural colleges, and technical institutes have cooperated to improve the quality of their science faculties by intoducing the new methods. In 1963 and 1964 two hundred American scientists and educators taught and demonstrated the new techniques in 142 science institutes.

We realize that text books and scholarships abroad are an important element in the educational and developmental process. These are, however, only one part of the larger goal of trying to help a huge, poor, and complex nation develop its total resources as rapidly as possible.

The problem is a vast one. Despite a population of 500 million, which increases annually at the rate of 11 million, the Indians have made great progress. Universities have increased from only 26 in 1950 to 470 in 1965. Student enrollment in all schools and educational institutions has grown from 23 million in 1950 to well over 50 million in 1965.

While U.S. assistance to India in all forms is approximately one billion dollars a year, India is a large country with tremendous needs. We can help with only a few of India's problems, and we try to concentrate our support on those priority activities in which A.I.D. has special competence.

Sincerely yours,

Bill D. Moyers Press Secretary to the President

Professor Arthur P. Dudden Department of History Bryn Mawr College Bryn Mawr, Pennsylvania SUBJ: EDU & India

- jjb

DEPARTMENT OF HISTORY
BRYN MAWR COLLEGE

JAN BRYN MAWR, PA.
11 01 AM 66

EXECUTIVE SECRETARIAT

Mr. Bill D. Moyers The White House

Dear Mr. Moyers:

Washington, D. C.

BOM significe.

December 17, 1965

ACTION: NESA draft reply for Moyers sig 1/5 /w transmittal memo

for Chapin sig

INFO: Bell Log Gaud Log TCR

I hope I do not make a nuisance of myself when you are so busy, but I have felt encouraged by you to write whenever something occurs to me which conceivably might improve the welfare of this country in particular and safeguard mankind in general.

I have just heard from my friend Professor Thomas C. Cochran of the University of Pennsylvania, and currently the Pitt Professor of History at Cambridge University in England, who writes from India where he is lecturing just now under U.S.I.S. direction. Tom writes that at Bombay and Delhi there is no interest in the University of Pennsylvania's syllabus of American studies or in the certificate the University awards to foreigners upon successful passage of a proficiency with examination administered under U.S.I.S. auspices all over the world. "The trouble is that with no foreign exchange," writes Prof. Cochran, "no one hopes to get to the U.S. I am going to see Brooks, the cultural attaché from Delhi next Friday to see if I can stir up some interest. Library facilities at both U.S.I.S. and the University, which are within walking distance of each other, are good. In better days before the Pakistan trouble, most American paperbacks were bought. Now, all we can do is leave a list and hope that at some time limited exchange will be restored."

My question, therefore, is to ask cannot something be done? Food for India, peace over Kashmir between Pakistan and India, peace and good will toward the U.S.A. from Afghanistan, Pakistan, India, and Ceylon--all of these topics and places are vitally important for us. Conveniently for us each of these countries is English-speaking to some substantial degree. Food and aid do not by themselves alone win over uncommitted or distrustful minds. Nor would books do so unaided. But a condition of no new books about the U.S.A. means there is a vacuum of a dangerous sort. There must be some solution for practical people to arrange.

It is my understanding that the American government cwns a major share of India's money. Can we not buy American books with some of it? Can we not establish more scholarships for

Let advisint

BRYN MAWR COLLEGE BRYN MAWR, PA.

Mr. Bill D. Moyers - 2

Indians, Pakistani, Ceylonese, and Afghans to be charged against our enormous credits? How can we lose by trying something bolder in this general area—when clearly we have so much to gain?

My very best wishes to you, and my thanks for your previous courtesies and for your attention to this letter.

Sincerely yours,

Arthur P. Dudden

Arthur P. Dudden Professor of History and Acting Chairman

DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT WASHINGTON, D. C. 20523

OFFICE OF THE ADMINISTRATOR

5 1956

type of

MEMORANDUM FOR: Mr. Hayes Redmon

The White House

SUBJECT: Letter from Professor Arthur P. Dudden, Bryn

Mawr College, Bryn Mawr, Pa.

In accordance with your request of December 30, 1965, I am enclosing a suggested reply to Professor Dudden. I have forwarded the Professor's letter to U.S.I.A. and the Cultural Affairs Bureau of the State Department in order that they may send you directly their comments on Professor Dudden's suggestions about books and scholarships.

Frederic L. Chapin Executive Secretary

Enclosures:

1. Suggested reply

2. Professor Dudden's letter dated Dec. 17, 1965



भारतीय राजदूतावास वाशिगटन, डी॰ सी॰ EMBASSY OF INDIA WASHINGTON, D. C.

January 6, 1966

nt,

Dear Mr. President,

I have the honour to forward to you a message from my Prime Minister received telegraphically.

With my high regard and esteem,

Yours sincerely,

(P.K. BANERJEE) Charge D' Affaires

The President, The White House, WASHINGTON D.C.



shall my my

Tashkent, January 6, 1966.

Dear Mr. President,

I was happy to get your message which was conveyed to me by your Embassy in New Delhi just after Christmas. Minister Subramaniam told me about the warmth of the reception he had in Washington and of the generous offer of additional help to meet the critical shortage of foodgrains which we in India are facing due to the extremely poor monsoons that we had last year. We are doing everything possible to mobilise whatever assistance we can get from other countries, so that the entire burden does not fall upon you.

- 2. Ambassador Harriman saw me in Delhi on the eve of my departure for Tashkent. I am greatly impressed by the determined effort which you are making to bring about a peace in Vietnam. Ambassador Harriman recognised that our own relationship with Hanoi was not such as to enable us to make a positive contribution by making any direct approaches to the Government of North Vietnam. He was, however, anxious that I could speak to Mr.Kosygin and I had a talk with him on the subject last night.
- 3. Mr. Kosygin's attitude was not negative. He emphasised, however, that the important thing was to find a basis for talks which was acceptable to Hanoi also and he welcomed the approach which Ambassador Harriman had made to the Government of Poland. He also indicated that the visit of Shelepin to Hanoi was intended to help the cause of peace.
- 4. My talks with President AYUB have just started. We are facing many difficult issues. I am hoping that both of us would subscribe to the principle of not having recourse to force for resolving them and I feel that once this has come about, there will be a different atmosphere in which it will be easier to resolve and reconcile our differences.
- 5. My wife and I are looking forward to our visit to the U.S.A. I hope that even before that, there will be substantial progress towards lowering of tensions in Asia.
- 6. May I once again express my deep appreciation for the timely and generous help you have offered in dealing with our food problem?

With warm personal regards,

Yours sincerely,

LAL BAHADUR

The President,
The White House,
WASHINGTON DC

Authority NLJ00-172 (41/24)
By CB. NARA, Date 3-25-04

Stratic to 188 U.S. DEPARTMENT OF STATE CEIVED

DIRECTOR OF INTELLIGENCE AND RESEARCH 9 09 AH '66 Intelligen

BATOR

BOWDLER January 3, 1966 BOWMAN

COOPER **JESSUP JOHNSON**

MOODY

The Secretary Through: S/S

concerd .

INR - Thomas L. Hughes

Causes and Implications of Indian Finance Minister's Resignation How

TTK Resigns. The resignation of Indian Finance Minister T.T. Krishnamachari (TTK) was, in large part caused by personal rather than political reasons: had been the target of charges of corruption and nepotism and had demanded that Prime Minister Shastri exonerate him publicly and immediately. Shastri, however, insisted on the need for an official investigation to keep up appearances, and in a fit of pique, TTK resigned.

Other Reasons Involved. There are, however, broader questions involved in the resignation. According to press reports, TTK has let it be known that he resigned in opposition to the Indian government's decision to import fertilizers, despite its critical foreign exchange position. TTK is a personal rival of Agriculture Minister Subramaniam, and is ideologically opposed to the policies that Subramaniam has recently introduced and which are in accord with US thinking. Thus the TTK resignation is also to be seen as a result of the Indian food crisis, and perhaps as a move by forces that wish to undermine Subramaniam's -- and ultimately our -- approach to the Indian food problem. Krishnamachari was also probably loath to identify himself with the budget that is due to be introduced within the next few weeks. The new budget is likely to be unpopular with certain circles because it will probably continue present tax levels and will reflect a shift in emphasis to defense and agriculture at the expense of education and welfare projects. Whatever TTK's personal reasons for resigning may have been,

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ/RAC 12-2 By LICE NARA, Date 02 - 27-2013 Dewngrade. . c gear trate marks automatic its declarations Indian leftists are likely to portray it as a protest against US domination and against abandonment of India's socialist path. In the public statement that he has promised, TTK is likely to stress ideological and political reasons for his decision.

Implications. TTK has been antagonistic to the US of late; he represents a relatively doctrinaire socialist viewpoint within the cabinet, and has been an obstacle to the implementation of Subramaniam's more pragmatic policies. His absence could make life somewhat easier for the US.

At the same time, however, the resignation could present the Indian left with a rallying point. The widely unpopular TTK is scarcely an ideal martyr, but lacking a better cause, the left (including the Communists and perhaps ultimately the USSR) may portray him as the victim of capitalist pressure -- the abused guardian of Nehru's policies of socialism at home and non-alignment abroad. The effect of such a campaign will of course depend upon what success Subramaniam has; the extent to which TTK can be tarred by corruption charges (they are apparently flimsy); and the role played by Party boss Kamaraj, who is the patron of both TTK and Subramaniam. Kamaraj had reportedly tried to mediate between Shastri and TTK, but in the end came to feel that TTK had to resign.

TTK's Successor. Krishnamachari is to be replaced by a 62-year old Bengali corporation lawyer, Sachindra Chaudhury, who is serving his first term in the Indian parliament. He is a protege of West Bengal party leader Atulya Ghosh -- probably a favorable sign. Chaudhury was twice an Indian delegate to the UN General Assembly in the early 1950's and has served on the Central Board of the State Bank of India -- the government-owned, largest commercial bank in India. In this

CONTENTAL

latter position, he should have gained an understanding of the importance of the banking function in economic development, especially in the rural sector, since the State Bank has played a major role in this field. He is wealthy, personable, highly regarded, and has very close contacts with the Indian business community. He is affiliated with the right wing of the Congress party; although he has not previously played a significant role in Indian politics, he appears to have many of the qualifications to be an competent Finance Minister.

CONTIDENTIAL