



Poverty and prosperity vary greatly by region. In the map above, which shows all but the smallest of India's 31 states and Union territories, solid red denotes average per-capita income (in current U.S. dollars) greater than \$120 annually; medium red, \$100-120; light red, \$80-100; gray, unknown.



India

Eighteen months ago, the West hailed India's return to democracy after Prime Minister Morarji Desai took office in the wake of voters' rejection of Indira Gandhi and her "Emergency" rule by decree. Since then, India has receded from the headlines (except during President Carter's flying visit last January). The nation's current economic and political health is relatively good, but the long-term outlook is a matter of dispute. We present here some diverse views. Former diplomat Edward O'Neill traces Indian-American relations since the bloody Moslem-Hindu Partition of the subcontinent in 1947; journalist B. G. Verghese looks at India's political history; and economist Lawrence Veit assays Indian "socialism."



UNREAL EXPECTATIONS

by Edward A. O'Neill

In 1928 an Anglophile American, Katherine Mayo, wrote a book called *Mother India* that remained on the best-seller list for two years. (The book is still in print.) Profusely illustrated with pictures of snake charmers, lepers, hypnotic swamis, child brides, grotesquely crippled beggars, bejeweled maharajas, elephants, tigers, and "sacred cows," *Mother India* presented a skewed image of India that persists in America to this day. While examples of all of Mayo's bizarrerie (save the bejeweled maharajas and the tigers—the one extinct, the other an endangered species) can still be found in India's crowded cities and mud-walled villages, the "real" India of 1928—or of 1978—is hardly the one she described.

Among the world's newly independent nations, India is

something of a phenomenon. Through all kinds of travail it has managed to keep to the principles on which it was founded—and survive. Survival has not been easy. In the 31 years since the British left, India has undergone the Muslim-Hindu trauma of Partition, four wars of varying ferocity, a half-dozen searing droughts, three near famines, innumerable savage squabbles over language, religion, and regional politics, and a brief flirtation with dictatorship. But thanks to the hundreds of millions of ordinary voters who rejected Prime Minister Indira Gandhi and her Emergency in the free elections of March 1977, India remains the world's most populous democracy. (India and neighboring Sri Lanka are the only former colonial areas in Asia that can boast free elections.)

The Indian judiciary, which provoked Mrs. Gandhi's declaration of the Emergency by convicting her while Prime Minister of election irregularities, is once more independent. It may yet send her to jail, as it did her son Sanjay. The Indian press, the best in all of Asia's former colonial countries, is free to speak out again. India's Army, the third largest in the world, could take over the government any time its chiefs might wish. But its leaders have scrupulously stayed out of politics.

Hindi-Chini Bye-Bye

The stereotype of "starving India" remains, yet food production has grown enormously. Grain *reserves* are now more than a third of what total grain *production* was 20 years ago. The country is essentially self-sufficient in a large number of manufactured goods, ranging from shoes and plastics to heavy trucks, small computers, military aircraft, and watches. India has even been able to make an atomic device, and may have rockets that could deliver it. As *Washington Post* correspondent Lewis Simons recently observed, India is "not the loser we make it out to be."

In practical terms, India is much better off now than it was during the heady period when Prime Minister Jawaharlal Nehru (1947–64) was the beau ideal of the "nonaligned" nations and world leaders visited New Delhi in procession. Khrushchev and

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Bulganin came together, then Marshal Tito, Chou En-Lai, Dwight D. Eisenhower, and others, each visitor stroking the already inflated Indian ego. During Chou's visit in 1956, huge crowds greeted him with shouts of "Hindi-Chini Bhai Bhai" ("Indians and Chinese are brothers").

But six years later the Chinese, enforcing border claims in the Himalayas, overwhelmed an Indian Army trained primarily to fight Pakistan. What India then lost in international prestige has never been recovered. Western newsmen, who streamed in to cover the brief mountain war, gleefully converted the 1956 slogan into "Hindi-Chini bye-bye."

In many parts of the world—even among the country's friends in Washington, to whom Indian diplomats' lectures on American international morality were always galling—wry satisfaction greeted this setback. Nonetheless, the United States quickly offered India political support and military aid against our then enemy, the "Chicoms." The panicky Indians eagerly accepted.

Ups and Downs

An ambivalence has long marked Indo-American relations, and it stems from a host of accumulated mutual misperceptions. Until a generation ago, Americans were taught little more than that India was the place where Alexander the Great stopped in 326 B.C. "because there were no other worlds to conquer." Until 1947, in geography books India was a large area colored red like the rest of the far-flung British Empire. Before World War II, there were probably fewer than a dozen social scientists in this country who could claim any expertise about India. Add to them a handful of roving newspapermen, tourists who had passed through, a sizeable number of missionaries, and some businessmen and consular officials (whose attitudes were as colonial as those of the British). That was it.

In similar fashion, educated Indians at the time of Independence knew practically nothing about the United States. Americans were "materialistic" but at the same time "idealistic." The Indian vision of America was formed in large part from Hollywood movies. In school, Indian students memorized the succession of English kings but were taught little about the British colony that broke away in 1776. Oxford, Cambridge, and other British universities attracted the sons of the Indian elite, with few coming to the United States. Those who did reach America had to return home once they had their degrees; until 1946, Indians, like all other Asians, were barred from immigrat-

ing. The U.S. quotas set in that year limited the admission of Indians to 100 persons annually. (Since 1968, when the quota system was abandoned, nearly 112,000 Indians have come to the United States to live. More Indians now attend colleges and universities in the United States than in England.)

Thus, it was inevitable that relations between India and the United States would not be smooth, and indeed, they have been marked by a curious yo-yo pattern. In the late 1940s, however, many officials in Washington and many romantic Indophile Americans believed that relations could hardly be other than excellent. Were we not the two largest democracies in the world? Had we not both won our freedom from the British Crown?

Yet by then, the yo-yo had already been going up and down for half a decade. It is commonly thought in the United States that, during World War II, Franklin D. Roosevelt pressured Winston Churchill into giving India its independence. In fact, FDR did not press Churchill on the matter in order to keep the British Prime Minister sympathetic to other American war aims. And Indian nationalists, in jail or out, knew it. During the Truman era, Indian leaders hoped that we would be beneficent supporters of freedom in other colonial countries. Americans, in turn, had high hopes that India could play a large role in the confused new postwar world.

With the onset of the Cold War and India's quick avowals of neutrality, both sides awoke from their dreams. The year 1954 was bad on both sides. In February, as part of Secretary of State John Foster Dulles's containment policy, the United States began arming Pakistan, India's next-door enemy. India, which had rejected a similar arms offer, as Dulles knew it would, reacted with anger. Indian officials contended that Pakistan accepted the U.S. offer of an anticommunist military pact only to obtain American weapons for use against India. As it turned out, the Indians were right.* That same year, Nehru upset Washington by joining the Communist Chinese in propounding *Panch Shila*, the five principles of peaceful coexistence. To Dulles, such neutrality was "immoral."

Soon afterward, however, India's economic development programs ran into serious trouble and Nehru turned once more to Washington for help. What had begun as a small trickle of aid in 1950 soon became a flood. (Total U.S. economic assistance to India in all forms—the larger part in food—has amounted to

*The Pakistanis used American weapons against the Indians during a skirmish in the desolate Rann of Kutch early in 1965, in the brief war in Kashmir and the Punjab a few months later, and in Bangladesh in 1971 when East Bengal became an independent country.



Drawing by Helen E. Hokinson;
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"It makes me so mad when I think how long I've been patient with India."

about \$10 billion.) With American aid came hundreds of Yankee technicians and administrators who, as the years went by, eroded Indian good will by insisting on telling the "backward natives" how they should solve all their problems. Nonetheless, the aid was important to India and kept its economy afloat.

A high point in Indo-American relations was reached when President Dwight D. Eisenhower visited New Delhi in December 1959. Literally millions turned out to see the "Prince of Peace," as banners throughout the city proclaimed him. When John F. Kennedy succeeded Eisenhower in 1961, Indian intellectuals assumed that the young new President would bring a period of American nonimperialism. Then came the Bay of Pigs. For the first time the American Embassy in New Delhi was stoned by demonstrators.

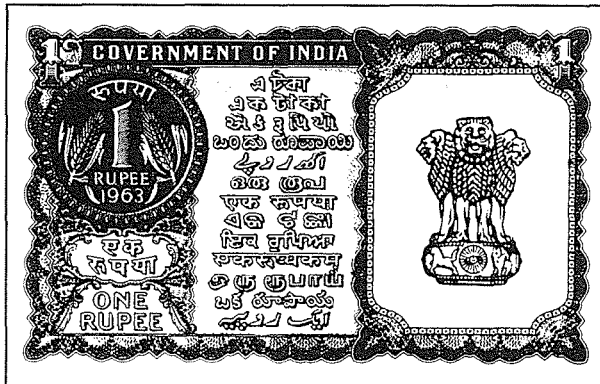
The Cuban missile crisis of October 1962 might have evoked an even more violent response, but by then, as noted above, Chinese soldiers were streaming across the Himalayan passes and routing the Indian Army. President Kennedy, the Soviet missiles gone from Cuba, reacted quickly, and U.S. Air Force C-130s began landing at New Delhi's Palam airport with arms and equipment. Before the American advisory presence had

A GIFT OF TONGUES

India's 1949 Constitution included a provision, passed by one vote, that made Hindi "the official language of the Union." Despite nearly 30 years of vigorous government efforts to promote the language, Hindi today is spoken regularly by only 30 percent of the population. Some 400 million other Indians stubbornly stick to their mother tongues, each of which boasts deep historic roots and a distinctive literary tradition.

A cursory examination of a rupee note (shown below), worth 12¢, illustrates the country's language problem. There are 15 languages represented, each in its own script. There is Hindi, of course, then 13 others "recognized" by the Constitution. The fifteenth, dominating the currency, is English, designated "an associate language" but still the country's lingua franca.

The languages of the north are Indo-European, cousins of our Western languages. Those of the south are Dravidian, with no connections to any tongue outside the subcontinent. (Three other language families are found in India: Tibeto-Chinese in the mountains of the north and northeast; Munda among aboriginal peoples scattered around the country; and Khasi in the Assam hills. The Indian census has counted more than 600 languages in the whole country.)



been fully established, however, the Chinese—having made their point—withdraw. India's gratitude evaporated in haggling over details of arms assistance with a large U.S. military mission that had established itself in a former maharaja's Delhi palace. The relationship soured, and the American military mission went home.

With the ever-deepening U.S. involvement in Vietnam, relations between the two countries again plummeted. In answer to

India's loud criticism of the U.S. role in Vietnam, the United States in 1968 cited India's failure to protest when the armies of the Soviet Union and other communist countries put down Czechoslovakia's brief experiment in "liberalization."^{*}

A "Tilt" Toward Pakistan?

Indo-American relations reached their nadir during the Nixon era when India, in its own self-interest, intervened in Bangladesh, where troops from West Pakistan were slaughtering rebelling East Pakistanis in 1971. A "leak" in Washington revealed that Secretary of State Henry Kissinger was, in his own words, "tilting" toward Pakistan in the struggle. Then it was learned that a U.S. Navy aircraft carrier and escort ships had entered the Bay of Bengal. The Indian reaction was predictable. A few months later Prime Minister Indira Gandhi signed a treaty of friendship with the Soviet Union—then India's largest supplier of arms and almost always a strong supporter of India against Pakistan.

India emerged from the Bangladesh war in a better strategic position than it had enjoyed since Partition. No longer was there an enemy both to the east and to the west. By 1974, the American Embassy in New Delhi had begun talking to the Ministry of External Affairs about development of "mutual and stable relations." Prime Minister Gandhi's 18-month Emergency, which began in June 1975, was strongly criticized in the United States,[†] but no serious international difficulties arose. With the Emergency over and Mrs. Gandhi out of power, relations between the United States and India, under the coalition government of Prime Minister Morarji Desai, became warmer (as demonstrated by Jimmy Carter's visit to New Delhi in January 1978) than they had been in several years.

In the end, of course, India and the United States remain vastly different countries with widely divergent problems. Even as they agree on democratic values, Americans and Indians should not expect too much of one another; their strategic aims and interests will not always coincide.

^{*}In 1956, when the Russians crushed the revolt in Hungary, Prime Minister Nehru was silent for days, but finally, under severe criticism from the Indian press, mildly objected.

[†]However, Daniel Patrick Moynihan, former Ambassador to India and now a U.S. Senator (D.-N.Y.), managed to find a silver lining in the Emergency: He noted at the time that Gerald Ford would be remembered as the man who was President when the United States became the world's largest democracy.



THE CONGRESS PARTY: THIRTY YEARS OF POWER

by B. G. Verghese

At the midnight hour of August 14, 1947, Independence won, Prime Minister-elect Jawaharlal Nehru announced that "the soul of a nation, long suppressed, finds utterance." The Congress Party took over the colonial government left by Lord Louis Mountbatten, last of a long line of British Governors-General and Viceroys. Thereafter, for nearly 30 years, the party continuously controlled the Indian Parliament—and the Prime Minister's office.

The Congress held the country together in 1948 during the appalling trauma of Partition, when millions of people moved between Hindu India and Muslim Pakistan and uncounted hundreds of thousands were slaughtered on the basis of their religious faiths. The Congress shaped India's 1950 Constitution and established the democratic framework that its latter-day leader, Indira Gandhi, drastically abridged before she, and the party, were brought down by one of the remaining safeguards: free elections. For the first time in its history, the Congress Party had been rejected nationally by the Indian people.

Now in partial eclipse, the party is by no means defunct. The Congress (I) faction—the "I" is for Indira—leads the opposition in both houses of Parliament, and holds or shares office in three states. The party, split by Mrs. Gandhi in 1978, could again become the democratic alternative to the ruling Janata Party (a disparate coalition that includes many former Congress members) but only if given new leadership committed to democratic principles. Until then, the future is clouded.

Organized with official encouragement by Allan Octavian Hume, a retired Indian civil service officer, the Congress Party held its first meeting in Bombay in 1885. Its object was to become the "germ of a native Parliament," a sort of tentative loyal opposition. Indeed, its first meeting concluded with "three cheers for Her Majesty, the Queen Empress."

The early character of the party was typified by Gopal Krishna Gokhale, a gentle and liberal Brahmin from Poona, who

tried to persuade the British to improve the social conditions of the country. Other party members, however, wanted to go further. Bal Gangadhar Tilak, a fiery Brahmin nationalist who was inspired by the "Asian" victory in the 1904–05 Russo-Japanese War, called for *Swaraj*, or "self-rule." "*Swaraj* is my birthright," Tilak declared, "and I shall have it."

After Mohandas Gandhi returned to India in 1915, he propelled the nationalists into a mass struggle. Various men of note fell in behind Gandhi. Among them were Vallabhbhai Patel from Gujarat, who was to become the integrator of independent India; C. R. Rajagopalachari from Madras, who would be the first Indian Governor-General after Mountbatten; Rajendra Prasad from Bihar, who became the first President of the Republic; and Motilal Nehru, father of India's first Prime Minister. World War I temporarily interrupted the nationalists' forward movement, as more than 1.3 million Indians fought in France, the Middle East, and Africa against the Germans and Turks. But the end of the war brought fresh demands from the Congress—and fresh repression of Indians by the British.

In early 1919 in Amritsar, holy city of the Sikhs, violent protests erupted against the jailing of two Congress leaders. On April 13, as a crowd of 20,000 massed in an enclosed area, a nervous British general ordered his outnumbered troops to fire. When the smoke cleared, there were 390 dead and 1,200 wounded. Nationalist attitudes hardened overnight. The Jallianwalla Bagh massacre is still remembered and invoked in India.

The following year, Gandhi launched his first noncooperation movement, culminating in his imprisonment in 1922 after what he called a "Himalayan blunder"—his supporters had turned violent and burned a police station, with the policemen



A CLASH OF SYMBOLS

The three-decade-long dominance of the socialist Congress Party (symbol, left) over India's politics was broken only in 1977 with the victory of the Janata Party (symbol, right), a new coalition comprising nearly a dozen political parties—and many disgruntled Congress Party members.



inside. He did not revive the movement until the late 1920s. Turning instead to tasks of social and economic reconstruction, he encouraged village industries, school reform, and the production of hand-spun cloth called *khadi*, which became the proudly worn livery of freedom.

The Salt March

Disappointed with the pace of promised constitutional reforms, the Congress in 1929 pledged itself to *Purna Swaraj*, or total independence, a step beyond the dominion status it had hitherto sought. A few months later the second noncooperation movement was launched with Gandhi's famous Salt March to the obscure coastal village of Dandi in Gujarat. There he symbolically defied the British by taking crusted sea salt from the shore in violation of the government's salt monopoly. This simple act electrified the nation and brought him to the attention of the world. Once again Gandhi went to jail.

Following the 1935 Government of India Act, which introduced representative government in the provinces, elections put several Congress candidates in office. Their tenure was brief. In 1939, in the wake of the Viceroy's unilateral commitment of India to war against the Axis powers and Britain's failure to include Indian independence among her war aims, the Congress ordered its members in provincial governments to resign.

Not so the Muslim League, the prime political party for India's vast Muslim minority. Its leader, the brilliant lawyer and former Congress Party member Muhammad Ali Jinnah, pledged the league to the war effort. In return, he got from the Viceroy, Lord Linlithgow, a promise that his party would have a veto over any postwar change in the governance of India. In 1940 the Muslim League, meeting in Lahore, adopted the Pakistan Resolution, which formally set out the goal of separate Muslim-majority states in the northwest and northeast of India. Thus was the stage set for Partition.

By 1942, Gandhi was ready to raise the anti-British slogan

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"Quit India." It had immediate results. The Congress's final "No" to Britain's war effort meant imprisonment once more for Gandhi, Nehru, and virtually everyone else then active in Congress Party politics. The jail doors remained closed until after the surrender of Germany in 1945.

To some Indians, Britain's wartime difficulties seemed an opportunity to hasten Independence by direct action. One former Congress president, Subhas Chandra Bose, rejected Gandhi's nonviolence and organized 20,000 Indian prisoners of war to fight for Japan against the British in Burma. Most other Congress leaders stayed with their Gandhian principles. But one of them, Jawaharlal Nehru, who was beginning to move up to a position of power in the party, had already taken a different ideological path from Gandhi's.

Sophisticated and cosmopolitan, Nehru was impressed by the potential of the Soviet experiment as well as by the importance of planning and state-controlled development of heavy industry. When Independence came in 1947, Nehru was the mentor of India's "Congress Socialists." (The leadership of this faction was later taken by Jayaprakash Narayan, who, a generation later, was instrumental in bringing down Nehru's daughter, Prime Minister Indira Gandhi.)

Government by Faction

Mahatma Gandhi's last advice to the Congress was that it should disband itself with the attainment of Independence. By the time of Gandhi's assassination in 1948, however, his influence had already waned. The Congress had become India's government and Nehru its leader.

The Congress Nehru led was a coalition sheltering many diverse factions that united when necessary to win elections, then worked to advance their own regional, religious, or economic interests. Gradually, what began to matter in the public eye was not ideology, or even program, so much as integrity, style, and, of course, results. The last frequently were not forthcoming, and the Congress never won a majority of the popular vote after Independence. But it always controlled a majority in the lower house of Parliament.

As time went on, the Congress became more a vote-getting machine than a cohesive political party. The "ministerial wing," the people who ran the central government, took precedence over the "organizational wing," the party officers. The All-India Congress Committee, the party's government-controlled "High Command," paid little heed to state and provincial officials,

HINDUISM: A VAST SPONGE



India, according to its Constitution, is a secular state. Yet among its people are members of most of the world's major religions. There are more Muslims in India than in all of the Middle East. Christianity, traditionally believed to have been brought to southern India by St. Thomas the Apostle, has perhaps 14 million adherents of various sects. There are additional millions of Buddhists, Sikhs, and Jains—religions of Indian origin. But dominating all are the Hindus, nearly 84 percent of the country's enormous population.

To the monotheistic world extending westward from India to the Pacific coast of the Americas, Hinduism has always been puzzling. Jews and Christians hew to Yaweh's dictum brought down from Mount Sinai by Moses: "You shall have no other gods before me." Muslims daily testify: "There is no god but God." But in the *Bhagavad-Gita*, Krishna, just one of the thousands of gods in the Hindu pantheon, says: "Whatever god a man worships, it is I who answer the prayer."

Hinduism over the millennia has developed a limitless capacity for absorbing every kind of belief, however incongruous. Even the Indian-born Buddha has been given a perverse reincarnation as the ninth and latest avatar of Vishnu. British historian Sir Percival Spear has likened Hinduism to "a vast sponge that absorbs all that enters without ceasing to be itself." The simile is not quite exact, as Spear concedes, "because

who went their own, sometimes corrupt, ways.

The growing factionalism of the Congress during the late 1950s and the first years of the 1960s coincided with the inevitable twilight of Jawaharlal Nehru, who was as much the Congress as he was India. The failures of the nation and the party he saw as his own. Planning had not ended poverty, and the public-sector industries faltered without spurring a take-off in economic growth. In the 12 years from Independence until 1960, annual per-capita income increased only by about 15 percent—in real terms, to about \$70. The bright hope of nonalignment, meanwhile, was tarnished by the Sino-Indian border conflict in 1962, when China callously slapped India's face diplomatically and embarrassed it militarily before the world.

Nehru died a disappointed man—India's "tryst with des-

Hinduism has shown a remarkable power of assimilating as well as absorbing: The water becomes part of the sponge."

Has Hinduism been a force for good or ill? Educated Indians are divided on the question. N. C. Chaudhuri, best known in the West for *The Autobiography of an Unknown Indian* (1951), regards Hinduism as one of the few cohesive forces on the subcontinent. Novelist V. S. Naipul agrees, but suggests in *India: A Wounded Civilization* (1977) that cohesion has been bought at the price of stultifying conformity:

"The key Hindu concept of *dharma*—the right way, the sanctioned way, which all men must follow, according to their natures—is an elastic concept. At its noblest it combines self-fulfillment and truth to the self with the ideas of action as duty, action as its own spiritual reward, man as a holy vessel But *dharma*, as this ideal of truth to oneself, or living out the truth in oneself, can also be used to reconcile men to servitude and make them find in paralyzing obedience the highest spiritual good *Dharma* is creative or crippling according to the state of the civilization, according to what is expected of men. It cannot be otherwise Indians have made some contribution to science in this century, but—with a few notable exceptions—their work has been done abroad The scientist returning to India sheds the individuality he acquired during his time abroad; he regains the security of his caste identity, and the world is simplified once more. There are minute rules, as comforting as bandages; individual perception and judgment, which once called forth his creativity, are relinquished as burdens, and the man is once more a unit in his herd, his science reduced to a skill. The blight of caste is not only untouchability and the consequent deification in India of filth; the blight, in an India that tries to grow, is also the overall obedience it imposes, its ready-made satisfactions, the diminishing of adventurousness, the pushing away from men of individuality and the possibility of excellence. . . ."

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tiny," which he had evoked in his eloquent speech on the night of Independence, still unconsummated. His successor, Lal Bahadur Shastri, a deft politician and Home Minister under Nehru, might have made some progress—if only in party reform. But after a year and a half in office he died in Tashkent, having settled, with Soviet mediation, the 1965 war with Pakistan. Indira Gandhi succeeded him.

Nehru's daughter's accession to office was hailed by many as the beginning of a generational change in Congress rule. But there was a degree of cynicism in her selection by the party's "High Command," which had put together enough support for her to shut out the ascetic Morarji Desai (now Prime Minister). The "Old Guard" believed they could control the then-insecure Mrs. Gandhi. But she had iron in her soul.

THE MAHATMA

Mohandas Karamchand Gandhi is revered in India as "Father of the Nation."

In the 30 years since he was felled by an assassin's bullet, Indians may have diverged from the teachings of the scrawny little ascetic ("a half-naked fakir," Churchill once scornfully called him). But they cannot forget that without Gandhi and his extraordinary revolutionary methods, they would not have the nation they do.

Gandhi was born in 1869 in the tiny princely state of Porbandar, a remote coastal region of western India. His father was *diwan* (prime minister) and an orthodox Hindu of the Vaisya caste (merchants and moneylenders). Although Mohandas wanted to be a physician, his father sent him to London, a shy and frightened 18-year-old, to study law for two years.

As a fledgling barrister back in India, Gandhi was a failure—so timid he was unable to speak out for his clients. Nonetheless, in 1893 a group of merchants gave him a one-year assignment among the tens of thousands of Indians in South Africa. Faced with British colonial oppression of the Indian community, Gandhi discovered that he could speak out and sway people—indeed, that he had enormous reservoirs of courage and tenacity. It was here that he developed his ideas about peaceful, nonviolent opposition. He stayed in South Africa for 20 years—ultimately obtaining concessions on behalf of Indian indentured workers there—and was acclaimed a hero when he returned to India in 1915.

Despite his compatriots' admiration for his accomplishments abroad, he found on his return home that the Congress Party leadership, moderates and extremists alike, had no place in their plans for civil disobedience or nonviolence. Gandhi, a supremely patient man, set up his first *ashram* (religious center) and bided his time.

The Congress of that day was largely composed of wealthy businessmen, lawyers, and professionals, and had little contact with the people. Toward the end of World War I, Gandhi began appealing to

In her bid for supremacy, Mrs. Gandhi expediently donned a deeper shade of Fabian socialist pink. She nationalized the country's banks and secured the resignations of five conservative Cabinet members. Radical rhetoric filled the air.

A 1969 split in the Congress Party reduced Mrs. Gandhi's partisans to a minority in the Lok Sabha, but she continued in office with the support of the Communist Party of India (CPI) and the Dravida Munnetra Kazhagam, a Tamil-language party in the south. The Moscow-oriented CPI believed that the Congress Party split signaled an opening to the left, a conviction



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the masses. He helped textile workers win a bitter strike in Ahmadabad. He bested the tyrannical British indigo planters in Bihar. Soon the Congress leadership began coming to Gandhi. By the mid-1920s, he was the untitled leader of the party.

Gandhi's appeal to the Indian masses was traditional. The Mahatma (or "great soul," a title bestowed on him by Bengali poet Rabindranath Tagore) was a rigidly celibate *brahmachari* seeking God, a holy man, a saint. "Men say I am a saint losing myself in politics," he drily observed. "The fact is I am a politician trying to become a saint." And it was as a master politician that he broke the age-old passivity of India's hundreds of millions, leading them to freedom from British rule.

Independence brought no joy to Gandhi. Depressed and saddened by the religious slaughter that followed Partition, he did what he could to bring it under control and displayed great concern for the Muslim minority remaining in the new India. On January 30, 1948, he came to his regular evening prayer meeting at the home of industrialist G. D. Birla in New Delhi. A young man greeted him with folded hands, touched his feet, rose, and fired three shots. Gandhi was dead in a few minutes, the victim of a fanatical Hindu.

fortified when Mrs. Gandhi dissolved the Lok Sabha in 1971.

That year the "Ruling" Congress faction—as opposed to the beaten "Organization" Congress, which went into opposition—entered into a formal electoral alliance with the CPI in a number of states, and in March it won a landslide victory. It followed up a year later by sweeping the polls in a number of key state elections in the wake of India's victory in the Bangladesh war.

Mrs. Gandhi's prestige was never higher. She could at that time have pushed for major reforms that were long overdue: in education, in agriculture, in planning, and elsewhere. In fact,

THE MAN WHO WOULDN'T BE KING

Jawaharlal Nehru, the gentleman revolutionary who spent nine years as a prisoner of the British before becoming India's first Prime Minister, grew up as a "brown Englishman." According to one prison-mate, he spoke English even in his sleep.

Young Nehru lived among the British until the age of 22. His wealthy lawyer father's home was the first built by an Indian in Allahabad's "Civil Lines," the residential area for high-level British officials. At home, British tutors prepared him for Harrow. From there he went to Cambridge, then on to study law in London's Inner Temple.

One biographer describes the young Nehru as "very handsome, debonair in his Bond Street clothes In the summer he did Europe." He himself recalled the period years afterward: "I am afraid that I was a bit of a prig with little to commend me."

After his return to India in 1912, he practiced law in a desultory fashion. Although his father was a very active member of the Congress Party, the son took only an armchair interest in politics. Even the chaos and slaughter of World War I failed to move him deeply.

Not so the 1919 Jallianwalla Bagh massacre. A year later, Nehru "discovered" the abjectly poor Indian peasant. Sensitized at last, he was ready to be enlisted by Gandhi. The dilettante was gone forever.

Although Gandhi and Nehru shared a deep mutual affection, they frequently disagreed. Gandhi represented Old India; Nehru, 20 years his junior, New India. The generation gap between them was too wide to bridge. But Nehru knew that freedom could not be won without the truly charismatic appeal of Gandhi. Despite their disagreements, Nehru clove to the Mahatma.

Gandhi's assassination was followed by the death in 1950 of Nehru's only serious political rival, Vallabhbhai Patel. After that,

however, she abandoned the initiative the moment she had it.

There was a manifest loss of direction, indeed, even of will. The Congress Party atrophied. Authority was centralized, then personalized as Mrs. Gandhi took over the party as well as the government. Through centralized fund-raising, she harnessed big business to her own brand of big-money politics. The party, holding for 90 years the middle ground in Indian politics, began to alienate its own rank and file. Political corruption grew.*

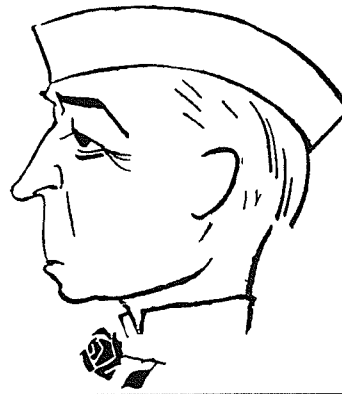
*In 1973, the Minister of State for Finance complained that his ministry was being denied the administrative powers to deal with smugglers. The Congress chief minister of Gujarat, Chimanbhai Patel, the state's top elected official, was accused by two of his own Cabinet colleagues of having entered into a deal with local oilseed merchants to siphon 2 million rupees into the Congress campaign chest for the 1974 election in Uttar Pradesh in return for allowing prices of vegetable oil (a staple in cooking) to rise.

Nehru *was* India. He traveled throughout the country, cajoling, prodding, ordering his people to do better. During Nehru's lifetime, India did not begin to achieve the goals he set for his country. But he held the country together when it might have fallen apart; and while he could have become a dictator at any time, he did not.

Nehru reveled in meeting and talking to people, and wasted his time extravagantly with foreign visitors. Perhaps this self-indulgence satisfied a need not filled by friends. He had very few. Among the closest were Viscount Mountbatten, the last Viceroy, and his countess. Their friendship began during the prelude to Independence in 1947. For years afterward, Countess Mountbatten regularly visited New Delhi in the lovely month of January. When she died of a heart attack in 1960, Nehru went into seclusion for three days.

One of Jawaharlal Nehru's habits was to jot down things he read that struck him. On his death in 1964 at age 74—he had been Prime Minister for nearly 17 years—a notepad was found beside his bed. On it he had copied the closing lines of Robert Frost's "Stopping by Woods on a Snowy Evening":

*The woods are lonely, dark, and deep,
But I have promises to keep,
And miles to go before I sleep,
And miles to go before I sleep.*



Drawing by Shankar, from *The Big 4 of India*.
Krishnalal Shridharani (Delhi: Malhotra Brothers, 1951).

The economy plummeted, pushed into worse decline by drought in 1972 and 1973, by the financial drain of the Bangladesh war, and by the oil crisis and global inflation. The regime's contempt for established norms, plainly displayed in the ouster of independent-minded judges, stoked mounting protest, irresponsibility, and anger on all sides. As protests spilled over into the streets, the states of Gujarat and Bihar became centers of defiance under the leadership of Jayaprakash Narayan, who seemed to embody the mood of the people. Then, on June 12, 1975, the Allahabad high court ruled that Mrs. Gandhi was guilty of corrupt election practices. She was ordered to vacate her seat in Parliament—and, consequently, the prime ministership.

THE LADY

Her father was an agnostic. His will specified that he wished to be cremated, but without a religious ceremony. Yet immediately after Jawaharlal Nehru's death in 1964, his daughter, Indira Gandhi, took it upon herself to arrange for a traditional Hindu funeral. The body was carried through countless mourners to a pyre on the banks of the Jumna River outside Delhi.

Was she responding to a deathbed change of heart that only she knew had occurred? Overruling Nehru's last wishes for his own spiritual good? Or were her motives political in large or small degree?

All these conjectures were voiced at the time. Mrs. Gandhi said nothing and retreated for months into her grief. She was then what she would be throughout her 11 years in the prime ministership—as she put it, “a very private person.” Very private, very tough. To Henry Kissinger, she was always “the Lady.”

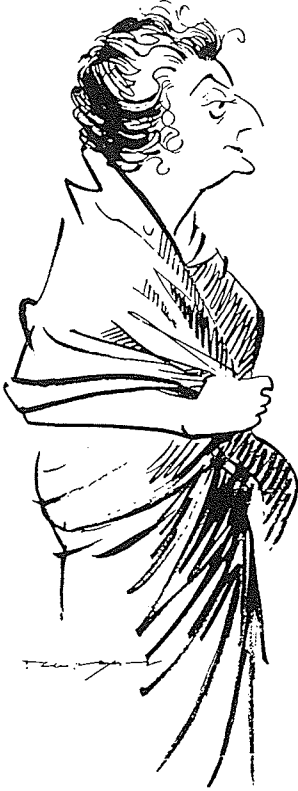
When Indira Gandhi was seven, an aunt came upon her one day standing on the verandah, hand upraised and muttering to herself. Questioned about what she was doing, the lonely, only child explained, “I am practicing to be Joan of Arc.”

At 24 she married for love and against tradition. Her choice, to her father's initial dismay, was a Parsee journalist-politician, Feroze Gandhi—no relation to the Mahatma. Shortly after the wedding in 1942, both were imprisoned for nationalist activity. The marriage later deteriorated when Indira became her father's hostess and moved into the Prime Minister's residence with her two sons.

Even before her husband's death in 1960, Mrs. Gandhi had moved slowly but inevitably into high political position. Her years at her father's side were an extraordinary apprenticeship for power, though she seemed not to seek it and vacillated about using it. By 1957, she had become president of the Congress Party. It was not

All might still have gone well had she bowed out gracefully pending an appeal to the Supreme Court. Instead, *goondas*, or “toughs,” from the Congress and elsewhere took the field under command of her son Sanjay, producing “rent-a-crowd,” pro-Indira rallies. “Indira is India, and India is Indira,” the Congress leadership proclaimed.

On June 26, 1975, less than two weeks after the Allahabad court decision, Mrs. Gandhi, without consulting the Cabinet or any other government officials, proclaimed an “Internal Emergency.” It was a signal for mass arrests (more than 150,000 people were jailed), rigid press censorship, a virtual ban on political activity, abrogation of fundamental constitutional



*Drawing by Laxman, from All in All,
M. Chalapathi Rau
(Vyasa Publications: Delhi, 1972).*

surprising that on the sudden death of her father's successor, Lal Bahadur Shastri, the Congress Party's "Old Guard" in January 1966 made her Prime Minister. Nor was it surprising that they thought they could run her as it suited them.

Instead, she purged the "Old Guard" and replaced them with people of her own choosing. After the Bangladesh war of 1971, she was at the pinnacle of her power. The Indian masses adored her. But India still faced old problems of poverty, corruption, and inefficiency that seemed invincible. Gradually, Mrs. Gandhi retired into distrustful isolation.

Another side of her became apparent: the doting mother. Both of her sons—Sanjay, a somewhat swinging bachelor, and Rajiv, an unobtrusive senior pilot for Indian Airlines—lived with her. When she proclaimed the Emergency in 1975, Sanjay, though he held no official position, became his mother's principal agent.

Mrs. Gandhi, who will be 61 in November, is not finished politically. But guessing at her future is as difficult as probing her psyche.

Questioned about the Emergency during the state elections of January 1978, she blandly replied, "All that is past history." Then, as the little girl in Allahabad might have said, she added: "And besides, we have said we were sorry for any excesses."

rights including habeas corpus, intimidation of judges and lawyers, and suppression of dissent. India, it seemed, was going the way of most other Third World countries.

A Gambit Fails

By swift degrees Emergency rule became increasingly untenable. Compulsory sterilization programs and the mass razing—140,000 dwellings in Delhi alone—of so-called squatter settlements turned into campaigns of terror. Sanjay Gandhi, the mainspring of these programs, began to exercise other powers, making key appointments and laying down policies. Constitu-

A MAN WITHOUT AMBITION

In one of his short stories, Rudyard Kipling recounts the tale of Purun Bhagat, prime minister of a large princely state, friend of Viceroys and governors, knight commander of the Order of the Indian Empire, who one day decides to let everything go "as a man drops a cloak he no longer needs." He makes his mendicant way far into the lower Himalayas, where he stays for years in silent contemplation. Then a landslide threatens the village below. He breaks his trance and becomes an activist again, reaching the village in time to warn its inhabitants. When all are safe, death overtakes him.

Jayaprakash Narayan, to whom much credit must go for ending Indira Gandhi's Emergency, is something of a 20th-century Purun Bhagat.

As a college student, he was involved in the early days of the Gandhian movement. He left India in 1921 to go to the United States. For a while he attended the University of California, working at various odd jobs to support himself. After leaving Berkeley, he worked his way across the country, moving from job to job, ending up on an automobile assembly line in Detroit. He returned to India in 1929, a committed classical socialist.

Narayan's political and social beliefs drew him to Nehru, then something of a parlor socialist. Soon Narayan was leader of the Congress Party's socialist wing and at the same time one of the most active and effective workers in the freedom struggle. After Independence, Narayan refused to accept any position in the government. And in 1948, opposing many of its practices, he quit the Congress, organized the Praja Socialist Party, and became the head of the three largest labor unions in the country. Many people at the time considered him the logical successor to Jawaharlal Nehru as Prime Minister.

Then, in 1954, he unexpectedly took the vow of *jeevandan* (literally, "gift of life") and, like Purun Bhagat, "went into the forest."

tional government was in fact being replaced by a palace caucus. But when Sanjay and other counselors advocated an indefinite postponement of elections—already put off a year by the Emergency decree—Mrs. Gandhi sought instead to legitimize herself by gambling on an easy victory over a disorganized, fearful, and divided opposition.

The gambit failed. The Janata Party, nurtured by Jayaprakash Narayan and forged, pre-Independence fashion, in jail, rode to victory on an upsurge of popular support. Even the most senior Cabinet minister, Jagjivan Ram, crossed over to the opposition, bitterly denouncing Mrs. Gandhi. The new Janata



© Shankar's Weekly, 1972.

A vigorous 52, he joined the ascetic Vinoba Bhave in the *Bhoodan* (land gift) movement, an idealistic and largely unsuccessful effort to get landlords to give part or all of their holdings to landless peasants. For the next 21 years he walked with Bhave throughout the country, separated from all of his old activities. He scrupulously stayed away from India's turbulent electoral politics until Mrs. Gandhi was found guilty of election malpractices.

Then, on June 23, 1975, Narayan presided over a meeting of non-communist opposition leaders who demanded her resignation. On June 26, the Emergency was declared, and Narayan, though critically ill, was jailed without trial.

This action produced an outcry even the repressive Emergency could not silence. Jayaprakash Narayan in jail became the symbol of the betrayal of India's fight for freedom and of the erratic injustices of Indira Gandhi's regime. Rather than have his death on its hands, the government released him on November 12.

Now 76 and ailing, Narayan remains outside the turmoil of Indian politics. But while he lives, Indians expect he will raise his voice when it is needed.

government—like the Congress an amalgam of many points of view—took office under Morarji Desai on March 22, 1977.

In October 1977 the government arrested the former Prime Minister on corruption charges that were still under investigation. Emboldened by the wave of sympathy generated by this high-handed action, Mrs. Gandhi sought to stage a comeback following her release. She once again split the party, as she had in 1969, getting factional delegates to elect her as party chief. She was promptly expelled by the Congress. In her turn, she "expelled" the legitimate Congress president. Each faction claimed control over the party, its funds, and the election sym-

bol of "yoked oxen," which, along with the party name, still stirs a large measure of popular good will. In January 1978 Mrs. Gandhi held an enormous rally in New Delhi out of which emerged the Congress (I), which a month later made a good showing in three states, winning clear legislative control in two of them.

Whatever the future may hold for the fractured Congress, India today is going through a period of transition and political realignment that may take years to complete. Faint stirrings on the left suggest the possibility of a new constellation forming around the moderately Maoist Marxist Communist Party (CPI-M), which controls West Bengal and the small eastern state of Tripura. The ruling Janata Party has yet to establish a common identity and outlook, although India under Prime Minister Morarji Desai, the epitome of Gandhi-ism, is rediscovering the Mahatma, and the Janata Party is claiming his inheritance.

But the critical problems are psychological ones. Can the Desai government instill a new dynamism in India affecting everything from the process of policymaking to mass political participation? Will the government, blessed with uncommonly large reserves of food and foreign exchange, take a cautious approach to economic growth? Or will it seek to capitalize on these assets to establish a self-sustaining, satisfactory rate of growth? In my own view the latter course is the most promising. But in the India of the 1970s, it is hard enough to predict who will be in power, much less what they will do with it.



A FRONTIER ECONOMY

by Lawrence A. Veit

Ring Road traces a serpentine path around New Delhi, providing a microcosm of the diversity within the city and in India as a whole. It cuts through elegant quarters and crowded slums, through a seemingly endless variety of neighborhoods that reflect India's sundry regions, religions, castes, and classes.

The daily traffic is an extraordinary mix: government officials, diplomats, and business executives speeding through the dust in their limousines; fleets of aggressive, gaily painted trucks; a seemingly endless parade of bicyclists and pedestrians; and a slow circus procession of farmer's bullock carts, buffaloes, goats, camels, and dogs.

What is remarkable is how the traffic, moving at such different speeds, manages to share the highway so successfully. By defying narrow generalizations and conforming to a seemingly invisible set of rules, the traffic on Ring Road is symbolic of India's economy: One must accept its mysteries before it becomes understandable.

Since 1947, pronouncements on the economic situation in India have moved from hopeful to despondent and back again. At times, economists have argued that "triage"—the abandoning of development efforts in "hopeless" areas in favor of places where there is at least a chance of progress—is the only practical approach. At other times, analysts have waxed so enthusiastic about India's progress—often seeing "self-sufficiency" in food just around the corner—that India and its supporters have been lulled into a false sense of security.

The less dramatic reality, however, is India's consistent capacity to encompass the bad and the good at the same time. Thus, in 1978, India appears to be further from "serious" famine than it has been at any time in more than a decade. Industrial production is rising. And India has confounded the pessimists by reaping unexpected side benefits from the hike in world oil prices: Foreign exchange earnings sent home by Indians newly employed in the Persian Gulf oil states have soared, as have investments by oil-rich Iran to develop Indian resources.

Yet even now there are hundreds of millions of people (per-

haps as much as 43 percent of the population) who live below what India itself defines as the poverty level. Investment of all kinds is still far below what is needed to employ the burgeoning work force. And the problems inherent in planning for the growth of modern industry within the context of a traditional agrarian society threaten to undermine the well-being of both.

Indians and non-Indians alike are responsible for broadcasting partly or completely erroneous information about the subcontinent's economy. While acute poverty is obvious everywhere, the causes of that poverty remain elusive. Some observers point to India's backward farming and lack of natural resources. Others cite the low productivity of the labor force (200 million people) or the glaring disparities in income. Still others blame continued underdevelopment on a stagnant, "socialist" regime. These generalizations, however, shed little light on the larger reality. Let us examine them.

Is India short of good agricultural land and mineral resources?

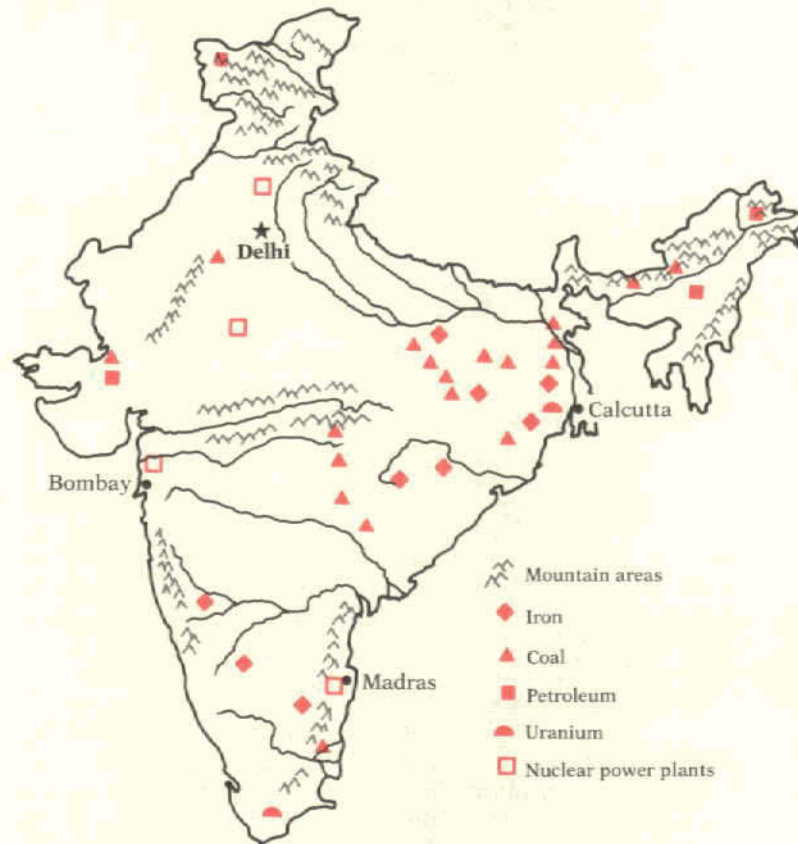
India is not as readily able to feed itself as are France and the United States; but it is not as badly off as many Asian, African, and Latin American countries. India is not Mali or Chad. As for population density, the people-to-arable-land ratio of 334 persons per square kilometer is unfavorable compared to the U.S. figure of 117, but it stands up well compared to Brazil's 343, West Germany's 790, and Japan's 2,084.

Most Indian agricultural output consists of basic commodities such as wheat, rice, and cotton. Since the mid-1950s, the "Green Revolution"—essentially the application of hybrid seed, fertilizer, and pesticides, and better use of existing water reserves—has dramatically boosted local crop yields. Wheat harvests have increased three-fold in the Punjab, Haryana, and western Uttar Pradesh; rice production has gained in the Tanjore Valley and the Andhra coast. The Green Revolution is not, of course, a panacea; it cannot yet compensate for the disasters that result when the monsoons play truant. But Indian agriculture, by any yardstick, is improving.

India's mineral wealth is also underrated. The most striking fact about its natural resources is the extent to which they are

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INDIA'S INDUSTRIAL BASE



Despite its image as an economic "loser," India is rich in natural resources, and by the early 1980s may be self-sufficient in oil.

underutilized. Coal is abundant, and India accounts for about 10 percent of the world's known reserves of high-grade iron ore. For many years the country has met 35-40 percent of its oil needs from wells in Assam and Gujarat, and new offshore wells near Bombay have recently come into production. Seismographic surveys suggest that future offshore finds in the Bay of Cambay and elsewhere may be large enough to make the country self-sufficient in petroleum by the mid-1980s.

India also boasts adequate supplies of thorium, uranium, and other materials used to fuel nuclear power plants. One generating station, the Tarapur nuclear power plant outside

Bombay, has been in operation since 1969 (it uses enriched uranium from the United States, however); three others are under construction and many more are being planned.

Is the quality of Indian labor poor? India manufactures machinery and hand tools for export to Western countries, produces trucks that are used extensively in Asia and elsewhere, and fabricates aircraft and other sophisticated military equipment. These achievements, one could argue, are the work of an elite; the vast majority of Indians, tied to the rural economy,* are either unwilling or unable to produce. But how, then, does one explain the success in rural Punjab where the Green Revolution has transformed not just agriculture but small industry and commerce in general?

Socialism, of a Sort

The answer involves not only imported agricultural technology but also the capabilities of the Punjab's farmers and merchants. Not all rural areas in India are ready for such fast-paced change. But what has happened in the Punjab has occurred elsewhere in the country often enough to indicate that the vast rural labor force should be seen as an underused resource, not as a perpetual burden.

Has the Indian economy improved or grown since Independence in 1947? India today is among the world's 10 largest industrial nations, just as it was in 1947. At that time, however, Indian industry was heavily concentrated in "infrastructure" such as railroads and power plants, or in light manufacturing such as textiles (which accounted for 50 percent of all manufacturing in 1947). India has since expanded or introduced the production of steel, chemicals, a wide range of consumer and industrial products, and advanced electronic and engineering equipment.

One problem is diversity. For example, the country has a hodgepodge of factories encompassing the different, often incompatible technologies of India's many aid donors. Yet while the Indian economy has not grown fast enough to satisfy many of the people's basic needs, it has expanded much faster since Independence than it did in earlier years. Over the last three decades, real per-capita income has risen by one-third despite a near-doubling of population—an impressive performance com-

*Estimates for 1976 showed that more than 70 percent of the work force was employed in agriculture, 12 percent in industry, 6 percent in commerce, and more than 11 percent in government and services. Oddly, despite the government's efforts to promote industry, since 1947 the *proportion* of Indians working in each sector of the economy has remained virtually unchanged.

A CRUSHING TIDE

"I left India depressed," Otis L. Graham, Jr. noted upon his return from the subcontinent earlier this year. A University of California historian and a former member of the Wilson Center's academic advisory panel, he recorded his impressions in World Issues. Some excerpts:

The population problem seems hopeless. Even Indians now acknowledge it. Over the years, as China pulled her birthrate from the mid-30s down to 25 per thousand per year, as Taiwan went to 23 per thousand, as Japan attained a striking 17 per thousand (all three nations now have population growth rates under 2 percent), India has been able to lower her birthrate to only 36 per thousand.

India's cities stagger under a crushing tide of people, and rural migrants continue to pour in. Old Delhi is a cacophonous hive of destitute humanity, peddling, washing, praying, eating, urinating. The broad sidewalks of the new city are awash with families who have settled in under hospitable trees, in tent camps, near taxi stations. Property owners with yards find their hedges used by families; guards are employed to keep the patient, pressing throngs from staking out squatting privileges on the lawns and in outbuildings.

This urban pack of humanity does not mean the countryside is depopulated. Rural India is jammed, but agriculture, which absorbs 70 percent of the working population, cannot offer employment to the 5 to 10 million who wish to enter the work force every year. Many of these people, most of them young, make their way to the cities.

In the short run, the economic picture is not without encouragement. There are substantial resources in India—coal reserves in the north, a wide range of agricultural products and capacities, rich coastal fisheries, some offshore oil, impressive mineral deposits. Two good recent crop years have ended the importation of food grains. The balance of payments in India is entirely favorable.

Yet the current picture is grim in other ways, and the long-range prospects are even worse. Economic growth in 1976 was only about 2 percent—but so was population growth, so that the Indian economy was virtually stagnant. The agricultural economy is terribly vulnerable to the monsoons. In a country whose annual grain crop is 120 million tons, grain reserves of 20 million tons are a razor-thin edge against starvation. The *Economic Times* acknowledged in January that 43 percent of the population is living below subsistence level, and that 25 percent of the work force is unemployed.

These figures sketch the outlines of a human tragedy and a politically and socially explosive condition. Or so it would seem to the outsider. The newspapers are never free of reports of labor unrest, especially in Bombay and in one or two eastern states. But the general feeling seems to be one of waiting with a certain resigned curiosity to see if the new Janata government can engineer a fresh spurt toward progress. That appears increasingly unlikely.

pared with the preceding half-century, when per-capita income remained virtually stagnant.

Recurring food crises are India's most publicized economic failure. But periodic shortages (in Bihar in the mid-1960s, for example, and in Maharashtra in the early 1970s) are less a reflection of India's inability to grow enough to eat (this is rarely the case) than of chronic difficulties in distribution—of moving grain across a big country from areas of surplus to areas with deficits.

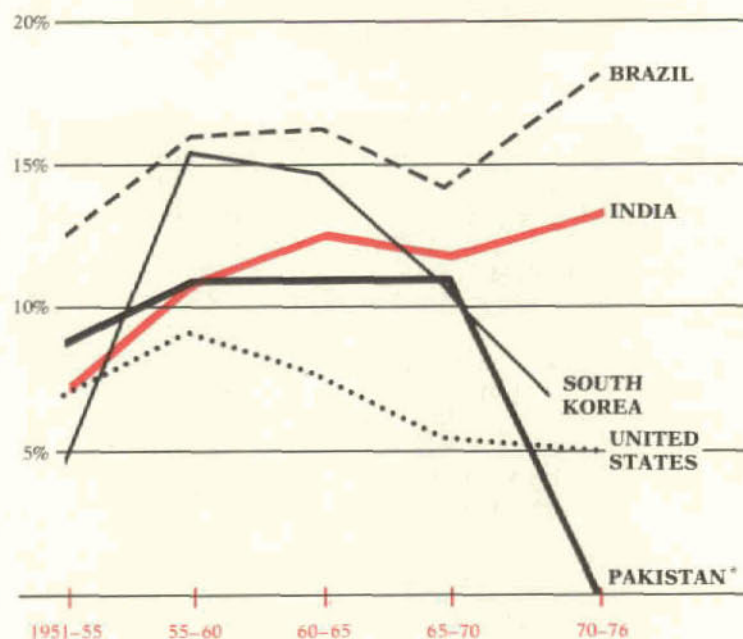
Are income inequalities extreme? There is no denying the sharp disparities between rich and poor in India, as elsewhere in the Third World. The richest tenth of the population receives about one-third of all disposable income, the poorest tenth only 3 percent. In rural areas, 0.6 percent of the families own 11.1 percent of the land; 10 percent own no land at all.

Because income differences in India reflect old class, caste, and regional distinctions, they have often proved intractable. Recent studies have shown that, while average income has risen, the distribution of income—the percentage shares held by various income groups—has not changed. However, since average per-capita income is less than \$150 per year, any variation is magnified. The difference between subsistence and something more can look enormous, and indeed, can sometimes be critical. But while disparities in wealth and income are great, the disparities in consumption of such items as food grain are not nearly as large.

Is the Indian economy socialist and rigidly planned? With India's academic and political thinking steeped in the Fabian doctrine long associated with the London School of Economics, and with Hinduism's emphasis on social order and hierarchy, it would have been surprising if Jawaharlal Nehru had *not* emphasized economic planning and socialism. The priorities and macroeconomic models established by the national Planning Commission (established with great fanfare in 1950) have had more than a symbolic hand in setting a pattern for India's economic development. In practice, however, despite its theoretical dependence on centralized decision-making and highly detailed five-year plans, the Indian system has rendered much of the Planning Commission's work irrelevant.

Indeed, since Nehru's death in 1964, the Planning Commission has been weakened by Prime Ministers who gave greater policymaking powers to other agencies, such as the Ministries of Finance and Agriculture. State and local governments also play a key role; in fact, by well-established custom, local governments ignore Delhi's policies when they conflict with their own.

POPULATION GROWTH RATES, 1951-1976
(Percentage change)



* The abrupt decline in Pakistan's population is due to the 1971 secession of Bangladesh (East Pakistan).

Source: *International Financial Statistics*, International Monetary Fund, May 1978.

With birth control offset by lengthening average lifespan, India's 2.1-percent annual rate of population growth remains uncomfortably high.

If by the word "socialism" one means public ownership of the means of production or comprehensive, cradle-to-grave welfare support, India's regime does not qualify. In fact, the bulk of economic transactions in India are private—with half the GNP produced in rural areas and no nationalization of agriculture.

The concept of public responsibility for welfare remains, however, even if existing social programs are gravely underfunded. And, as elsewhere in the Third World, the government *does* seek to control the "commanding heights" of the economy, either by regulating private business or through direct ownership of "core" sectors of the economy: oil, steel, banking, and other key enterprises. Even here, however, a small but significant proportion of modern industry remains in private hands.

The big underlying problem is population growth. "Re-

moval of poverty and attainment of economic self-reliance" may have been the opening words in the 1972 draft of the Fifth Five-Year Plan, but paragraphs 2 through 10 deal with population control. Indeed, here "timeless" India may be running out of time. The Indian population of 635 million is currently growing at a rate of about 1 million per month—an annual increase greater than the total population of Venezuela.* Indian policymakers, confident that full employment and economic growth could more readily be achieved with a lower population growth rate, have had little chance to test their thesis.

The reason is simple: The effects of education, rising wealth, and family planning have been more than offset by the impact of penicillin and public health services. (Life expectancy, which was 32 years in the 1950s, jumped to 46 in the 1960s.) Thus, the current rate of total population growth—2.1 percent annually—may be less than that in many other Third World countries, but it is still uncomfortably high. And so the vicious circle continues: Broader educational opportunities and enhanced status for women (both of which could lead to a lower birthrate) are shaped in part by the pace of economic development—itself in part determined by the birthrate. The prospects? Uncertain.

An Odd Pattern

In some ways, India and the United States are similar. Both are large continental land masses with diverse agricultural and industrial resources. Both are relatively self-sufficient. But India has traditionally been a net importer of food and raw materials—not to mention investment capital. The United States has exported both. India began its postcolonial period with ample foreign exchange reserves, mostly sterling, the result of booming wartime trade. But by the mid-1950s, the decline in world prices and in the demand for jute, tea, and other traditional exports, combined with increasing Indian demand for imported industrial and consumer goods, led to a foreign exchange shortage that later became chronic.

As a result, India has had to rely on vast amounts of foreign aid (\$30 billion since Independence). The major donors have been the United States and the Soviet Union, along with international agencies such as the World Bank. India has received 15 percent of all U.S. postwar foreign economic aid, representing one-third of India's total intake; the total is considerably higher

*The populations of Bombay (about 6 million) and Calcutta (7 million) have quadrupled since 1940.

if one adds in U.S. contributions to the World Bank and International Development Agency. But India has never received as much help as it could use effectively.*

In aspiring to be modern, socialist, independent, and democratic, India early adopted a strategy that has clearly affected the pattern and pace of development. In essence, that strategy called for (a) equal emphasis on economic growth, egalitarian income distribution, and a type of self-reliance falling midway between "autarky" and total dependence on foreign aid and investment; (b) government control of the critical sectors of the economy; (c) modernization and industrialization; (d) conservative fiscal and anti-inflationary monetary policies; and (e) an emphasis on import substitution over export promotion—that is, on consuming domestic goods rather than buying imported goods with export revenue.† Procedurally, this strategy required a high government profile and continual bureaucratic intervention in the economy.

In practice, an odd cyclical pattern has marked India's economic policy. When the Indian economy performs poorly, economic policymaking in New Delhi becomes more pragmatic and implementation more effective. When the economy is performing well, policy tends to be more ideological, more generally "socialist."

Thus, in the wake of a successful first five-year plan, the government in 1955 pledged itself to a comprehensive "socialist" pattern of society. But in 1966, amid drought, an acute foreign exchange crisis, and industrial bottlenecks, government policy shifted to favor incentives to productivity, import liberalization, and a freer rein for the forces of supply and demand.

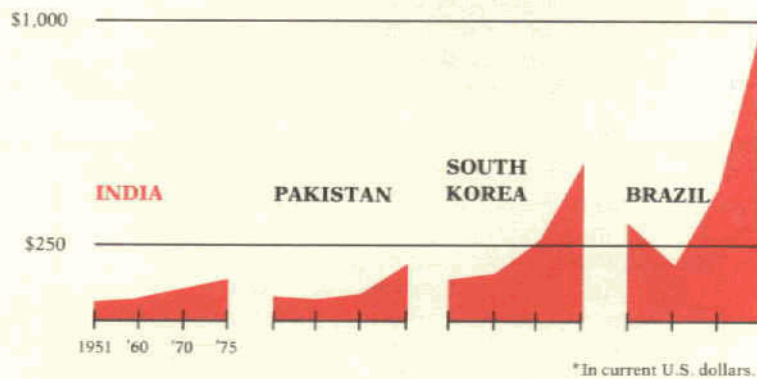
Similarly, in response to the nation's comfortable food position in 1969, Indira Gandhi moved leftwards, split the Congress Party, and nationalized India's 14 largest banks. Then, following the agricultural and industrial reverses of 1973, the wholesale wheat trade was de-nationalized and costly social programs were cut back.

The extremely high cost of famine relief and of recurrent economic crises demands an improvement in the quality—and consistency—of government policy. Some analysts believe that

*Between 1969 and 1974 India received \$5.3 billion in foreign aid. Of this amount the United States contributed \$1.5 billion; the Soviet Union and Eastern Europe \$250 million; the International Bank for Reconstruction and Development \$219 million; and the International Development Association \$780 million.

†This emphasis on self-reliance, often counterproductive, can be traced back to the *Swadeshi* (or "buy Indian") movement that began early in the century.

CHANGES IN PER-CAPITA GNP: INDIA AND OTHERS*



Source: *International Financial Statistics*, International Monetary Fund, May 1978.

India's per-capita GNP, up 30 percent since Independence, lags behind those of Brazil, Korea, Pakistan. The U.S. figure: \$7,060 in 1975.

India may now be heading toward a different economic pattern. During the last months of her 11-year tenure as Prime Minister, Indira Gandhi moved away from doctrinaire socialism, gave more freedom to the private business sector (including multinational companies),* and enforced unusually strong sanctions against organized labor. She pressed the lackluster bureaucracy to be more responsive to public needs by working harder, making decisions faster, and functioning more imaginatively. To some degree, market forces were again allowed to take precedence over direct government involvement in economic affairs.

These shifts, introduced just as India was recovering from a spate of bad harvests, helped the economy to recover. But despite improved food production, a reduced rate of inflation, and a rapid rise in foreign exchange reserves to \$5 billion (due partly to remittances from those Indians working in the Persian Gulf, and partly to a crackdown on illicit foreign exchange transactions), the gains for the overall economy were modest. Employment barely expanded in 1975-77, investment stayed in the doldrums, and the population, of course, kept growing.

In March 1977, when Morarji Desai's Janata Party over-

*India officially welcomes foreign investments; in fact, however, the environment for foreign operations has not been the best. Foreign equity holdings in India are limited to 40 percent—with very few exceptions. IBM and Coca Cola have recently shut down their Indian operations.

whelmed Mrs. Gandhi's Congress Party, economic policy promptly became the subject of a great national debate. Although the conflicting views of the ruling coalition's leaders virtually ensure that the debate will continue to be lively, the tentative outline of a new policy is evident: There is a greater commitment to rural development, including small-scale cottage industries, instead of large, capital-intensive manufacturing. The shift would have pleased Mahatma Gandhi.

What has always been most difficult to explain about the Indian economy is the significance of noneconomic factors. Gunnar Myrdal in *Asian Drama* underscored the negative impact on India's development of caste, regionalism, and tradition. And indeed, these cultural factors, along with competing ideologies, have made compromise, not consistency, the necessary ingredient in economic policy. Yet all this has allowed India to modernize while remaining a single nation, and the economic costs are outweighed, in my view, by the benefits in terms of national cohesion and a democratic way of life.

Poverty is so acute that outsiders cannot understand how the political task of "nation-building" could be more important than economic progress. Yet India's leaders, from Nehru to Mrs. Gandhi, have given precedence to noneconomic matters. As they saw it, India experienced internal and external challenges in the past quarter-century that could be ignored only at the cost of its new status as a sovereign nation: mass migrations, three outbreaks of war with Pakistan, border differences with China that led to war in 1962, and periodic domestic clashes over language and religion. All of this has sapped India's economic development effort.

The post-Independence Indian experience in politics and economics has sometimes been described as an experiment. This characterization is inaccurate and belittling; the Indian environment is not a carefully controlled laboratory. Rather, it is a frontier environment—rough and, despite some familiar elements, full of surprises. Indira Gandhi's Emergency was a surprise; so was her electoral defeat at the hands of Morarji Desai. The biggest surprise of all will come if Prime Minister Desai's shaky coalition can actually accelerate the pace of economic development—something Desai's predecessors repeatedly failed to do. Yet to fail now would be as great a danger to India's democracy as the Emergency ever was.



BACKGROUND BOOKS

INDIA

Until the late 18th century, few attempts were made to study India's ancient past. And not until the 1920s were large-scale excavations undertaken by the Archaeological Survey, which the British Viceroy, Lord Curzon, had reformed and enlarged in 1901.

Profiting from the digs at Mohenjodaro and Harappa, A. L. Basham's **The Wonder That Was India: A Survey of the Culture of the Indian Sub-continent Before the Coming of the Muslims** (Grove, paper, 1954; Taplinger, cloth, 1968) begins the story 2,500 years before Christ. At that time the once-fertile Indus Valley in the northwest (today a part of Pakistan) already supported an advanced pre-Aryan civilization.

Basham provides absorbing detail on this rich agricultural society. Its great cities boasted brick houses and sewers at a time when neither amenity was known to the distant forebears of the British archaeologists who dug up these artifacts. The succeeding Vedic (Hindu) and Buddhist eras (c. 1500–500 B.C.) were followed by Alexander of Macedon's invasion in 327–325 B.C. and the temporary establishment, soon aborted, of small Greek kingdoms in the northwest. The Greeks were the only foreign intruders until Muslim invaders came not just to raid but to rule in late medieval times. Thus, India's ancient civilization differs from those of Egypt, Mesopotamia, and Greece in that its earliest traditions have been preserved to the present day. "The humblest Indian," Basham writes, knows the names of "shadowy chieftains who lived

nearly a thousand years before Christ, and the orthodox Brahmin in his daily worship repeats hymns composed even earlier."

Those chieftains, and warring gods and demons, figure in South Indian novelist R. K. Narayan's retelling of **The Mahabarata** (Viking, 1978) and **The Ramayana** (Viking, 1972, cloth; Penguin, 1977, paper). Both are modern renditions of 2,000-year-old epics still regularly re-enacted in village pageants or in more sophisticated urban theaters on Hindu holidays. Also a good read is Anglo-Indian writer Aubrey Menen's mock-heroic version of **The Ramayana** (Scribner's, 1954; Greenwood reprint, 1972). Iconoclastic and anti-Brahmin, it was banned in the Republic.

Many translations exist of the even earlier *Rigveda* (c. 1500 B.C.), and of the *Bhagavad-Gita* hymns (curiously embedded within the war story of *The Mahabarata*). Also available are *The Upanishads*, philosophical treatises developed over several centuries, and *The Arthashastra* (c. 300–450 A.D.), a sort of Hindu version of Machiavelli's *The Prince*.

All are best approached with a good guide, such as Heinrich Zimmer, the famous German scholar, whose **Philosophies of India** (Pantheon, 1951; Princeton, 1969, cloth & paper) has been superbly edited by American mythologist Joseph Campbell.

Several excellent historical surveys cover the whole 4,000 years from Vedic to modern times. The most complete and dependable, albeit strongly British in its emphasis,

is **The Oxford History of India** by Vincent A. Smith (Oxford, 1919, 1968), edited in its later editions by Percival Spear. The reader may want an Indian antidote—perhaps in diplomat K. M. Pannikar's **A Survey of Indian History** (Bombay and New York: Asia Publishing House, 1954, cloth; 1972, paper). Another is Jawaharlal Nehru's **Discovery of India**, a less chauvinistic chronicle than Pannikar's even though the future first Prime Minister wrote it in a British prison (John Day, cloth, 1946; Doubleday-Anchor, 1960, paper).

Most American readers will probably find Percival Spear's **India: A Modern History** (Univ. of Mich., 1961; rev. ed., 1972) the most useful of all one-volume surveys. Spear focuses on "the new India" that was born in the Mutiny of 1857, but he does not skimp on the ancient and medieval periods nor the heyday of Muslim influence in India under the Mogul emperors.

The effects, early and late, of a millennium of Muslim influence are well chronicled and analyzed in H. G. Rawlinson's **India: A Short Cultural History** (Praeger, 1952).

Piratical Arabs invaded the coastal area of Sind in the 8th century A.D. Then in 1001 Mahmud of Ghazni swept into Peshawar, killing and looting. Wave after wave of Muslim invaders from central Asia—Turks, Afghans, Moguls—followed. The Mogul dynasty, which began with Babur, a descendant of Tamerlane and Genghis Khan, extended its sway over most of the country, ruling supreme from Agra and Delhi until their empire began to unravel after the death of the great Aurangzeb in 1707.

Westerners who visit India today can see much of its early history in the Muslim architectural monu-

ments and the surviving Hindu and Buddhist antiquities. These are illustrated and explained, along with sculptures and paintings, in **The Art of Indian Asia: Its Mythology and Transformations** (Pantheon, 1955; Princeton, 1960). Vol. I consists of a text by Heinrich Zimmer, edited by Joseph Campbell. Vol. II is a cornucopia of black-and-white photographs by Eliot Elisofon and others of sculpture, drawings, paintings, mosques, temples, tombs, stupas, and commemorative pillars.

Also recommended are Ananda K. Coomaraswamy's pioneering **History of Indian and Indonesian Art** (Dover, 1965, paper), first published in 1927, and **The Art of India** (Abrams, 1977), a new one-volume compendium (1,175 illustrations) by Calambur Sivaramamurti, director of New Delhi's National Museum. Americans may prefer the dry prose of Zimmer/Campbell's classic study, but Sivaramamurti's book has the advantage of showing 180 wall paintings, Rajput miniatures, sculptures, and buildings in color.

The British were responsible for the preservation of Mogul emperor Shah Jehan's memorial to his beloved Mumtaz Mahal (the Taj Mahal) at Agra and many other architectural treasures throughout India. They also left their own architectural mark on the Indian landscape—in the airy, high-ceilinged colonial houses and the monumental red sandstone government buildings of New Delhi. The new capital city, designed by Sir Edward Luytens, was built late (1912–31) in the British period that began with the East India Company's first establishment of a port warehouse at Surat in 1612.

Most readers know something of the British in India—if only through Kipling's classic *Kim* (1901), E. M.

Forster's 1924 novel, *A Passage to India*, John Masters' popular best-sellers (*Bhowani Junction*, *Nightrunners of Bengal*, *The Deceivers*), and the evocative Bengal- and Kashmir-based stories of the Godden sisters, Rumer and Jon. A good, little-noticed novel by Paul Scott, **Staying On** (Morrow, 1977), poignantly describes the hill-station retirement and decline of a British Army couple who at Independence in 1947 elect not to go "home" (where, essentially, they have never been).

The East India Company and the British raj occupy much space in the historical surveys mentioned above, and memoirs and critical analyses flesh out the description of events up to the transfer of power and division of the subcontinent into India and Pakistan.

One well-written account, pro-British but otherwise balanced, ranges from 1599, when London merchants petitioned Queen Elizabeth for a charter "to traffic and merchandise" in the East Indies, to the final trooping of "the King's Colours" through the Gateway of India out of Bombay in 1947. This is **The Men Who Ruled India** (St. Martin's, 1954, cloth; Schocken, 1964, paper) by Philip Woodruff, a former member of the prestigious Indian civil service.

Woodruff's labor of love, now only available in libraries, is divided into two volumes. **The Founders** brings to life the bold, greedy merchants of the East India Company, and their dealings with the Moguls, and chronicles the mid-18th-century revolution in Bengal, the 19th-century Sikh Wars, the final conquest of the Punjab, and the Sepoy Mutiny of 1857. **The Guardians** describes the civil administration of a vast territory, one-third the size of the United States, by what

was never more than a few hundred young English district officers. They were supported when necessary by an army that, in 1939, had only 50,000 British troops and 150,000 Indians (Sikhs, Gurkhas, other warrior castes).

Biographies and critical studies of Indian leaders—both those who led the freedom fight and those who have held power since Independence—include Louis Fischer's **The Life of Mahatma Gandhi** (Harper, 1950; Macmillan, 1962, paper) and Erik H. Erikson's **Gandhi's Truth: On the Origins of Militant Nonviolence** (Norton, 1969), a psychobiography by the inventor of the genre. Among the many books on Jawaharlal Nehru, one that stands up well is Michael Brecher's **Nehru: A Political Biography** (Oxford, 1959; Beacon, 1962, abr. ed., paper).

Western social scientists have created a cottage industry out of the study of rural and urban life in independent India, its output as voluminous as all the published history that has gone before. Some village studies make good reading, but much of the scholarship is turgid and narrow. Contemporary fiction gives the general reader a far better sense of the changing patterns and stresses of life in India today.

The bloody horrors of Partition have only begun to subside from North Indian minds. Khushwant Singh, journalist and scholar of Sikhism, published a novel, **Train to Pakistan** (London: Chatto & Windus, 1956; Grove, 1956, paper; Greenwood reprint, 1975, cloth), that gives a devastating portrayal of the 1948 deaths of up to 1 million people—Muslims, Hindus, Sikhs—moving from one new nation to the other.

The problems (and pleasures) of South Indian life have a different

cast. The widely-read novels of R. K. Narayan, (*Bachelor of Arts, The Guide, The Financial Expert, Mr. Sampath*, many others) are published in the United States by Viking and the Michigan State University Press. All are set in Malgudi, a mythical town in his home state of Mysore that bids fair to become a South Indian equivalent of Faulkner's Yoknapatawpha County. A lesser-known collection of Narayan's tales is **A Horse and Two Goats** (Viking, 1970).

The title story satirizes the gaps in Indo-American understanding through a brief, hilarious encounter between a U.S. aid technician, who wants to buy a clay statue of a horse he sees along the roadside, and a peasant who thinks he's selling the American his two goats.

Much read in India, as in England and the United States, are the novels of Polish-born Praver Jhabvala (*The*

Householder, The Nature of Passion, To Whom She Will). Her keenly observed tragicomedies of contemporary Indian urban life often depict nouveau-riche entrepreneurs, their gossipy wives, and yearning daughters.

If one had to choose a single literate book on the Republic of India's social and political development, foreign policy, and politics over the past 30 years, from an American viewpoint, the winner might be **The United States and India, Pakistan, Bangladesh** (Harvard, 1953; 3rd ed., 1972, cloth & paper) by W. Norman Brown.

Brown was for many years the head of the University of Pennsylvania's South Asian studies program. His book offers a bonus: a solid bibliography directed to the interests of the general reader. We suggest it as a supplement to this essay.

EDITOR'S NOTE. *Many specialists recommended background books on India, more books than we could mention here. Among our advisers were: Edward A. O'Neill, Lawrence A. Veit; Dennis H. Kux, former country director for India and Nepal, U.S. Department of State, now serving in Turkey; William J. Barns, author of **India, Pakistan, and the Great Powers**; and Wilson Center Fellow Manakkal Venkataramani.*