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SOUTH ASIA

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REPORT

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BANGLADESH, INDIA, AND PAKISTAN

TO THE

MAJORITY LEADER

TRANSMITTED TO THE

COMMITTEE ON FOREIGN RELATIONS

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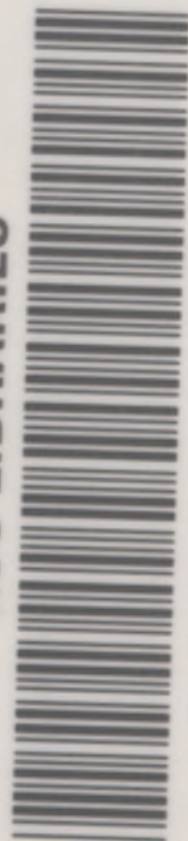
FRANCIS R. VALEO

SECRETARY OF THE SENATE



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(II)

LETTER OF TRANSMITTAL

UNITED STATES SENATE,
OFFICE OF THE SECRETARY,
Washington, D.C. March 1, 1976.

Hon. JOHN SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate,
Washington, D.C.

DEAR SENATOR SPARKMAN: Pursuant to the instructions of the Majority Leader, and, with concurrence from you and Senator Case, I traveled to South Asia during the inter-session of the Congress. My purpose was to study the situation in that region, with particular reference to the declared emergency in India and the recent series of changes of government in Bangladesh. In pursuit thereof, I visited Islamabad-Rawalpindi, New Delhi, Calcutta and Dacca, with an overnight in London for preliminary discussions.

At each place, I received thorough briefings from U.S. Embassy personnel and held conversations whenever possible with other informed persons. These talks, together with such direct observations as were possible and background inquiry, form the basis of the attached report.

I want to take this opportunity to note the exceptional assistance which I received from Ambassadors Saxbe and Byroade and U.S. foreign service personnel in India, Bangladesh, and Pakistan. In addition, Ms. Jan Novins and others of the staff of the Committee on Foreign Relations and Ms. Dixie Grimes in the Office of the Assistant Secretary for Administration of the Department of State were most helpful in making the necessary arrangements. The Congressional Research Service of the Library of Congress prepared for me very useful research papers.

May I express to you, to the ranking minority member of the Committee on Foreign Relations and to the Majority Leader, my appreciation for your confidence.

With high esteem, I am,
Sincerely,

FRANCIS R. VALEO,
Secretary of the Senate.

SOUTH ASIA

I.—INTRODUCTION

Fragile is the word which best describes the situation on the South Asian mainland. Whether one speaks of Bangladesh, Pakistan or India, the appellation is applicable. Whether the reference is to political or economic conditions, the sense of survival on the brink is pervasive. To be sure, there are gradations among the three nations. In all of them, however, the promise of a brighter tomorrow is ephemeral at best and the vast problems which confront them are vividly apparent today.

This state of affairs is not unusual in an historic sense. The conditions that make for reasonable stability have been lacking in South Asia for a long time. For purposes of perspective, it would be well to recall the nature of the region as the era of colonialism drew to a close after World War II. At that time, India, Pakistan and Bangladesh were parts of a single political entity under the aegis of the British Empire. This unity was without much depth. Actually, the subcontinent was a patchwork of political subdivisions, princely satrapies and ancient jurisdictions held together by an alien power-center in New Delhi. Differing religions, customs, races, tongues and castes sustained walls of division among the 400 million who inhabited the "old India" of 1945.

Famine, pestilence, drought, floods, and all manner of social ills such as illiteracy and caste ostracism were the lot of the great majority of inhabitants. Malaria, for example, was then a leading cause of death. Recalled from personal experience is the great famine in Bengal in 1943. Tens of thousands of the dispossessed converged on Calcutta to await the end from starvation or disease. Government was incapable of doing much more than pick up the dead.

Except for a thin veneer of modernity in the cities and along the railroads and other communication lines, plus a minuscule layer of Western orientation, it was as though the Indian subcontinent had atrophied in an 18th century mold.

The burden of the past produced a final irony during the phasing out of the colonial system. With the approach of independence the inter-communal fears, notably of the Muslim and Hindu, grew apace.

These fears produced a major fragmentation in the political consolidation which the British Raj had built up over a century or more. A two-segment Pakistan was separated from the main body of India. The partition was designed to produce a peaceful transition. What followed, instead, was a violent outpouring of anxieties, a tidal wave of communal hostility and in the end, vast migrations of people. The city of Rawalpindi in what became West Pakistan is a good example of what took place after partition. At the time it was a city of several hundred thousand people with a majority of non-Muslims.

Today, it is a Muslim city in which there remain scarcely a half-dozen Hindu families. In the end, the partition of 1947 claimed perhaps as many as one and a half million lives.

Creation of the separate states of Pakistan and India, moreover, did not bring to an end the communal fears which previously were submerged and held in check in a single political entity. Rather, it transferred these fears to the international arena. Pressure for further fragmentation also persisted after partition. Even today, in both India and Pakistan, centrifugal forces operating along powerful tribal, linguistic and other lines, continue to tear at the inner unity of these nations. This phenomenon is one of the most significant factors in giving to the situation, as noted at the outset, an aura of fragility.

It is against this background that the current situation is described in the subsequent chapters. Bangladesh is a good starting point because its very creation was a consequence of the pressure for fragmentation which has remained in the subcontinent. Bangladesh is a partition of a partition. It is indicative of what could take place elsewhere in South Asia.

II.—THE PEOPLE'S REPUBLIC OF BANGLADESH

On August 14, 1975¹ the hero of the independence of Bangladesh was assassinated. This act capped a progressive disillusionment with the aftermath of partition. Four years earlier the nation had been launched on a note of great expectations. Although Sheikh Mujibur Rahman (known as Mujib), remained a popular figure to the end, the failure of his government to improve living conditions or curb official corruption set the stage for the coup in which he was killed.

Mujib was slain by a group of middle-grade military officers. His death contributed to some very gruesome statistics which are illustrative of the current state of Bengalee political life. In three years, more than 3,000 "political" murders have been recorded by the police. It is said that the number which has gone unrecorded in rural areas is even higher. These assassinations are due in part to what has been described as the "conspiratorial politics" of Dacca. There is incessant jockeying for power within the armed forces and the existing governmental structure. In less than a year, three major reshuffles of power have taken place. The process is reminiscent of Saigon before the establishment of the Diem government in 1954.

The uneasy peace at the present time rests on the rule of a triumvirate of Army, Navy and Air Force leaders.² The three members are Major-General Ziaur Rahman, Commodore Mosharraf Hussain Kahn and Air Vice-Marshal M. G. Tawab. The figure-head is Mr. Justice A. M. Sayem, who serves as President.

What now exists as a government in Dacca is essentially an administrative structure dominated by military leaders. Down-the-line personnel is drawn largely from the armed services and from carry-over civil servants. The structure is without popular base and its cohesiveness depends on personal and organizational loyalties. Outside Dacca and a few other centers of population, the bureaucratic structure and power of the central government becomes somewhat nebulous. Private armed bands flourish in the rural areas, usually

¹ Mujib's assassins also gunned down all reachable members of his family and many associates.

² See Appendix I for a complete listing of the principal government officials.

operating under local chieftains who hold ample supplies of arms left over from the war of independence. Dacoity and other forms of banditry are common, along with a good deal of smuggling.¹

Social theory is widely discussed in government circles but such political activity as is pursued in Bangladesh is quite primitive. Implementation of Mujib's parliamentary concepts has been postponed. Particular note should be taken of the fact that the late Prime Minister substituted a secular state for the Muslim establishment which had existed when the region was a part of Pakistan. While secularism has not been abandoned, the successor governments have tended to give more consideration to the religious factor (Bangladesh is 90 percent Muslim) and there may be some pressure to move further in that direction.

Independence did nothing to improve what was already an abominable economic situation. The end of the war found the country in a shambles. In the years since, inflation has run up prices about 300 to 400 percent.

The revolution did little to alter the lot of the rural poor who have long suffered not only from over-crowding on the land but also from a fierce landlordism. Surplus inhabitants of the countryside continue to flock to the cities, swelling the ranks of the urban unemployed. It is said that of the 3 million inhabitants of Dacca, one in ten sleeps in the streets and 100,000 are beggars.

At the moment, a bumper crop and a currency reform have put something of a glow on the economy. Food supplies are adequate and prices are stable. How long this "prosperity" will last is another matter. The fact is that any effort to deal with Bangladesh's economic difficulties confronts an inescapable statistic—a rapidly growing population which already numbers 80 million crowded into an area about the size of Wisconsin. The Bengalees are burdened by an accumulation of ancient economic ills and stifling practices and they possess very few modern skills for dealing with them. Natural endowments are also limited, consisting of fishing resources, a rich deltaic soil and plenty of water. Against these assets, just about every natural disaster has hit Bangladesh at one time or another. In 1970, for example, a cyclone and tidal wave killed over 200,000 people.

Foreign aid has long since provided the margin for stability in this area. Before independence, assistance was channeled through the Pakistani government. Since 1972, it has come directly to Dacca in liberal amounts and from many sources.¹ At the outset, India supplied substantial aid to Mujib who was well known and highly respected in Delhi. The Soviet Union has also given a considerable amount of assistance, as have the European countries both East and West.

By far the largest source of economic aid has been the United States. In three years, the total has reached a billion dollars.¹ The bulk of the assistance is in the form of P.L. 480 food. Small amounts are distributed through private relief agencies but the main distribution system is under the control of the Dacca government and it serves to funnel much of this aid into the hands of military and civilian

¹ A substantial portion of P.L. relief food is said to make its way into Calcutta and other parts of India via this channel.

¹ See Appendix II for list of donors.

¹ Compare with \$60 million from India or \$100 million from the U.S.S.R. in the same period.

officials and their families. A substantial amount of P.L. 480 food is said to be sold on the black market with quantities moving into India via the smuggling routes of the southwest.

Food imports do act as a factor in the survival of the incumbent government in that they contribute to the contentment of military personnel and government workers. They may also act to curb prices. Except in that sense, however, food assistance is not of any great benefit to the poor.

Indeed, aid from all foreign sources to date seems to have made scarcely a dent in what is probably the deepest poverty in Asia. Nor are the prospects for the future much different. Apparently, this reality is dawning on several countries which initially rushed in with help. There have been second thoughts, and enthusiasm in support of the new nation seems to be on the wane.

The cooling of a sympathetic Indian interest has not helped matters. Ever since Mujib's assassination which was seen as an anti-Indian action, very little in the way of assistance has been forthcoming from the large mission which New Delhi still maintains in Dacca. Nor is the present Bengalee government seeking help from India. Rather, the military junta seems to prefer to bank on the U.S. aid mission.

U.S. policy has been described as avoiding the role of "principal patron" of the new state. Nevertheless, in aid terms, the U.S. is already far and away the main prop of the Dacca government. It should be stressed that U.S. assistance is economic and largely in the form of food. Military aid is not yet involved although there are indications that it would be far from unwelcome in some Bengalee quarters. Concern over India's reaction, however, is something of a restraint in this connection.

Notwithstanding differences and a degree of mutual suspicion, India and the present government of Bangladesh have worked out a kind of *modus vivendi*. On the whole, Dacca appears to recognize the need to get along with its powerful neighbor. At the time of Mujib's assassination, there were reports of Indian military maneuvering on the border and Indian assistance to dissident Bengalee guerillas but these actions appear to have subsided. A new trade arrangement has been worked out between the two countries which provides for an exchange of jute, rice and fish from Bangladesh for Indian textiles and other commodities.

The best available information suggests that India is not anxious to plunge into the internal affairs of Bangladesh. Nor is it likely to do so unless an intolerable situation should develop in that country. Such might be the case, for example, if there were communal rioting affecting the Hindu community in Bangladesh or other actions which would set in motion a new wave of migration across the border into Indian Bengal.

Stable relations with India would appear to be essential to the existence of a viable nation in Bangladesh. India is the country in the region with the greatest concern in what transpires in Bangladesh. While the Indian government is plagued by its own array of difficulties, it does have some capacity to be of assistance and it is also potentially of great importance in regard to Bengalee trade. There are also strong cultural ties between Bangladesh and Indian Bengal, including those of language.

As for Pakistan, it is now a thousand miles away and otherwise preoccupied. Indeed, a Pakistani Ambassador was only arriving for the first time in Dacca as I was leaving. While there is still the religious affinity between the two countries, the cultural gap is wide (language, for example, is different) and the element of mutual economic advantage is lacking.

In the case of the Chinese People's Republic, Peking's first reaction to the creation of Bangladesh was one of hostility. While a shift took place after Mujib's replacement, there is no indication of a deep Chinese interest in the internal affairs of Bangladesh. In fact, China has yet to dispatch an Ambassador to Dacca. Many other countries are represented in Bangladesh, some as noted, as aid-donors. Their primary interest, however, seems to be in trade or investment opportunities and these are not materializing very rapidly.

The key foreign-element in the situation is the United States. While U.S. assistance is critical to the survival of the present government in Dacca, it cannot insure a continuing stability, let alone viability for Bangladesh. Even with the heavy input of U.S. assistance, the situation is bound to remain touch and go for the indefinite future. A crop failure or some other natural disaster which results in a major food shortage, an open split in the military establishment, the growth of war-lordism or communal rioting are all very real possibilities in present circumstances. In some devastating combination they could create a situation far beyond the coping capacities of the present Dacca administration.

III.—PAKISTAN

The comment is heard in Islamabad that Pakistan is better off without what is now Bangladesh. Certainly the problems of politics, administration and economic stability are less complex. Not encompassed by the comment, of course, are sentiments of outraged national pride. Nor does it reflect the shock to national security which was felt when the revolt in East Pakistan broke out in 1971, a shock compounded by the surrender of a Pakistani army of about 100,000 after scarcely a halfmonth of warfare.

One of the first consequences of the debacle in Bangladesh was the ending of about two decades of direct military rule in Pakistan. Zulfakier Ali Bhutto, a civilian political leader, replaced General Yahya Kahn on December 20, 1971. The new government promptly accepted the secession of Bangladesh and came to terms with India. Thereafter it set about trying to salvage what was left of the nation.

Parliamentary government was resumed, with Bhutto as Prime Minister. The initial public reaction to civilian leadership, not unlike that which greeted Mujib in Bangladesh, was one of widespread approval. Since then, however, there have been some indications of a loss of public acceptance. How widespread it may be is not clear since elections have not taken place and are not expected until 1977. There has also been some backtracking from the political liberalism which appeared to have been set in motion at the outset of the Bhutto administration.

Prime Minister Bhutto, not unlike Mrs. Gandhi in India, is charged by the political opposition with having grown more and more authoritarian and his government less and less effective.¹ In response,

¹ The opposition is boycotting the meetings of the Parliament.

reference is made to the pressures of separatism, notably in Baluchistan and in the Northwest Frontier Province on the Afghan border as well as to willful acts of disruption by the opposition. In the face of these challenges to stable government, it is insisted, special powers are necessary if the government is to deal with Pakistan's multiple problems.

Among these problems is the state of the Pakistani economy. The rate of inflation is about 25 percent annually and in 1975, the foreign trade deficit was \$1 billion due in large part to the increase in petroleum prices. Although strenuous efforts are being made to develop nuclear power,² over-all industrial progress has been very limited.

A potential for agricultural expansion exists and Pakistan is expected to achieve a food surplus with the extension of the irrigation system. For the present, however, there is still some food insufficiency. Rice is exported but wheat is imported.

Pakistan is a long time recipient of foreign aid. Since 1952 about \$10 billion has been provided from all sources. The United States has been the principal supplier, accounting for about half the total. In 1957, loans and grants from this country were about \$200 million. Until a decade ago, the United States was also the major source of military aid. After the outbreak of war with India, however, this nation embargoed most shipments of military equipment and arms to the subcontinent. The Pakistani government turned to other nations and over the years obtained more than \$500 million in arms from the People's Republic of China and France. The former's assistance is regarded as "generous" but limited.

In February 1975, the United States lifted the ten-year arms embargo. In permitting this change, however, Congress insisted that transactions with Pakistan be on a cash basis and carried out under strict legislative surveillance. At the time of my visit to Islamabad, there had been no shipments of any great consequence and none involving major U.S. weapons systems. Negotiations in the latter-connection have been underway but the legal requirement for Congressional concurrence in all sales over \$25 million acts as a powerful brake. Then, too, cash purchases are difficult for a Pakistani government that is likely to remain cash-short unless, of course, there were to be an inflow of funds from sympathetic Muslim countries.

Although the Bangladesh secession has been accepted as final by the Pakistani government, there are still matters in dispute between Islamabad and Dacca. The most important involve air rights and the division of assets formerly held in common. While relations have been closer since the death of Mujib, both nations are acting with circumspection. There is a concern over possible ramifications in India. In this connection it should be noted that Mujib's assassins sought asylum in Pakistan. They argued that their action had been on behalf of Islam. Nevertheless, Pakistan refused to grant asylum and they were compelled to go to Libya.

Since the end of the two-weeks war, Pakistan's relations with India have been correct. Discussions on reconciliation between the two countries were set in motion by a meeting of Prime Ministers in Simla in 1971. Progress has been slow although trade and communications (except for civil aviation) have been resumed.

² In connection therewith, it should be noted that Pakistan possesses very large uranium deposits.

The Pakistani relationship with the People's Republic of China is by no means intimate. It does serve a mutual purpose, however, as a kind of off-set to the Soviet-Indian tie.

An interesting aspect of Pakistan's current foreign policy has been the vigorous assertion of an affinity with the Muslim states to the West—the oil-rich countries from Iran to the Emirates of the Persian Gulf. Especially since 1971, these relationships have received great emphasis in Islamabad. Pakistani military assistance is being extended to the air forces of Kuwait, Syria, Jordan, Saudi Arabia, Abu Dhabi and Libya. In addition, stress is laid on the role which Pakistan can play in safeguarding the shipping routes of the Persian Gulf.

Efforts are also being made to enlist Arab oil money in economic development. There is a land boom in Karachi which is attributed to extensive Arab purchases. As for productive investment, however, it is said that the Arabs drive a hard bargain. The price charged for Middle Eastern crude apparently is about the same to Pakistan as to other countries.

Notwithstanding a degree of popular disenchantment, the Bhutto government appears to be firmly in control of the situation in Pakistan. The political opposition is weak, discordant and ineffectual. While Bhutto's support is essentially personal, it is the basis for about the only organized political activity of any consequence. As noted, elections are scheduled for next year but, in present circumstances, it is difficult to assay their significance. With or without elections whatever the degree of dissatisfaction, it does not appear to have reached a point where a change of government is presaged. That is true notwithstanding the lack of economic progress. While the economy may leave much to be desired, conditions are not such as to precipitate unrest, especially in a year of bumper crops.

If there were to be a change of government, it would probably have to come in the form of a military-sponsored coup. At this point the armed services have yet to recover from the catastrophe of Bangladesh and their support, along with that of the civil administration, is behind the Bhutto administration.

IV.—INDIA

It would not be correct to say that "as India goes so goes South Asia." Clearly, however, South Asia is not likely to go very far in any direction unless India is also headed in the same way. Size, economic dynamism, political and military power, contrive to assure that the major regional influences which originate within the subcontinent are going to emanate from that nation. In short, India is central to the future of the situation in South Asia.

At the outset, it would be well to bear in mind some basic realities concerning that country. Of India's 600 million, probably not over 20 percent live in the modern world. The balance remain far more tied to past centuries than to the present. To be sure, ancient inequities such as those reflected in the caste system are giving way. Religious and communal conflicts are on the decline. The cultural gulfs symbolized by the existence of fourteen official languages are being bridged. The Constitution and government policies are being used to bring about a transition in the direction of modernization. While massive malnutrition is still present, the great famines which occurred peri-

odically in the past have been absent for many years. Indian society is changing. The fact is, however, that change is coming slowly in relation to the great need for change. So-called untouchables are still murdered for using the wrong water pump. Hindus and Muslims do clash from time to time. Tamils do resist the introduction of Hindi as the national language into the schools of South India.

The economy of India is in transition and on a scale, in Asia, second only to that of the People's Republic of China. The nation possesses the resources of modernization. It has, for example, some of the richest iron and coal deposits in the world and, increasingly, the equipment and skills to exploit them. Offshore petroleum is on the verge of coming into commercial production. There is a growing work force of diversified capabilities. India produces and even exports railroad cars and locomotives. It can mass produce jet aircraft and automobiles and a whole range of other complex products. There are outstanding Indian scientists and technicians who have not only developed nuclear explosives but have done so by what are said to be very original techniques and processes.¹

Only 30 percent of the population is now literate but that adds up to 180 million people and the rate compares with about 17 percent at the beginning of independence. The 1975 grain crop was over 100 million tons, that was double the output of 1955. Irrigated acreage has also doubled since 1950. In 25 years, fertilizer production increased from 18,000 tons to 1,600,000 tons.

Statistics of this kind reveal clearly a capacity for change. The critical unknown has been whether Indian institutions were producing a rate of change which is rapid enough and relevant enough to the needs of India's hundreds of millions to forestall a slide into chaos and revolution. The Indian government has been aware of this question and also of the availability of alternative approaches to change for atrophied Asian societies such as that which has unfolded in the People's Republic of China.

It is against this background that the state of Emergency was promulgated by President Fakhruddin Ali Ahmed at the request of Prime Minister Indira Gandhi. The action has had far-reaching consequences in terms of the distribution of political power. It has resulted in a vast increase in the capacity of the central government in Delhi to control state governments and in the power of the Congress Party majority and its Prime Minister in Parliament to curb the opposition and the press.

The Courts have either upheld or refused to rule on the measures which have been taken under the Emergency and are not likely, in any event, to seek to alter the present course of the government. It is a fact that the Indian Constitution permits the widest latitude to a Parliamentary majority. Moreover, the Emergency is not an entirely new departure in Indian politics except, perhaps, in its breadth. As recently as 1972-73, for example, the government took severe repressive measures during so-called Naxalite¹ agitation among farm tenants and urban workers. The assassination of Mohandas Gandhi

¹ Development of these devices has not been deterred in the slightest by foreign criticism. India is pushing production, which the government states is for peaceful usage.

² Naxalites are described as "Maoist leftists" as distinct from the regular Indian communists and the Indian communists-Marxists, which function as two separate Parliamentary groups.

in 1948 was followed by the outlawing of certain Hindu racist organizations and by mass imprisonments. Further in the past, Prime Minister Gandhi's father, Jawaharlal Nehru and Mohandas Gandhi, along with thousands of other agitators for independence were detained by order of British Governor-Generals on a number of occasions.²

This background to the present Emergency is noted because it is likely to be a more familiar point of reference for Indians in their judgments than opinions which are expressed abroad. Among these judgments there is to be found considerable resentment at the Emergency on the part of the bureaucracy, particularly the older, higher-ranking civil servants. There is also Indian intellectual opposition. Youth is probably either largely indifferent or supportive of Mrs. Gandhi. The real sentiments of the Indian press cannot be measured. However, newspapers continue to be published under censorship and, from time to time, do express restrained criticism of specific actions of the government. The great preponderance of the Congress Party which has controlled the central government and almost all of the state governments since 1947, of course, supports the Prime Minister. The regular Parliamentary communist party did not oppose the Emergency, although it may differ with specific acts taken thereunder.

While there is a tradition of non-involvement in politics, military leaders are regarded as generally supportive of the leadership of Mrs. Gandhi who has taken over the portfolio of the Defense Ministry. The Indian armed services have not been employed in connection with the enforcement of Emergency decrees. This responsibility has been assigned to the police and special paramilitary forces consisting of the Central (and Special) Reserve Police, the Border Security Force and the Central Industrial Security Force. They are highly responsive to the Prime Minister.

There is little doubt that the concept of the Emergency has gained public acceptance in India. Foreign observers are unanimous in holding that Mrs. Gandhi would win a vote of confidence if elections were held at this time. There are those who, doubting the necessity for the Emergency, generally attribute its declaration to Mrs. Gandhi's desire to retain power and to strengthen her family's position. Whatever personal motives may be involved, such views clearly contain an admixture of rumor, surmise, animosity and gossip.

In any assessment of the Emergency, it should be noted that there have been signs of political disintegration in India in recent years. Indifference to the public welfare on the part of civil servants was becoming commonplace and graft and corruption were spreading rapidly. There was discontent among the workers in the cities and the lot of the rural poor had become desperate. Rioting and disorders were evoking stringent measures of repression. At the same time, separtist pressures were being felt, notably in the southern province of Tamil-Nadu.

In the face of dangerous developments of this kind there appeared to be a paralysis in government. Some would ascribe this to the failure of Mrs. Gandhi's leadership. Others would note the inadequacy of a system under which Parliament had become little more than an arena for shouting matches and fights. Whatever the case, it would appear that the setting in which the Emergency was declared was ripe for action and the public responded affirmatively to action.

² It is interesting to note that criticism of the Declaration of Emergency has been much more restrained in the United Kingdom than in the United States.

How long popular support will be forthcoming is an open question. Insofar as India's poor are concerned, Mrs. Gandhi is likely to receive every benefit of the doubt. Her intentions will not be seriously questioned among the minorities and the impoverished millions. That would be the case, if for no other reason than that the Prime Minister is the bearer of an almost legendary family tradition of service to India. She is regarded by competent observers, moreover, as a highly skilled political leader who has lived, breathed and practiced politics throughout her entire life.

Whatever the short term considerations, in the end, the Indian judgment of the Emergency will probably be based largely on what is forthcoming in the way of economic and other gains. In this respect, the Gandhi government begins on a lucky note because of the enormous grain crop in 1975. Adequate food supplies at reasonable prices are assured for the current year. At the same time there have been other visible improvements. Inflation has been halted. Hoarders and speculators are disgorging their holdings and corruption has been curbed. Civil servants have become more attentive to public needs. Industry and labor seem to be responding to the government's pleading or pressure for increased output. Similarly, the railroads are providing better service. The improvements may not last but for the moment at least they serve to strengthen the government's hand.

While the grain crop is sufficient to meet needs, the Indians are building reserves, in part, on stocks obtained from abroad, with about 50 or 60 percent coming from the United States.¹ The Indian government no longer wishes to receive food from the United States under P.L. 480 with payment in rupees. It prefers now to make its purchases on the commercial market. Except for some private charities, U.S. bilateral aid for all practical purposes is over. Not only food aid, but other programs are coming to an end.² The Peace Corps in India, for example, at one time numbered 1,500; currently it is less than 25.

In retrospect, the special tie which has persisted between the United States and India has been an up-and-down, warm and cold relationship. Nevertheless, it is unfortunate that this tie which was based heavily on aid is ending on a discordant note. It did make a contribution to Indian development. At this point, however, the Indian government is deeply resentful of criticism of the Emergency as expressed in the United States. It is also suspicious of what the Indians perceive to be the role of the C.I.A. in a "destabilizing process" in South Asia. The resumption of U.S. arms sales to Pakistan is seen as an aspect of this process. The U.S. military development of Diego Garcia is deplored as a remainder if not a recrudescence of Western imperialism.

The present United States Ambassador in New Delhi is not embraced in these negative reactions. His reputation for candor and his personal decency have been readily accepted in India. Nor can it be said that Official U.S. policy with regard to the Emergency is responsible for Indian irritation. On the whole, unlike the U.S. press and other private critics, U.S. policy has been very circumspect. Yet, the tendency is to lump official and unofficial reactions and to regard

¹ The figure for U.S. food shipments for the current year is about \$250 million. It should be borne in mind that the 500,000 tons which are involved is something of a drop in the bucket when compared with a consumption of about 100 million tons.

² The voluntary agencies, however, such as the Ford Foundation, remain welcome.

the United States as unsympathetic if not actually hostile to Indian aspirations. Some Indians also take exception to what seems to them a distortion as between the "fawning admiration" by Americans for the achievements of the People's Republic of China and a depreciation of similar advances in India whose modern system is derived from that of the Western democracies.

Indian relations with its near neighbors, Pakistan and Bangladesh although by no means close are stable. The principal Indian external tie, today, is with the Soviet Union and it, too, is not one of intimacy. The relationship is governed by a 20-year Treaty of Peace, Friendship and Cooperation which was signed in 1971. Under the treaty, the Soviet Union enjoys no special rights or privileges. The relationship appears to owe much to a common concern with the People's Republic of China and to the faltering of the U.S.-Indian tie. For many years, moreover, the Indian armed forces have obtained advanced military equipment from the Soviet Union. This source of supply, however, is of declining significance with the progress of India's indigenous defense industry.

To sum up, the Emergency seems to have been far more widely disapproved abroad and, particularly in the United States, than in India. The Indian judgment of the Gandhi government's action to the extent that it is assessable, has been largely favorable or, at least, acquiescent.¹ In the long run, the popular reaction is likely to depend not so much on how Western forms of political freedom may be altered but on whether the Emergency enables Indian leadership to surmount continuing tendencies towards political fragmentation and create a durable national entity which is able to meet at least the basic needs of 600 million people. More immediately, the efficacy of the Emergency may be associated with the carrying out of the economic and social changes that are contained in the so-called 20-point program. This program calls for such basic reforms as a ban on bonded labor in the rural areas, liquidation of rural indebtedness, the enforcement of land reforms and a vigorous attack on smuggling, hoarding and speculation. The program has been termed a "rehash" of well-intentioned proposals of the past. That may well be the case but the fact is that these measures are urgently required and have not heretofore been executed effectively. They have immense significance for the hundreds of millions of rural and urban poor who are becoming ever more acutely aware that independence and modernization have yet to improve their lot.

There are those who contend that the ties between the Congress Party and vested private economic interests are such as to prevent any thorough-going changes. However that may be, there is no reason to believe—as sometimes is implied—that the Emergency was designed to suppress social and economic reform in the interest of "Big Business." If that were what the Emergency were all about, the prospects for the Prime Minister, the Congress Party and the Indian people would be dim indeed. The fact is that the social and economic problems which confront India will not wait. In a nation in which 14 million people are added to the population each year, with a per capita income of only about \$100 and perhaps four-fifths of the population considerably below that figure, with religious and other

¹ It is, of course, dimly regarded by opposition politicians, militant religious-oriented factions and separatist groups who have borne the brunt of the crackdown.

forms of separatism still struggling against the concept of a unified secular state, there is little margin for personal or class indulgence or special deference to the wealthy. The Delhi political structure is in a race against time. Whatever government rules in India, it would appear to have little choice. It must mobilize all possible resources for economic and social re-adjustment or it is not likely to be able to stand for very long against the tides of human discontent.

The pre-emergency political practices were not providing sufficient impetus to deal with India's monumental problems. Even with Emergency powers, it may not be possible, under the present political structure, to give sufficiently powerful and purposeful direction to Indian society. If that proves to be the case, what remains to be tried? The armed forces? They have a cohesive structure, excellent organization and a high degree of professionalism, but they have neither the training nor tradition for a civilian leadership role. One way or another the tremendous pressure for change in India will have to be confronted. If it cannot be met under the existing political structure, then there is the strong possibility that entirely new mechanisms will emerge and not necessarily by the process of peaceful evolution.

V.—SOUTH ASIA

CONCLUDING REMARKS

It is to be anticipated that the situation in South Asia will remain in an indecisive state for many years. Whether the region enters an era of political upheaval and bloody readjustment or there develops a degree of durable stability, is likely to depend primarily on the manner in which internal difficulties are handled in the three countries in the years immediately ahead. The outcome could be different in each nation.

Stability in South Asia involves efforts to modernize economic and social structures especially in regard to agriculture. Food production is critical. There is an intense pressure on the land and a still unchecked high rate of growth of population. While the concept of population control is understood and is being vigorously pursued as a matter of policy, notably in India, a decisive impact has yet to be registered on numbers. Until that happens, a faltering in the expansion of agriculture will have very serious repercussions. Indeed, even now the difference between famine and food sufficiency, between public order and hunger riots, can hinge largely on such unpredictable factors as the level of rainfall or the availability of food from abroad.

In matters of economic development and social adjustment, South Asia's principal foreign prototypes are still found in Europe and the United States. With the vestiges of the colonial past fast declining, however, indigenous sources of innovation, more and more, are coming into play.

The Anglo-European parliamentary and other political forms which were introduced during the colonial era are being sharply modified. In assessing this phenomenon, it should be borne in mind that these forms were initially imposed from the outside primarily for the purposes of accommodating a colonial administration. It can be assumed that notwithstanding foreign criticism the process of modifying these forms will not be halted. Throughout the region, the trend to date has been in the

direction of concentrating authority in the hands of those who control central governments. Personal power-seeking may be a factor in this process but it is not the only factor. The concentration of authority also stems from the need of a heavy input of leadership by government if change is to be brought about in a situation where it is urgently required and where other sources of leadership are few.

As for relations among Pakistan, India and Bangladesh, they appear to present no immediate difficulties. The splitting of Pakistan has left India in a towering position and disrupted whatever "balance of power" previously may have existed in the region. If a degree of stability is present in the tripartite relationship, it is because all concerned are trying to preserve it and because India's power is not being brandished in a provocative fashion. To be sure, the old anxieties and suspicions and problems remain but they are not at this time at dangerous levels.

Notwithstanding, the Indian government apparently believes that a process of "destabilization" is going on and that it is being encouraged from outside the region. If that is the case, specific evidence is lacking. External pressures on the region are not conspicuous. Indeed, foreign influence seems to be on the decline in South Asia. Bilateral aid programs, for example, are not expanding; they are closing down. The British are abandoning military bases not only at Diego Garcia but in the Maldives and at Singapore. They have shifted their interest completely away from political and strategic matters and are concentrating on commercial concerns, pushing vigorously for trade and other economic relationships in the three countries. The Soviet Union has no special rights in India or anywhere else on the South Asian mainland. Nor has the People's Republic of China.

While the United States is still the most heavily engaged outside power, except in Bangladesh, our involvement has been receding. Running counter to this trend, of course, is the naval development of Diego Garcia. This project is adamantly opposed by India which is against foreign military installations anywhere in the Indian Ocean. The Indians are at pains to differentiate between permanent bases and transient military presence to which no objections are raised.

This view apparently is shared by the Asian nations in the region. The U.S. installation in Diego Garcia is not supported by either Bangladesh or Pakistan. To be sure there are those in both countries who, fearing the supremacy of India and perhaps an eventual Indian Monroe Doctrine, are not only not averse to a U.S. presence on the island but, for that matter, would also welcome a stronger U.S. assertion against India on the mainland. To reiterate, however, that attitude is expressed privately by individuals; it is not reflected in the position of any government in the region.

Official U.S. policy recognizes that our bilateral interests in South Asia are limited. As a practical matter they consist now of a nominal trade, some private investment and cultural and other exchanges. It is difficult to conceive of any basis for additions to these categories in the years ahead. This nation does share a concern with other nations in what transpires in South Asia and how it may relate to international peace and security. As we eventually found in Southeast Asia, however, these interests may be served at a minimal cost to the people of the United States by the sort of political disengagement which this government is now pursuing on the South Asian mainland. The process has

already gone very far in the case of India. Bangladesh is an exception but even in that country, the U.S. involvement has been essentially non-political in nature. That would no longer be the case, however, if a component of military aid were to be added to the economic aid which is already flowing to Dacca in copious quantities, an addition which, it should be added, would undoubtedly be welcomed in some Bengalee quarters.

The decline of U.S. involvement throughout South Asia need not be synonymous with disinterest. It is appropriate for this nation, in support of its own interests as delineated above, to pursue active policies of bilateral and multilateral cooperation. Certainly, working together with other outside nations is in order if it makes a contribution to the solution of the region's problems. The international consortium which has extended large loans to India is a case in point.

In none of the countries of South Asia, however, would it seem appropriate for the United States to assume a position of unilateral pre-eminence or as already referred to, "principal patron." Even less would it be in our interests to find ourselves in the role of principal adversary with respect to any country in the region. Indeed, there is no foundation in this nation's interests for a confrontation in South Asia between the United States and any other country. Nor, it should be quickly added, is it the present official position of the United States government to project this nation into such a position.

APPENDIX I

LEADERS OF THE GOVERNMENT OF BANGLADESH

Responsibilities

1. President Mr. Justice A. M. Sayem:
 - a. President's Secretariat (President's Division).
 - b. Cabinet Secretariat (Cabinet and Establishment Divisions).
 - c. Ministry of Defense.
 - d. Ministry of Law, Parliamentary Affairs and Justice.
 - e. Ministry of Foreign Affairs.
 - f. Ministry of Agriculture.
2. Major General Ziaur Rahman, Chief of Army Staff and Deputy Chief Martial Law Administrator:
 - a. Ministry of Finance.
 - b. Ministry of Home Affairs.
 - c. Ministry of Information and Broadcasting.
3. Commodore Mosharraf Hussain Khan, Chief of Naval Staff and Deputy Chief Martial Law Administrator:
 - a. Ministry of Ports, Shipping and Inland Water Transport.
 - b. Ministry of Flood Control, Water Resources and Power.
 - c. Ministry of Forest, Fisheries and Livestock.
4. Air Vice-Marshal M. G. Tawab, Chief of Air Staff and Deputy Chief Martial Law Administrator:
 - a. Ministry of Aviation and Tourism.
 - b. Ministry of Posts, Telephones and Telegraphs.
 - c. Ministry of Food.
 - d. Ministry of Petroleum.
5. Abul Fazal:
 - a. Ministry of Education, Scientific and Technological Research and Atomic Energy.
 - b. Ministry of Labor and Social Welfare and Cultural Affairs and Sports.
6. Kazi Anwarul Haque;
 - a. Ministry of Jute.
 - b. Ministry of Communications (Roads, Highways, Road Transport and Railways).
7. Dr. Md. Abdur Rashid:
 - a. Ministry of Public Works and Urban Development.
 - b. Ministry of Relief and Rehabilitation.
 - c. Ministry of Local Government, Rural Development and Cooperatives.
8. Dr. Mirza Nurul Huda:
 - a. Ministry of Planning.
 - b. Ministry of Industries.
 - c. Ministry of Commerce and Foreign Trade.

9. Dr. Mohammed Ibrahim:
 a. Ministry of Health, Family Planning and Population Control.
10. Mrs. Benita Roy.
 a. Ministry of Land Administration and Land Reform.

APPENDIX II

BANGLADESH: FISCAL YEAR 1975 ESTIMATED AID DISBURSEMENTS BY DONOR

[In millions of U.S. dollars]

Donor	Amount committed	Estimated amount disbursed
United States.....	320	224
IDA (world bank).....	148	108
Federal Republic of Germany.....	52	62
European Economic Community.....	45	53
Canada.....	72	52
Japan.....	54	45
India.....	18	41
United Nations (includes several multilateral organizations).....	22	39
Australia.....	27	37
United Soviet Socialist Republic.....	73	35
Sweden.....	43	33
Iraq.....	51	31
United Arab Emirates.....	50	30
United Kingdom.....	40	26
Netherlands.....	43	12
France.....	6	12
Denmark.....	4	10
Norway.....	9	6
Belgium.....	2	4
Asian Development Bank.....	67	3
Czechoslovakia.....	35	3
Rumania.....	3	3
Bulgaria.....	11	0
German Democratic Republic.....	24	0
Indonesia.....	20	0
Kuwait.....	20	0
Italy.....	2	0
Switzerland.....	8	0
Iran.....	12	0
Total.....	1,281	869

Note: As this summary statement doesn't show pipeline figures, disbursements in any 1 year from new and old commitments may, of course, exceed new commitments in that year. The United Nations figures are UNICEF and world food program only and are certainly under stated.

Source: USAID and ECON, based on Planning Commission reports.