

edited by Marshall M. Bouton and Philip Oldenburg

Published in cooperation with The Asia Society

## India Briefing, 1990

# edited by Marshall M. Bouton and Philip Oldenburg

Published in cooperation with The Asia Society

> Deborah Field Washburn, Series Editor

Westview Press
Boulder • San Francisco • Oxford

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the publisher.

Copyright © 1990 by The Asia Society

Published in 1990 in the United States of America by Westview Press, Inc., 5500 Central Avenue, Boulder, Colorado 80301, and in the United Kingdom by Westview Press, 36 Lonsdale Road, Summertown, Oxford OX2 7EW

Library of Congress ISSN: 0894-5136

ISBN: 0-8133-1073-3

ISBN: 0-8133-1072-5 (pbk.)

Printed and bound in the United States of America

The paper used in this publication meets the requirements of the American National Standard for Permanence of Paper for Printed Library Materials Z39.48-1984.

10 9 8 7 6 5 4 3 2 1

## India Briefing, 1990

### **Preface**

Nineteen eighty-nine was a year of transition in India. After a heated campaign that culminated in India's ninth general election in November, Rajiv Gandhi's Congress(I) government stepped down and a government headed by V. P. Singh was installed in December. The new government, which depends upon the support of widely divergent groups in parliament, faces major challenges, among them the rise of communal tensions in Kashmir and Punjab state and an economic growth rate that, after an unprecedented surge in the 1980s, appeared to be tapering off at the end of the decade.

India enters the 1990s committed to decentralizing its politics and administration, enhancing its economic growth, and further improving the lot of its masses in poverty—an agenda on which significant progress has already been made. As it faces the future, the country must also find the will and the means to conserve its rich heritage of monuments, art, and artistic traditions.

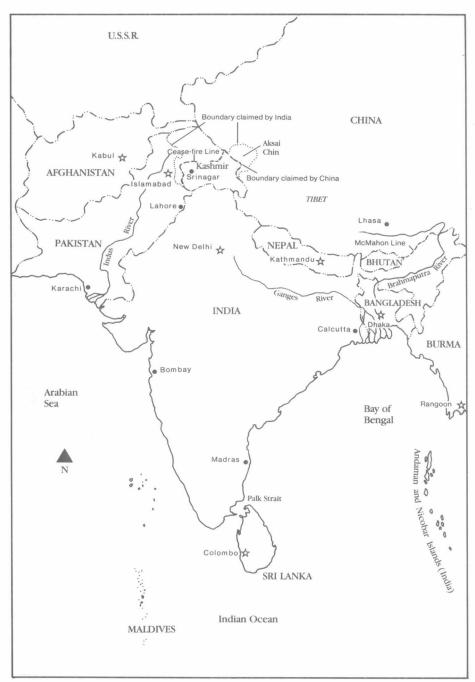
In foreign relations, the new government has moved to improve its relations with neighboring states. Indian troops were withdrawn from Sri Lanka in March 1990, and revived economic and security agreements with Nepal appear to be in the offing. The dispute with Pakistan over Kashmir has flared again, however, with no solution in sight. *India Briefing*, 1990 aims to bring to readers an understanding of these and other important developments in Indian affairs.

India Briefing, 1990 is the fourth in a series of annual assessments prepared by the Education and Contemporary Affairs Division of The Asia Society. The division also prepares *China Briefing* and, this year for the first time, *Korea Briefing*. All three books are copublished by The Asia Society and Westview Press. The Asia Society is a nonprofit, nonpartisan educational organization dedicated to increasing U.S. understanding of Asia and its importance to the United States and the world at large.

#### viii Preface

The editors wish to express their appreciation to the authors for their hard work in preparing and revising chapters, and to Susan McEachern and her colleagues at Westview Press for their unflagging support and enthusiasm for the series. Carolyn Kreuger did a fine job of preparing the chronology. Interns Salma Hasan Ali and Puneet Talwar provided excellent research and editorial assistance, and Patricia Farr and Steve Tuemmler were extremely helpful in the editing of particular chapters. The superb editing effort by Asia Society Senior Editor Deborah Field Washburn, with the able assistance of Andrea Sokerka, has made the individual contributions into a book.

Marshall M. Bouton The Asia Society Philip Oldenburg Columbia University June 1990



South Asia



India

### Contents

м	reface	vii ix x
1	From Majority to Minority Rule: Making Sense of the "New" Indian Politics	1
2	The Gathering Storm	25
3	India's Foreign Relations: Reassessing Basic Policies	51
4	Breaking Away: India's Economy Vaults into the 1990s	<b>77</b>
5	Poverty in India: Some Recent Policies	101
6	The Future of India's Past: Conservation of Cultural Heritage	131
[	Suggestions for Further Reading	181 191

### 1

# From Majority to Minority Rule: Making Sense of the "New" Indian Politics

Atul Kohli\*

India held its ninth general election in 1989, and it failed to produce a majority government. Although India's premier political party, the Congress(I), remains the single largest group in parliament, its control of 197 of the 545 seats was insufficient to enable it to form a government. Instead, the second-largest group in parliament, the National Front, formed India's first minority government in four decades. Led by V. P. Singh, a former Congress(I) leader, the new government has fewer than 150 seats and rests on the tacit support of two ideologically distinct groups, the avowedly secular but essentially communal and pro-Hindu Bharatiya Janata Party (BJP), which controls 86 seats, and the Left Front, a group of allied communist and left-leaning parties that won more than 50 seats.

How does one explain this political shift from majority to minority rule, and what are the future implications for India of minority government? In this chapter I propose that the national election of 1989 confirmed and finally brought to the surface three long-term trends in Indian politics: the declining hold of the Congress Party; the growing activism of various political groups and their mobilization of support; and the attempts, albeit halting, to forge a national alternative to the Congress(I). A 1989 development representing change rather than continuity was the emergence of a religious party, the pro-Hindu BJP, as a significant political force.

The near future of Indian politics looks uncertain. Good democratic government requires that activism of the citizenry be channeled

 $<sup>^{*}</sup>$ I would like to acknowledge the research assistance of Devesh Kapur and Arijit Sen and the helpful comments of Pratap Mehta on an earlier draft.

#### 2 Atul Kohli

through coherent institutions. Demands by India's various socioeconomic groups are likely to increase, but it is far from certain that political institutions will be able to accommodate them. In view of recent trends, it is likely that both government and politics will be more unstable in the near future than in the past.

### The Long-Term Trends

The election and related political issues will dominate any attempt to make sense of Indian politics in 1989. All other major domestic political developments had to do with sociopolitical conflicts: continuing terrorism in Punjab and growing tension in Kashmir, Hindu-Muslim conflicts in various parts of India, and demonstrations and agitation by various, often privileged, groups against the government's attempts to "reserve" jobs and educational opportunities for selected underprivileged groups (India's version of affirmative action). Before analyzing the elections and other political events of 1989, however, it is important to explore the political background.

### The Changing Position of the Congress Party

Although the Congress Party has been India's ruling party for most of the past 40 years, electoral victories since 1967 have not come easily. As the major nationalist party, the party that had led a successful struggle against British colonialism, the Congress was India's "natural" ruling party in the 1950s. During the 1960s, however, opposition to the Congress grew in various parts of India. Like India itself, this opposition was quite diverse: it was led by a regional nationalist party in the southern state of Tamil Nadu; by a religious party, the pro-Sikh Akali Dal, in the Punjab; by various communist parties in West Bengal and Kerala; and by parties resting on the support of rural "backward" castes in the populous heartland state of Uttar Pradesh. (These castes are predominantly composed of landowning family farmers situated between high castes, such as Brahmins, and the lowest, or Scheduled, castes, also known as Untouchables.) The result was that the Congress Party nearly lost its majority in the national election of 1967.

Ever since that crucial election, the Congress has had difficulty maintaining a stable majority coalition. Indira Gandhi, who inherited

<sup>&</sup>lt;sup>1</sup> For a good overview of the Congress's changing electoral fortunes, see Paul Brass, "Political Parties and Electoral Politics," in Marshall M. Bouton and Philip Oldenburg, eds., *India Briefing*, 1989 (Boulder, CO: Westview Press, 1989), pp. 61–106; see also My-

power from her father, Jawaharlal Nehru, won the 1971 election handsomely, but by then the political situation in India had changed quite sharply. The old Congress Party had split in two, and the segment led by Indira Gandhi never developed the hallmarks of an organized party: regular membership, internal party elections, or a second and third tier of leaders with support from the grass roots. Instead, Indira Gandhi adopted a populist slogan, garibi hatao ("away with poverty"), and used her considerable leadership skills to establish direct links with the majority of Indians, those living in poverty. Having risen to power in 1971 on a wave of populism and socialism, she fought and won the 1972 state elections in the shadow of a regional war that India had "won" and that had led to the dismemberment of Pakistan and the emergence of Bangladesh.

The rise of a populist Indira Gandhi had several major political consequences; especially important was the organizational decline of the Congress(I) Party.<sup>2</sup> The more Indira Gandhi's power came to be derived from a mass following, the more she bypassed established intermediate leaders and sought to appoint new party officers herself. Over the short run, as long as Indira Gandhi's popularity was unchallenged, this strategy of top-down political appointments helped consolidate her power. The strategy, however, had long-term costs. First, it tended to alienate from the Congress many who had independent power bases. Over time, these individuals have sought to combine their oppositional energies. And second, the system of top-down appointments often put in powerful positions individuals who would not necessarily have been the choice of the Congress's grass-roots membership. This development also weakened the Congress by diminishing the legitimacy of its lower-level leadership.

The electoral euphoria of 1971 and 1972 was short-lived. Opposition to Indira Gandhi, which had been there all along, reorganized, and it resurfaced with a vengeance in the mid-1970s. The political style in India had also become more activist. Indira Gandhi's populism and mobilization of support from the mass of Indians came to be matched by the opposition's militancy. States like Gujarat and Bihar became

ron Weiner, India at the Polls, 1980 (Washington, DC: American Enterprise Institute, 1980).

<sup>&</sup>lt;sup>2</sup> More detailed discussion of Congress's organizational decline is to be found in James Manor, "Parties and Party System," in Atul Kohli, ed., *India's Democracy: An Analysis of Changing State-Society Relations* (Princeton: Princeton University Press, 1988), pp. 62–98; Lloyd I. and Susanne Hoeber Rudolph, *In Pursuit of Lakshmi: The Political Economy of the Indian State* (Chicago: University of Chicago Press, 1987), chaps. 4–6; and Atul Kohli, *Democracy and Disorder: India's Growing Crisis of Governability* (New York: Cambridge University Press, forthcoming).

battlegrounds between Indira Gandhi and the opposition, by this time led by an old follower of Mahatma Gandhi, Jayaprakash Narayan. Labor and peasant militancy added to the turmoil. When Indira Gandhi's power was threatened, she imposed a nationwide Emergency, in which democratic rights were curtailed for nearly two years.

Indira Gandhi and her Congress Party lost the 1977 election. This defeat reflected both popular anger over her imposition of the Emergency and the fact that the diverse opposition to her party had managed to unite, if only momentarily. Factionalism within the opposition, however, resurfaced, and the opposition Janata Party government could not function. This failure, in turn, created a sense that there might not be a viable national alternative to the Congress. Indira Gandhi benefited from this shift in national mood and won the election once again in 1980.

There was a growing realization in India in the early 1980s that Indira Gandhi might not come back to power in 1985. Her attempts to alleviate poverty had not been very successful. As a result, she had failed to consolidate her populist support into a stable coalition. She was thus increasingly in search of new strategies for securing electoral majorities. Since Hindus are by far the majority in India, Indira Gandhi sought to mobilize support around the issue of Hindus versus Indian minorities. For the first time since independence and partition in the late 1940s, religious themes resurfaced in Indian politics at the national level. While complicated in origin, the government's failure to deal with the demands of Sikhs in Punjab state for religious and political autonomy, which resulted in political turmoil and terrorism, was in part rooted in Congress's political need to win the support of Hindus. Growing Hindu-Muslim problems, though quite complex and variable in origin, can also be traced to the need to build political majorities around religious appeals.

Indira Gandhi's tragic assassination in 1984 by two Sikh bodyguards turned out to be a great political dividend for the Congress(I) Party and for its new leader, Indira's son Rajiv. Rajiv Gandhi won by a large majority—nearly 48 percent of the popular vote and 77 percent, or 415, of the parliamentary seats. This was mainly a result of Indira Gandhi's assassination, which created sympathy for her son across India. Moreover, the fear of impending political turmoil was skillfully utilized by the Congress leaders to mobilize political support.

The important point is that, ever since 1967, the Congress has won elections under unusual circumstances, whether the leadership actually created those circumstances or simply took advantage of them. These victories were more the result of popular mood swings than of stable social support for the Congress(I) Party. What was significant

about the 1989 election, therefore, was that it was probably the first "usual" election since 1967 in that it was not conducted in the shadow of mood-generating euphorias or crises. What looks like a major decline in the Congress's position is in part explained simply by the return to political normality.

### **Growing Political Activism**

The unquestioned dominance of the Congress Party in the 1950s and the early 1960s rested in part on the legitimacy it inherited from its role in India's independence struggle and in part on a patronage network that stretched from New Delhi to India's numerous villages. The patronage system worked because the relations between social "superiors" and "inferiors," especially in the villages, were characterized in this period by the latter's relative acquiescence. As a result, rural elites were periodically able to sway the votes of the lower strata toward the Congress in exchange for resources that Congress governments controlled.

The spread of democratic ideas and competitive politics has over time helped transform the acquiescence of lower social groups into political activism in many parts of India. These changes started in the 1960s, and their significance has grown ever since. The more active and demanding various groups have become, the less successful has become the old Congress system of patronage networks. If rural elites cannot readily sway the votes of the lower rural strata, what is the political utility of channeling governmental largesse to them? These changing political patterns in the villages have, in turn, contributed to important changes at the top of the political pyramid.

Indira Gandhi was among the first to sense this important political change. It is clear in retrospect that her populist slogan garibi hatao was aimed at capturing the support of the new groups that were emerging from under the sway of traditional rural elites. Her populism, in turn, further contributed to mobilizing India's lower rural strata.

As noted above, the failure to implement anti-poverty programs in the 1970s made it difficult for Indira Gandhi to consolidate her position with her new supporters. The dissatisfied rural poor of India thus became susceptible to new forms of political mobilization in the 1980s. Their dissatisfaction has found diverse expressions, often varying from region to region. One disconcerting nationwide trend, however, has been the attempt by leaders to create new electoral majorities along religious lines. Whether the poorest of the poor support this appeal is not clear. What is clearer is that a failure of the Con-

gress's populism has created a fluid political situation that can now be manipulated by demagogues for other purposes.

In addition to the poor, the somewhat better-off middle groups of rural India have become politically active over the last two decades. Two movements of national significance are worthy of note. First, there is the "reservation" movement of the "backward" castes, which demands that government-controlled jobs and educational opportunities be allocated—that is, reserved—according to such ascriptive criteria as caste. Demands of this sort have generally had a top-down quality in the sense that leaders, rather than social groups, have brought the issues to the fore in the hope of gaining the electoral support of the numerically significant "backward" castes. The more the champions of these castes have succeeded, the more resistance has been put up by elite castes. Some of the political turmoil of the 1980s in states like Gujarat and Bihar can be traced to this type of conflict.

The other movement among the middle rural groups has demanded higher prices for agricultural products and lower prices for such production inputs as fertilizer, electricity, and credit. Such initiatives have often attracted the support of those peasants who have done rather well for themselves by taking advantage of the government's "green-revolution" policies. These groups now seek to transform their newly acquired wealth into political clout, especially because they feel that the urban rich have done much better than they. The present government is more representative of both the "backward" castes and the better-off green-revolution farmers, especially those of North-Central India, than was Rajiv Gandhi's Congress(I) government.

India's urban middle-income groups are not politically well organized. Their political significance is considerable, however, much greater than their numbers (about 10 percent of India's total population) would suggest. This is because men and women of letters generally come from this stratum and tend to be society's opinion makers. Rajiv Gandhi benefited greatly from the positive evaluation of these groups in 1985 and 1986, in part because of the pro-urban consumer policies that he pursued and in part because of his initial image as an incorrupt "Mr. Clean." Between 1987 and 1989, however, many among India's urban educated groups became increasingly disturbed by revelations of corruption at the highest levels of government. The theme of clean government, which India's new prime minister, V. P. Singh, has also adopted, is aimed primarily at these groups.

In a country as diverse as India, a discussion at the national level can hide more than it reveals. The patterns of growing activism vary considerably from region to region. The following brief examples are provided to give the flavor of India's regional complexities.<sup>3</sup>

Punjab state is mired in a violent and fratricidal ethnic conflict involving Sikh militants in a confrontation with New Delhi as they seek greater political control. (Sikhs are a religious minority constituting nearly half of Punjab's population.) While complex in origin, the "Sikh crisis" is rooted in such factors as the growing wealth of the area's middle peasants, many of whom are Sikhs, issues of ethnic nationalism, and competitive political mobilization by both the Akali Dal (the party of the Sikhs) and the Congress Party.

The pattern of conflict in the state of Gujarat is different. Throughout the 1980s, elite and "backward" castes of the area fought, often violently, for control of state power and over issues of affirmative action for the "backward" castes. This caste conflict is quickly being transformed into Hindu-Muslim conflict as parties like the BJP succeed in mobilizing support across caste, but along religious, lines.

The government of yet another state, Bihar, has simply stopped functioning. The levels of mobilization along both caste and class lines are so high that nearly all of the groups are fighting each other, often with their own private armies. By contrast, highly mobilized labor, peasant, and student groups have provided the power base of a reformoriented ruling communist party in the state of West Bengal. However, the resulting political stalemate between the property-owning groups and the communist rulers there has also generated economic stagnation.

In South India, themes of regional nationalism have declined in the state of Tamil Nadu. As a result, while the conflict between Tamil Nadu and New Delhi has receded, it has also become increasingly difficult to carve out a new majority coalition in the state. The new political situation is thus fluid, with wide swings in electoral behavior likely. The same is true in the state of Andhra Pradesh. The seven-year personalistic rule of the film-actor-turned-politician N. T. Rama Rao has left behind a highly deinstitutionalized political system. Weakness of both political parties and bureaucracy has, in turn, contributed to growing caste and class conflict.

In general, the levels of political activity in India are much higher today than they were in the past. This growing activism reflects, in part, the changing socioeconomic conditions that development neces-

<sup>&</sup>lt;sup>3</sup> For one study that explores this diversity in great detail, see my forthcoming book, *Democracy and Disorder, op. cit.* For details of political changes in various states, see also Francine Frankel and M. S. A. Rao, eds., *Dominance and State Power in Modern India: Decline of a Social Order*, 2 vols. (New Delhi: Oxford University Press, 1989, 1990).

sarily produces, but, more important, it indicates the spread of democratic values and competitive politics. Egalitarian ideas have eroded the subservient relationships of social "inferiors" to "superiors." Political elites have, in turn, sought to mobilize the hitherto "inferiors" for their own political purposes. The Indian government controls a great many resources in a very poor society. As the realization has spread that this government, or parts of it, can be controlled by the mobilization of support among new groups, such efforts have spread. High levels of mobilization among diverse groups have made it difficult for governmental consensus to emerge.

### Alternatives to the Congress

The organizational and electoral decline of the Congress Party and the growing activism of various political groups have been important political trends. If a well-organized alternative to the Congress had successfully accommodated the newly mobilized groups, India might well have had a more effective democratic government than it has in recent years. Unfortunately, the political record of the opposition to the Congress at the national level—certainly up until 1989—has been fairly poor.

The major problem of the centrist political parties opposing the Congress has been their inability to act in unity. In India's electoral system, the candidate who wins the most votes in a constituency wins a seat in the lower house of the national parliament, the Lok Sabha. If more than one candidate opposes the Congress candidate, the typical outcome is that the opposition candidates split the vote and the Congress candidate wins, usually with well under 50 percent of the total vote. In spite of this situation, in which it would be highly rational for those opposing the Congress to run a single candidate, it has repeatedly proven difficult for the opposition to unify.

A number of factors have inhibited the ability of the centrist opposition parties to unify, the most important of which is probably the ambitions of leaders competing for senior positions. Leaders have often pursued their short-term interests, at the expense of their larger goal of defeating the Congress. This has been true in nearly all of the elections in India except for two: the 1977 election after the Emergency and the most recent one. The Emergency created an intense, though temporary, horror of an authoritarian regime led by Indira Gandhi, thereby uniting the opposition parties under the umbrella of the Janata Party. This temporary unity, however, lasted for no more than two years before conflicting leadership ambitions led to the dissolution of the fragile coalition government.