The Indira Gandhi Years, 1969–1973

Congress split in 1969. The event was the outcome of a multiplicity of factors. We have already discussed in the previous chapter the decay of the Congress party which was reflected in the electoral debacle of 1967. Discerning Congressmen realized that substantial steps had to be taken to reverse the process and rejuvenate the party and the government and that mere manipulation would not work. This also became evident when Congress fared quite badly in the mid-term elections in four states in February 1969. The split of 1969 was in part an answer to people's thinking of what should be done in these circumstances.

The deterioration in the socio-economic situation, discussed in the previous chapter, continued. The rate of economic growth had been slowing down since 1962 and planning was in a crisis. Domestic savings and the rate of investment were stagnating or even falling. US aid had shrunk in 1968 to half of what it had been in 1964–65. Corruption, the black economy and black money had grown by leaps and bounds. Consequently, there was widespread unrest in the countryside and growth of discontent in the urban areas among the lower middle classes, students and the working class. Moreover, there was a growing tendency among the discontented to take recourse to extra-constitutional and even violent means as exemplified by the growth of the Naxalite movements in different parts of the country. The emergence of a new form of industrial action called gherao under which workers' besieged the factory managers in their offices for hours or even days till their demands were met was another such example. The gherao tactic spread later to other spheres of life such as educational institutions.

The political tension inside Congress over the unsettled question of relations between its ministerial and organization wings became more pronounced. Though Indira Gandhi had acquired a certain control over the government after the blow suffered by the Syndicate in the 1967 elections, she had hardly any organizational base in the party. Moreover, after the re-election of Kamaraj and S.K. Patil to parliament in by-elections, the Syndicate members, joined by Morarji Desai, their old foe, once again asserted that the party and its Working Committee should formulate policies and the government should be accountable to the party organs for their implementation. They would also not let Indira Gandhi 'meddle' in party affairs. On Kamaraj's retirement as party president at the end of 1967, they foiled Indira Gandhi's attempt to have a friendly person elected to succeed him. Instead, the post went to the conservative Nijalingappa, an original member of the Syndicate. Indira Gandhi was also not able to have some of her people elected to the new Working Committee.

During 1968-69, the Syndicate members, following the logic of their approach, began to actively plot to dislodge Indira Gandhi from the office of the prime minister. On 12 March 1969, Nijalingappa wrote in his diary: 'I am not sure if she (Mrs Gandhi) deserves to continue as P.M. Possibly soon there may be a show down.' And on 25 April he wrote that Desai 'discussed the necessity of the P.M. being removed.'[1]

Indira Gandhi's response to the Syndicate's assertion was quite cautious and calculated. She did

not want to jeopardize the unity of the party and the existence of her government by precipitating a conflict with the organizational wing, especially as the party enjoyed only a small majority in the Lok Sabha. She also realized that she had hardly any organizational base in the party. Thereupon, she tried hard to avoid an open conflict and a split and to accommodate the Syndicate and Desai in both cabinet-making and policies. But she would not compromise in regard to the supreme position and powers of the prime minister or of the government over its policies and administration. The government, she said, derived its authority from parliament and the people through elections and not from the party organization. Therefore, when faced with a direct challenge to her position, she took the plunge and fought back with unexpected strength and ruthlessness. She, too, decided to acquire a preponderant position in the party.

The inner-party struggle in Congress also acquired an ideological complexion. Very soon after the 1967 elections, two interlinked questions became significant. First, how were the growing popular protests and the accompanying violence to be handled? Second, how was the party to reverse its decline and recover its popular appeal? The party was soon divided on broadly right–left lines in addressing these questions, as also regarding the future orientation of its economic and political policies.

Though Congress had always been ideologically heterogeneous, accommodating diverse ideological strands and sectional interests, it had always leaned towards a vague radicalism, nurturing a left-of-centre image. The initial response of most Congressmen to the drubbing their party had received in the 1967 elections was to tilt to the left. Thus, in May 1967, the Congress Working Committee adopted a radical Ten-Point Programme which comprised social control of banks, nationalization of general insurance, state trading in import and export trade, ceilings on urban property and income, curb on business monopolies and concentration of economic power, public distribution of foodgrains, rapid implementation of land reforms, provision of house sites to the rural poor, and abolition of princely privileges.

But the Congress right, though always there but earlier subdued by Nehru, now grew more assertive and was willing to openly advocate more right-wing policies. Represented by Morarji Desai and Nijalingappa, the new Congress president, and other members of the Syndicate, excluding Kamaraj, it had only formally accepted the Ten-Point Programme and was determined to stall its implementation. The right wing instead advocated, (a) in the economic field, further dilution of planning, lesser emphasis on public sector, and greater encouragement to and reliance on private enterprise and foreign capital, (b) in foreign policy, strengthening of political and economic relations with the West in general and the United States in particular and (c) in the political field, suppression of the left and protest movements, especially those of the rural poor in order to get back the support of rich peasants and large landowners.

The Congress left, on the other hand, argued for a new political and economic strategy that would go back to and further develop Nehru's socialistic agenda and further deepen the political process. It wanted that Congress should immediately implement the Ten-Point Programme and enhance its appeal to the urban and rural poor and the disadvantaged social groups such as Harijans, tribals, minorities and women on the basis of a programme of radical reforms. The Congress should neutralize working-class militancy via economic concessions rather than through

administrative suppression. In general, it wished Congress should once again become the vehicle for social change and economic development. Vigorous planning and rapid industrialization, and reduced dependence on foreign collaboration should be resumed. The left put emphasis on the reconstruction of the party on the basis of democratic functioning and its reactivation at the grassroots to put an end to bossism. In foreign policy, the left advocated closer relations with the Soviet bloc and Yugoslavia, Egypt and other non-aligned countries.

As conflict between the right and the left developed within the Congress party, the right also advocated greater party discipline and reining in of the Young Turks and other leftists. The left, on the other hand, openly attacked Morarji Desai as the representative of big business and pressed for the full nationalization of banks, abolition of the privy purses of the ex-rulers, and a complete ban on company donations to political parties.

Interestingly, as the struggle between the Congress right and left intensified, both started relying on the outside support of the Opposition parties closer to them ideologically. In the words of Zareer Masani, 'the "Young Turks" . . . favoured cooperation with the Communists and other Left parties, the Syndicate leaned towards an understanding with the Right-wing Swatantra and Jan Sangh. Both sides saw "like-minded" Opposition parties as potential allies in a coalition government at the Centre in the event of the Congress splitting.'[2]

Initially, with a view to avoid organizational and ideological polarization and a split in the party, Indira Gandhi adopted a cautious, non-partisan attitude in the heated debate between the right and the left in the party. But being quite sensitive both to people's needs and to their moods, she became convinced that the party as well as the country could flourish only under left-of-centre radical programmes and policies. Gradually, over time, she began, hesitatingly and cautiously, to opt for the left's approach and economic policies.

It was the death of President Zakir Hussain in May 1969 that precipitated the events leading to the long-awaited split in Congress. While the President's position in the Indian constitution is that of a formal head of the state, in case of a hung parliament, where no party enjoyed a majority, he could play a decisive political role by inviting one of the contenders for the prime minister's office. The Syndicate was therefore determined to have their own man occupy the President's office. In the party conclave at Bangalore from 11 to 13 July, the Syndicate, enjoying a majority in the Congress parliamentary board, and despite Indira Gandhi's opposition, nominated Sanjiva Reddy, a prominent member of the Syndicate, as the Congress candidate for presidentship.

Feeling driven to the wall and aware of the Syndicate's ultimate design to oust her from office by using Sanjiva Reddy's presidency, Indira Gandhi decided to fight with no holds barred, risk all, and carry the battle to the opponents' camp with radical ideology as her main weapon. Within days of the Bangalore meeting, on 18 July, she took away the finance portfolio from Desai on the grounds that as a conservative he was incapable of implementing her radical programme. Morarji was left with no option but to resign from the cabinet. Assuming the finance portfolio herself, Indira Gandhi immediately, on 21 July, announced the nationalization of fourteen major banks through a Presidential ordinance. She also announced her plan to withdraw the special privileges of the princes. The common people welcomed her announcements enthusiastically, as

did the entire left. Her popularity soared as she was seen as a champion of the masses.

The Syndicate and Desai, however, decided to swallow the humiliation, and wait for Reddy to be elected as President. But Indira Gandhi was beginning to play her cards well. Reddy was opposed by the senior statesman C.D. Deshmukh as the candidate of Swatantra and the Jan Sangh, and V.V. Giri, the Vice-President, who had decided to stand as an independent, supported by the two Communist parties, the SSP, DMK, Muslim League and a section of the Akali Dal.

Indira Gandhi wanted to support Giri, but did not know how she could go against her party's candidate whose nomination papers she had filed. At this stage the Syndicate made a major blunder. To ensure Reddy's election, Nijalingappa met the leaders of the Jan Sangh and Swatantra and persuaded them to cast their second-preference votes, once C.D. Deshmukh had been eliminated in the first round, in favour of Reddy. Indira Gandhi immediately accused the Syndicate of having struck a secret deal with communal and reactionary forces in order to oust her from power. She now, more or less openly, supported Giri by refusing to issue a party whip in favour of Reddy and by asking Congress MPs and MLAs to vote freely according to their 'conscience'. In the election, nearly one-third of them defied the organizational leadership and voted for Giri, who was declared elected by a narrow margin on 20 August.

The two sides sparred for some time, with Indira Gandhi occupying the high ground of socialism and democracy. On 8 November, in an open letter to all Congressmen, she declared: 'What we witness today is not a mere clash of personalities and certainly not a fight for power . . . It is a conflict between those who are for socialism, for change and for the fullest internal democracy and debate in the organization . . . and those who are for the status quo, for conformism . . . The Congress stands for democracy, secularism, socialism and non-alignment in international relations.'[3] The Syndicate in turn accused Indira Gandhi of hypocrisy, desiring to concentrate all power in her hands, and trying to establish a Communist dictatorship.

In the end, on 12 November, the defeated and humiliated Syndicate took disciplinary action against Indira Gandhi and expelled her from the party for having violated party discipline. The party had finally split with Indira Gandhi setting up a rival organization, which came to be known as Congress (R)—R for Requisitionists. The Syndicate-dominated Congress came to be known as Congress (O)—O for Organization. In the final countdown, 220 of the party's Lok Sabha MPs went with Indira Gandhi and 68 with the Syndicate. In the All India Congress Committee too 446 of its 705 members walked over to Indira's side.

The Congress (R) was by no means a leftist party for, like the old Congress, it still contained the entire spectrum of political, social and economic opinion. But there was one big difference. It now clearly occupied the left-of-centre position in Indian politics just as the Congress (O) did the right-of-centre. Further, Indira Gandhi was now the unchallenged leader of both the government and the new party, which soon became the real Congress. She also had the mass of the people, both the middle classes and the poor, and a large section of the intelligentsia behind her. In fact, the extent of her political power far surpassed anything that her father had ever enjoyed.

Towards the 1971 General Elections

Despite her immense popularity and clear victory over the Syndicate, Indira Gandhi was still politically vulnerable for her party did not command a majority in parliament. She was dependent on issue-based support by the two Communist parties, some Socialists, the DMK, the Akali Dal, and some independents. In spite of this, carrying on with her left-of-centre stance, she undertook several radical steps. When, in February 1970, the Supreme Court invalidated bank nationalization on the grounds that it was discriminatory and the compensation paid was inadequate, the government used a Presidential ordinance to renationalize them after overcoming the legal lacunae. It also initiated several schemes for the nationalized banks to grant loans to small-scale entrepreneurs, farmers, rickshaw and taxi drivers, etc.

In August 1970, when the government lost by one vote in the Rajya Sabha a constitutional amendment to abolish the privy purses and other privileges of the princes, it issued a Presidential order derecognizing the princes and thus ending all their monetary and other privileges. This order too was, however, immediately invalidated by the Supreme Court.

The government abolished the managing agency system, which had enabled a handful of capitalists to control a large number of industrial enterprises in which they had little or no financial stake. The government appointed a Monopolies and Restrictive Trade Practices (MRTP) Commission, under the MRTP Act passed in 1969, to check the concentration of economic power in the hands of a few leading business families. Indira Gandhi asked the chief ministers to implement more rigorously the existing land reform laws and to undertake further land ceilings legislation. The government also launched the much-postponed Fourth Five Year Plan, its investment outlay being double that of the Third Plan.

Indira Gandhi's main political achievement was that she checked the mood of despair, frustration and cynicism that had prevailed since 1962 and initiated a climate of hope and optimism. As a result of her radical and egalitarian programme and slogans, Indira Gandhi's popularity grew further; and she replenished the Congress party's social support base, especially among the rural and urban poor and, to some extent, among the middle classes. Not surprisingly, the rich peasants and the capitalists were further alienated from her.

Because hers was a minority government, Indira Gandhi felt restricted and frustrated by her dependence on other parties for getting legislation passed in the Lok Sabha. To overcome this situation, she was looking for an issue on which to go to the polls. This opportunity arose when the Supreme Court refused to let her abolish the privy purses of the princes. On 27 December 1970 she dissolved the Lok Sabha and called elections in February 1971, one year ahead of time.

The non-Communist Opposition parties—Congress (O), the Jan Sangh, Swatantra and the Samyukta Socialist Party (SSP)—formed an opportunistic, unprincipled electoral alliance known as the Grand Alliance. In the absence of any ideological coherence and positive common programme, the Grand Alliance concentrated its fire on the person of Indira Gandhi. 'Indira Hatao' (Remove Indira) became its campaign slogan and a scurrilous round of personal abuse and character assassination of Indira Gandhi the main content of its election propaganda.

In sharp contrast, Indira Gandhi refused to reciprocate in kind, avoided personal attacks and campaigned on national issues with a general emphasis on social change, democracy, secularism

and socialism. More specifically she focussed on the growth of the public sector, imposition of ceiling on rural landholdings and urban property, removal of glaring disparities in income and opportunity, and abolition of princely privileges. In particular, she concentrated her fire on the Jan Sangh as a divisive communal force and the left-wing extremists for promoting violence. She appealed directly to the voters to defeat those who were coming in the way of her efforts to bring about social change. The deprived and disadvantaged groups she targeted were the landless labourers, Scheduled Castes and Tribes, minorities, women, and the unemployed and disaffected youth. She countered the slogan of 'Indira Hatao' with the more effective slogan 'Garibi Hatao' (Remove Poverty). To the middle classes and the propertied she promised a strong and stable government, action against forces of violence and disorder and full scope to the private sector to play its proper role in the mixed economy.

The results of the February elections turned out to be an overwhelming personal triumph for Indira Gandhi and a rude shock to the Opposition. Congress (R) swept the polls, winning 352 of the 518 Lok Sabha seats. This gave the party a two-thirds majority required to amend the constitution. The Grand Alliance and the right suffered a crushing defeat. The only Opposition parties to fare well were the CPM, CPI and DMK, the last two being, however, Congress allies.

The 1971 elections restored the Congress party to its dominant position in Indian politics. By voting for Congress the people had simultaneously voted for change and stability. Also, after the unhappy experience of coalition governments in the states after 1967, people did not want the unnerving drama of defections and rapid changes in party alignments to be repeated at the Centre. The elections also represented further politicization of the masses. People's votes had cut across religious, caste and regional barriers. Elections had also shown that once national issues were raised, vote banks and politics of patronage became relatively irrelevant and that increasingly people could no longer be dictated to, bullied or bought. Indira Gandhi had thus demonstrated that building a coalition of the poor and the disadvantaged around a national programme could be a viable political option.

Indira Gandhi received the mandate she had sought, and she now became the unchallenged leader of Congress and the dominant political figure in the country. Nobody would call her a *'goongi gudiya'* again. But the faith the voters, especially the poor, had reposed in her also represented a danger signal. She had raised high hopes among them; and she had now to deliver on her promises, for she had the parliamentary strength to pass any laws, to take any administrative measures, and there could be no alibis or excuses for failure.

However, the fulfilment of the mandate of 1971 was again postponed, for, on the morrow of Indira Gandhi being sworn in as prime minister, the Bangladesh crisis occurred.

The Challenge of Bangladesh

Almost immediately after the 1971 general elections, a major political-military crisis broke out in East Pakistan (now Bangladesh). India was inevitably drawn into the fray, leading to a bloody war between India and Pakistan.

Pakistan had been created around the ideological assumption that, because of their faith, the Muslims of India constituted a separate nation. But religion was not enough to weld together the Punjabi-speaking part of West Pakistan with the Bengali-speaking East Pakistan. The West Pakistani political and economic elite soon acquired a dominant position in Pakistan's army, bureaucracy, economy and polity resulting in economic and political discrimination against East Pakistan. Moreover, in the absence of political democracy, the Bengalis had no mechanism through which to remedy the situation. Consequently, over time, the people of East Pakistan developed a powerful movement for democracy in Pakistan and greater autonomy for East Pakistan. Instead of coming to terms with this movement, the ruling elite of Pakistan decided to suppress it and which ultimately transformed it into a movement for independence from Pakistan.

In December 1970, General Yahya Khan, the military dictator of Pakistan, held free elections in which Bengal's Awami Party under the popular leadership of Sheikh Mujibur Rahman won more than 99 per cent of the seats in East Bengal and an overall majority in Pakistan's National Assembly. But the army and Yahya Khan, backed by Zulfiqar Ali Bhutto, the leading politician of West Pakistan, refused to let the Awami Party form the government. When the latter started a civil disobedience movement to enforce the constitutional provision, in a sudden move on 25 March 1971, Yahya Khan ordered a military crackdown on East Pakistan. Mujibur Rahman was arrested and taken to an unknown destination in West Pakistan. The West Pakistan army initiated a reign of terror, killing innocent citizens, burning villages and crops. Thousands of intellectuals and Bengali members of the police and army were indiscriminately but systematically eliminated in order to deprive the people of any leadership. For over six months, the army committed rape, torture, arson, brutal killings and other heinous crimes. Large sections of the East Pakistan police, paramilitary organizations and East Bengal regiments reacted by revolting. The Awami League leaders, who succeeded in escaping to Calcutta, formed a Government of Bangladesh in exile, organized the Mukti Bahini (Liberation Army) and launched a fierce underground movement and guerrilla warfare.

The brutality of the Pakistan army was specially directed against the Hindus remaining in East Pakistan who were faced with virtual genocide. They, but also a large number of Muslims, Christians and Buddhists, were forced to migrate to and seek shelter in West Bengal, Assam and Meghalaya in India. By November 1971, the number of refugees from East Bengal had reached ten million.

In India there was a wave of sympathy for the people of East Bengal and a strong demand for swift action against Pakistan. But, Indira Gandhi, though convinced that war with Pakistan was likely, opposed hasty action. Throughout the crisis, she acted with immense courage but also with abundant caution and careful and cool calculation. She did not want to strengthen Pakistani propaganda that the entire movement for autonomy in East Pakistan and the consequent revolt was not a popular uprising but an Indian conspiracy. She also did not want to do anything which would lead to India being accused of violating international law and norms.

In following a policy of restraint, Indira Gandhi had two other major considerations in view. First, if it was to be war, it should come at a time of India's choosing. Careful planning and preparations were necessary. Military operations in East Pakistan could not be undertaken during

the monsoon when the large number of rivers and rivulets there would be in flood and the marshes impassable. The Himalayan passes would get snowbound only in winter making it impossible for China to intervene and send troops to aid Pakistan. The Mukti Bahini also needed time to gain enough strength to confront the Pakistani army in regular warfare.

Second, Indira Gandhi realized that international opinion had to be educated and won over to the cause of Bangladesh and made aware of India's predicament in regard to the refugees and how they were placing an unbearable burden on India, endangering its economic and political stability. This she hoped would make other countries sympathetic to India or at least not hostile to it should there be need for a military intervention. The refugees, she underlined, should return without delay, but this could only be achieved if a climate of confidence and peace was created in East Pakistan by the Pakistan government.

For the next eight months, Indira Gandhi followed a four-pronged policy. India not only gave sanctuary to the Bangladesh government in exile, but the Indian army gave military training on Indian soil and material aid in money and military equipment to the Mukti Bahini. The Indian government was also generous in providing food, clothing, shelter and medical aid to the refugees in spite of its being a tremendous strain on India's resources. Almost from the outset in April 1971, the Indian armed forces began to prepare for swift military action, though in utmost secrecy, in case a peaceful solution of the refugee problem could not be found. Moreover, the military operation had to be swift and finished before the big powers succeeded in halting the conflict and imposing a ceasefire.

India's campaign received a very positive response from the media, the intelligentsia and the students in the West and ultimately from the West European governments besides the people and the governments of the Soviet Union and other European Communist countries. But the governments of the United States and China adopted an unsympathetic and even hostile attitude towards India. Ignoring Indian protest, the US continued to supply arms to Pakistan. It also tried to pose the problem of Bangladesh primarily as an issue between India and Pakistan rather than one of Bangladesh's independence. China was fully supportive of Pakistan as it had become virtually its ally. In July–August 1971 Pakistan had helped to bring about a US–China detente.

To secure itself against a possible US–China intervention in case events led to a war, on 9 August India swiftly signed a 20year Indo-Soviet Treaty of Peace, Friendship and Cooperation. The treaty provided for immediate mutual consultations and appropriate effective measures in case of either country being subjected to a military threat. The treaty was widely welcomed by people in India and gave a big boost to their morale.

Indira Gandhi was now full of self-confidence. In a programme on the BBC, she asserted: 'We are not dependent upon what other countries think or want us to do. We know what we want for ourselves and we are going to do it, whatever it costs . . . we welcome help from any country; but if it doesn't come, well, it is all right by us.'[4] Convinced from the beginning that a war between India and Pakistan on the Bangladesh issue and the problem of the refugees was inevitable, Indira Gandhi was prepared for it by November-end. But she was reluctant to take action first, even though the Indian army was ready and in fact 4 December had been designated as the day the

Indian armed forces would directly undertake the liberation of Bangladesh. But, at this stage, Yahya Khan obliged Indira Gandhi by pushing the button first. Equally convinced that war was coming and greatly harassed by the Mukti Bahini's stepped-up guerrilla warfare and the Indian armed forces' excursions into Bangladesh, he decided to take advantage of the first strike. On 3 December, Pakistan's air force launched a surprise attack on eight military airfields in western India, hoping to inflict serious damage on the Indian Air Force and also to internationalize the Bangladesh issue and secure UN intervention. But he was to fail in both objectives. The Indian Air Force was relatively unharmed; anticipating a Pakistani attack, the Indian Air Force had withdrawn beforehand to interior airfields.

India immediately recognized Bangladesh and gave a strong military reply. The Indian strategy was to hold the Pakistani forces in the western sector through strong defensive action, while waging a short, swift and decisive war in the east, forcing the Pakistani army there to surrender before the US, China or the UN could intervene.

Brilliantly led by General J.S. Arora, the Indian army, joined by the Mukti Bahini, virtually ran through East Bengal and reached Dacca, its capital, within eleven days, and surrounded the Pakistani garrison there. Since, in the words of Henry Kissinger, the US Secretary of State, President Nixon was 'not inclined to let the Paks be defeated',[5] the US government tried to intervene, declared India to be the aggressor and stopped all economic aid to it. But its two resolutions in the UN Security Council proposing a ceasefire and mutual troop withdrawals were vetoed by the Soviet Union, with Britain and France abstaining. The Chinese threat also did not materialize as it confined its intervention to bitter verbal denunciations. More or less in desperation and reminiscent of the gunboat diplomacy of the nineteenth century, on Nixon's orders, segments of the US Seventh Fleet, led by the nuclear aircraft carrier, *U.S.S. Enterprise*, set out for the Bay of Bengal on 9 December with the objective of forcing India to delay the fall of Dacca. But Indira Gandhi calmly ignored the American threat and, instead, asked General Manekshaw, India's Chief of Army Staff, to hurry the completion of India's military plan. The Indian armed forces, having surrounded Dacca on 13 December, forced the defeated and demoralized 93,000-strong Pakistan army in Bangladesh to surrender on 16 December.

Following the surrender in Dacca, on 17 December, the Indian government announced a unilateral ceasefire on the western front. The continuation of the war would have been hazardous both on diplomatic and military grounds. The United States, China and the UN were then likely to intervene more actively. The Soviet Union also did not favour further fighting. War on the western front would also have been very costly both in terms of men and materials. While in the east, the people had welcomed Indian troops as saviours, in the west the people and the armed forces, still intact, would fight tenaciously to defend their homes and homeland. Moreover, continuation of hostilities in the western part would have been aimless, for after all disintegration of Pakistan or annexation of any part of it was not, and could not be, an objective of Indian policy.

Pakistan readily accepted the ceasefire and released Mujibur Rahman, who came to power in Bangladesh on 12 January 1972.

India had several gains to show from the Bangladesh war. The balance of power in South Asia had been altered with India emerging as the pre-eminent power. The grave refugee problem had been solved with the ten million refugees promptly and smoothly sent back to their homes in Bangladesh. The humiliating memory of the defeat in 1962 was wiped out and India's lost pride and self-respect restored. India had not only defeated a troublesome neighbour but had asserted its independence in foreign affairs and in defence of her national interest. It had been shown that India was not a weak political entity on the world stage even if it was not yet a world power.

The war had also demonstrated the strength of Indian secularism. Hindus, Muslims, Christians, Sikhs, all had stood together as civilians or soldiers at this moment of crisis against a Muslim country. Further, a big blow had been given to the two-nation theory, the basis for Partition in 1947. Muslims in India could now see what treatment had been meted out to Bengali Muslims by the upholders of that theory.

The Bangladesh war was also, in real terms, a personal victory for Indira Gandhi. Indians admired her toughness and determination and the superb leadership qualities she had displayed throughout the crisis. Her popularity stretched phenomenally, and her prestige went up in the community of nations. She was 'at the pinnacle of her power and glory'. Many Indians referred to her as a modern-day Durga and an incarnation of Shakti or female energy. At this moment of her triumph, Indira Gandhi gladly shared her glory with Manekshaw who was made a Field Marshal, the first in India.

The war had ended; the ceasefire had come—but peace had not. India still held over 90,000 prisoners of war and was in occupation of nearly 9,000 square kilometres of Pakistani territory. Pakistan was yet to recognize Bangladesh. Indira Gandhi realized that a mutually arrived at Indo-Pak settlement was necessary for a durable peace. A hostile Pakistan would not only force India to maintain a high level of defence expenditure but also enable outside powers to interfere in subcontinental affairs. A summit conference between Indira Gandhi and Zulfiqar Ali Bhutto, the newly elected prime minister of Pakistan, was held in Simla in June 1972; a great deal of hard bargaining took place and the two signed an agreement which came to be known as the Simla Declaration. India agreed to return the Pakistani territory it had occupied, except some strategic points in Kashmir, mainly in the Kargil sector, which were necessary to safeguard the strategic road link between Srinagar and Leh in Ladakh. In return, Pakistan agreed to respect the existing Line of Control (LoC) in Kashmir and undertook not to alter it unilaterally by force or threat of force. The two countries also agreed to settle all their disputes through bilateral negotiations without any outside mediation by the UN or any other power. India also agreed to return the prisoners of war to Pakistan but this was to be contingent upon a Bangladesh– Pakistan agreement. This occurred the next year when Pakistan recognized Bangladesh in August 1973.

The justification Indira Gandhi offered to parliament in July 1972 for signing the Simla Declaration was significant. She said: 'All I know is that I must fight for peace and I must take those steps which will lead us to peace . . . The time has come when Asia must wake up to its destiny, must wake up to the real needs of its people, must stop fighting amongst ourselves, no matter what our previous quarrels, no matter what the previous hatred and bitterness. The time has come today when we must bury the past.'[6]

A Time of Success

The year 1972, which was also the twenty-fifth year of India's independence, marked the beginning of a new period in which conditions were ripe for the government to fulfil its electoral promises. There was political stability in the country; the government had a two-thirds majority in the Lok Sabha; and Indians had acquired fresh and heightened self-confidence in their own capacities and capabilities as well as faith in the political leadership.

But before this positive process could be inaugurated, the Congress leadership felt that it must acquire the levers of power in the states, which were, after all, the agencies for the implementation of much of the reforms and developmental programmes and policies. Consequently, elections were held in March 1972 for the legislative assemblies in all states except Uttar Pradesh, Tamil Nadu, Kerala and Orissa. Once again Congress won a majority in all the states. The two elections of 1971 and 1972 led to a virtual demise of Swatantra and Congress (O). The political command at both the Centre and the states was now unified. Indira Gandhi had also acquired virtually complete control over the party, her cabinet, and the chief ministers.

During 1971–74, the government undertook several measures to implement its left-of-centre agenda. In August 1972, general insurance was nationalized and five months later the coal industry. Ceilings were imposed on urban landownership. The MRTP Act to check concentration of industrial enterprises in a few hands had already been passed in 1969 and an MRTP Commission appointed in 1971 to implement the Act. But Indira Gandhi refused to go any further in nationalizing industry, despite pressure from the CPI and leftists within her party; she remained fully committed to a mixed economy. Legislation to reduce ceilings on agricultural landholdings and distribute surplus land to the landless and marginal farmers was also passed in several states. The central government initiated a programme of cheap foodgrain distribution to the economically vulnerable sections of society and a crash scheme for creating employment in rural areas. It also made it compulsory for nationalized banks to open branches in underbanked areas such as small towns, rural clusters and the poorer parts of the cities and to make credit available to small industries, farmers, road transporters and self-employed persons. To reduce businessmen's influence in politics, the government imposed a ban on donations by joint-stock companies to political parties. Mrs Gandhi also tried to strengthen the Planning Commission and the planning mechanism.

The government got passed two important constitutional amendments. The Supreme Court had in two judgments in 1951 and 1965 upheld parliament's right to amend the fundamental right to property so as to make any legislation regarding it non-justiciable. But in 1967 the Supreme Court had in the Golak Nath case reversed these decisions and later set aside bank nationalization and the abolition of privy purses. The 24th Amendment to the constitution passed in 1971 restored parliament's authority to amend the Fundamental Rights. The 25th Amendment passed in the same year gave parliament the power to decide the amount to be paid as compensation and the mode of payment in case of any private property taken over for future purposes. Thus, the Supreme Court would no longer have the power to declare such compensation to be inadequate. The 24th and 25th Amendments were to rectify a situation where the courts had taken a

conservative social position, come in the way of agrarian reform legislation, the nationalization of industries and other business enterprises, hindered measures to check concentration of wealth and economic power in private hands, asserted the judiciary's supremacy over parliament, and assumed powers over the constitutional amendment process which the makers of the constitution had not intended. A further, less significant, constitutional amendment abolished the privileges as well as the purses of the former princes.

India achieved a major success in terms of a breakthrough in science and technology when the Atomic Energy Commission detonated an underground nuclear device at Pokhran in the deserts of Rajasthan on 18 May 1974. The Indian government, however, declared that it was not going to make nuclear weapons even though it had acquired the capacity to do so. It claimed that the Pokhran explosion was an effort to harness atomic energy for peaceful purposes and to make India self-reliant in nuclear technology.

Since 1973, the tide had been turning against Indira Gandhi. The economy, the polity and the credibility of Indira Gandhi's leadership and the Congress government started going downhill. The disillusionment found expression in the J.P. movement of 1974. It was followed by the Emergency in 1975. Discontent and unrest marked this phase which is taken up in the next chapter.