
Interview

Indira Gandhi discusses domestic recovery and international tensions

Sneider: Your government has been in power for a little more than a year and a half. At this point how do you assess its achievements and what do you see as the major problems that must be dealt with in the immediate period ahead?

Gandhi: Our problems are more or less the same. They don't change in importance and they are largely economic. When we came back to power we found the economy in absolute shambles and it has not been easy to pick up the pieces. It was not just that things had stopped moving, but the most important part, that is, the infrastructure, had been damaged.

Now that we have been able to build up we've made good progress in power, steel, coal. Some things have not been so good, like cement, which is very short. Industry has also picked up. Our industrial production has increased by 11 percent in this last quarter, April to June. Of course, there were increases before that as well.

Generally also, among scientists, among the officials, the mood for work wasn't there. Firstly, the scientists felt that nobody was interested in them anymore. We have been able to revive their enthusiasm. I think the bureaucracy is also now functioning better although I would say much needs to be done.

Of course our economy is so largely dependent on rainfall. This year the monsoon rains started very hopefully but it has not rained in this month. And that is why, as a measure of what the lawyers call "abundant caution," we've decided to buy some wheat. Now we may not need it, but we thought it better to have it rather than be in a panic if something went wrong. We think that, as things are today, stocks are sufficient.

There is a lot left over from the previous regime which is partly due to their own ideas and partly due to the world situation. For instance, violence and crime have grown all over the world, especially in the United States and some other parts of the West. And that has an influence here—you read about it and so on. But apart from that, the government here previously—they believed the stories they themselves had invented. Therefore they announced that many people who were arrested for antisocial activities were "political prisoners." So they were released and dacoits [bandits] even had functions

arranged in their honor and what not. Immediately after that, of course, dacoity increased tremendously—I mean, in their [the Janata regime's] period.

I think that the overall law and order situation has improved somewhat. But the isolated cases—bank robbery—this is still very much there. We haven't got it under control. In smuggling activities, many of these people who had been curbed were let loose. We haven't been able to do as much as is necessary in order to reduce the burden on the ordinary people and improve the economy. There are certainly hopeful signs such as the fact that we have found more oil.

Sneider: On the political scene, the Congress Party has widespread support. You have a large majority in the parliament. In the opposition, however, it appears to me at least that there are only two forces that have any kind of coherence at all. That's on the right wing, the Rastriya Swayamsevak Sangh [RSS], or the Bharatiya Janata Party, and on the left wing, the Communist Party of India-Marxist [CPM]. Do you see a danger in the future, perhaps under conditions of economic stress, of a de facto convergence of left-wing and right-wing extremism that could pose a threat of destabilization?

Gandhi: Well they did combine in the three years I was out [of power]. The Marxists were fully supporting the Janata Party, of which the strongest component was the Jan Sangh. And within the Jan Sangh itself, the RSS is the most militant, and they were occupying most of the positions of power. So that is not just a danger in the future—we have faced it.

I was talking to a member of the CPM and I said, "Why are you sort of encouraging the rightists?" He said, "Well, I know they will disrupt and ruin the country, but they won't be able to touch us." It's that sort of attitude.

Sneider: There is a lot of talk in the press here, also in the West, about corruption. This cry is raised all the time. Do you see in this fury, this attention to the question of corruption, that this may be part of a wider type of effort to create conditions of instability in the country?

Gandhi: It is an effort to try and weaken the government.

There's no doubt about that. Corruption exists practically everywhere—all over the world.

In my previous regime we had managed to curb it to a significant extent. We hadn't eradicated it, but it was much less. But again, in the Janata Party regime it was so open that people got the feeling that this corruption is something that can be done. The newspapers didn't play up anything that they did. Occasionally, if something was against Charan Singh it came up, but not as a campaign, as it is against us. But people thought there was nothing wrong in it. You cannot suddenly stop corruption—I'm not just talking about the big people but all levels. But we are trying to curb it.

Personally, whenever I've found something wrong, I've always taken action. But a lot of things people shout about are not always what they say.

Sneider: You have already anticipated one of my questions on the economic side, which is on the grain import question. Some people have said that if more aggressive or tougher measures were undertaken to curb hoarding, the speculative activities of traders would have been sufficient to build up stocks rather than import grain. How do you respond to that?

Gandhi: Maybe we would have got a little bit more but we really bought it when we saw that the grain had already gone out [into the market].

We have found grain through raids but they usually spread it out in such a way that it is not found in one place. You cannot go and raid farmers and people like that. That's a question of the same people, when action has been taken, they have shouted and said, this should not be done, the same people!

Sneider: Another issue that has been quite controversial is the loan, the almost \$6 billion credit, you are seeking from the International Monetary Fund. Are you worried that the IMF might try to impose conditionalities on India, as they have in the past, and with other developing countries which . . .

Gandhi: Well they haven't in our discussions. We are not going to deviate from our nationally accepted, passed by parliament, policies. There's absolutely no room for doubt on that at all. No matter what.

Sneider: What is the logic of seeking such a large credit at this time?

Gandhi: We need money. This is the time when we can get on our feet. I think that all these institutions will tell you that we're one of the few countries which has used everything we've got to very good purpose. If we become much more self-reliant, we can be a help—I mean that we won't be a burden on others at all. Whereas, just a little bit now and then—that doesn't help you get over the hump.

When we came in [to power] we found this tremendous budgetary deficit left by the Janata Party and the Lok Dal government. Even for these basic infrastructural things we just don't have the money and everything is dependent on that.

Sneider: You've spoken often in recent months about the dangers of war on the horizon, of big power rivalries imposing themselves on this region. I think it is also fair to say, looking around the world these days, that these dangers are by no means confined to South Asia. What do you think is the source of this danger and how can India respond to it?

Gandhi: There is no one source. It is a general attitude of most people to pursue what they consider to be their immediate national interests, even if they are not in the long-term interests of the world, and therefore themselves.

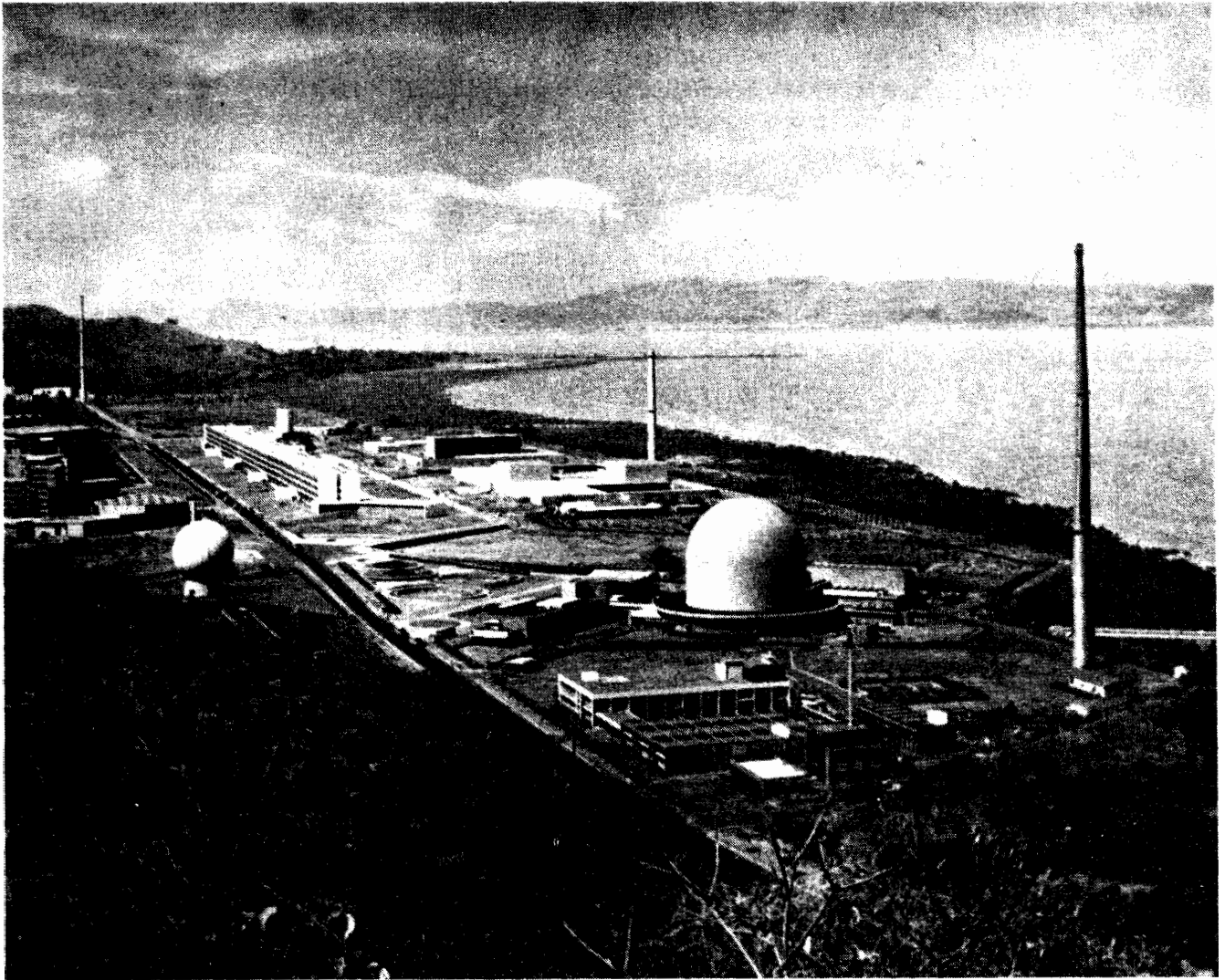
For instance, if the developed countries squeeze the developing countries as we are being [squeezed], where do they sell their goods? They can't have it both ways. We are the natural markets, but if our people don't have the purchasing power then obviously the West will be hit also. As they are—unemployment and so on. The U.S. seems to have solved this problem by giving dominance to the armaments industry.

That creates a different sort of problem because it affects us economically. It brings the arms race to us and it increases tension, confrontation. With everybody trying to go one higher, nobody knows where it will end.

Sneider: In the past few weeks there has been a flurry of diplomatic activity in the region—American envoys coming to Pakistan and India, Soviet Deputy Foreign Minister Firiyubin coming to both countries, the Afghan foreign minister was just here recently. A lot of this is focused around the Afghanistan situation. Do you see a serious possibility for real negotiations toward a political solution to the Afghanistan issue and related problems, or do you think the Zia regime in Pakistan, for example, is simply using diplomatic tactics to speed up the U.S. arms deliveries?

Gandhi: Firstly, obviously there can only be a political solution. Secondly, I think that Pakistan does not want a solution. They think that what is happening now is advantageous to them, and they have been, and are taking maximum advantage of it to get military, economic, and moral support. Certainly this is part of telling the U.S. that if you don't hurry up or you don't help us more, then we will go to somebody else. They've [Pakistan] always done that.

Sneider: What is your sense of the Soviet view? Are they growing impatient with the situation? Are they willing to keep making offers and wait?



The Bhabha Atomic Research Center in Bombay. In foreground: the Cirus research reactor.

Gandhi: I believe that they would like to take out their troops. It's not in their interest to remain. Why should their troops be engaged there? Therefore they are in favor of a solution.

Sneider: But if the Pakistanis won't move, then what happens?

Gandhi: Well, because of world opinion they [the Soviets] keep on trying, that's all—in their own interests, as well as world opinion.

Sneider: As you know, the U.S. Congress is going to be having hearings in a few days on this rather massive transfer of U.S. arms to Pakistan proposed by the administration. While there are a few voices of concern in the U.S. about the wisdom of supplying such sophisticated arms, like the F-16 aircraft, to what I think many people would agree is an unstable and unpopular military dic-

tatorship in Pakistan, there are not many people who understand clearly India's concerns.

Gandhi: Our concern is not just our own concern. We see the problem in the larger context of world confrontation and bringing Pakistan, which after maligning the non-aligned movement for many years, has decided to join it. Now we feel it is being dragged. . . .

Sneider: Back into an alliance?

Gandhi: Well, if not actually back, at least its attitude is a bit one-sided.

Sneider: The U.S. administration claims India is already engaged in an arms buildup, that it has massive superiority. . . .

Gandhi: Not at all. That's absolute nonsense. Obviously we have to keep up to date. Anybody who is responsible for a country's defense cannot ignore this question. Just

as before, when President Eisenhower gave the arms [to Pakistan], both countries were more or less at a level. Now suddenly, the U.S. military aid to Pakistan has brought them a decade ahead of us. Of course our defense people were frantic and we tried to catch up—and we did catch up.

Now exactly the same thing has happened now. Whereas we are still in the 1969-70 range, they have moved on to '79.

Sneider: I think people do not understand—they make these comparisons without ever mentioning that India's defense and security requirements must encompass, after all, not only potential aggression from Pakistan, but also from China. . . .

Gandhi: Not only that. We have a very long coastline. We had not given much thought to it, but now we feel that has to be protected just as much.

Sneider: If you look at the U.S. arms sales to Pakistan, and the potential arms sales to China, there is certainly a developing military relationship between the U.S. and China. In addition, developments in Bangladesh portend perhaps a turn to an Islamic military government that would be quite close to Pakistan. Do you think that this represents a potential for encirclement?

Gandhi: I don't like the word "encirclement," but it is true that people are trying to isolate India. We think that is just as dangerous as giving arms to anyone.

They are willing to give up all the things they've been shouting about for so long, about nuclear energy and so forth, so far as Pakistan is concerned. And they're not bothered that China has had so many nuclear explosions and presumably has large stockpiles as well—that doesn't bother them at all. But everybody still comes and tells me it was wrong of India to want to have a peaceful nuclear explosion.

Sneider: Mrs. Kirkpatrick, the U.S. ambassador to the United Nations, was recently here. She is the first high-level Reagan administration official to visit India. And you had an opportunity, along with other officials, to talk to her. Do you think that she came away with a better understanding of the Indian viewpoint; and what do you think are the prospects for Indo-U.S. relations in the current circumstances?

Gandhi: If I can answer the second part of your question first. We shall continue to try for better relations and deeper understanding. I think you'll have to ask her whether she has a better understanding or not.

Sneider: My sense is, as an American and someone who has been here a number of times, that there is an incredible gap in American understanding or ability to see what India. . . .

Gandhi: Because they have set ideas, they have very set ideas. Initially the word "socialism" put them off; why did we want to be socialists? Now we haven't moved terribly far in that direction, as everybody knows, and they know our difficulties. Many of the steps which were criticized at that time [the 1950s] have been followed in other parts [of the world], and by people who openly follow the capitalist system. I think that that sort of suspicion has lingered on. And of course their assessment of their global interests.

Sneider: Which does not include India?

Gandhi: On the contrary, they feel that India is an obstruction, they seem to feel that. Now when the Americans went into Vietnam, we had not only the Americans, but the Australians, Singapore, all these people, telling us that actually America was safeguarding our interests because China was our main enemy. I don't think the word enemy was used but something like that—that they're saving us from China.

We were being maligned and criticized because we said, well, China is hostile to us, it has committed aggression, but you cannot ignore a country of 700 million people, and therefore we are for China's entry into the United Nations. We don't get on with them; we didn't have diplomatic relations at that moment—that is we didn't have ambassadors—but that has to do with a realistic assessment of the situation.

We were criticized for this—called "communists" and all kinds of things. One fine day we find suddenly that the U.S. is friends with China. Not only do they want them in the United Nations, which of course we supported fully, but they are now the focal point of all their world strategy, or part of it. Perhaps they think it is essential to have this in order to keep the Soviet Union worried. That is the one reason why I think they would share Pakistan's attitude on Afghanistan.

Perhaps the present U.S. administration would like to see the Soviet Union kept involved in Afghanistan. I don't think they'd [U.S.] be very happy with their [the Soviets] moving out unless Afghanistan were completely in the Western camp. Short of that I don't think they want the Soviets out.

Sneider: In October you are going to be attending the North-South summit meeting in Mexico. I'd like to ask you a series of questions regarding that. First, what are your expectations regarding the meeting? What does India see as the main issues to be discussed there? Do you intend to stress, for example, the necessity of developing countries becoming modern industrial nations through science and technology—something which I think India stands for in the developing sector?

Gandhi: I can't say I have much hope for Cancún, except that when something has been so negative, any small step

forward is welcome. Our stress will be on trying to help developing countries to stand on their own feet. Now obviously, for that, science and technology is a must.

What science and technology and technological progress we have has to be seen in the context of each country's conditions; how much you can absorb, and what is best for you. In India, we are trying, not hard enough but certainly I would like to see us try, to see that this doesn't destroy any of the old things. We see in science today that they are accepting the validity of a lot of things which were earlier regarded as outmoded.

Take plowing, agriculture. They said, this Indian plow which has existed for centuries, it just scratches the top of the earth, and you should have this deep plowing with tractors. Now they say that deep plowing is what harms the soil. So you see you have long-term problems.

It doesn't mean you go to one or the other extreme, but you have to have a middle way, a mixture, which improves your soil, yet it improves your efficiency, reduces drudgery and wear and tear, and the burden on all, especially on women.

Sneider: Do you have any concrete specific proposals or issues that you are going to bring up at the Cancún summit?

Gandhi: We certainly have issues which we will raise there. The main thing is how the developing countries can be helped. Because, except for the Scandinavian countries, nobody has even kept the 0.7 percent [of Gross National Product for foreign aid] which was envisaged at one time. I think the U.S. has even less than the average—the average is about 0.37 percent.

Sneider: On the question of science and technology, I read your speech at the United Nations Energy Conference in Nairobi, and also your speech the other day in Bombay. There is a sort of fashionable current in the West these days, I would say an antiscience antitechnology wave, which says, among other things, that developing countries should not follow the path of the advanced countries to industrialization, that this is bad.

Now many people I have talked to here see this as just a disguised form of the old colonialism, keeping people in their place. What do think of this?

Gandhi: It has several aspects. One is what you are saying, which was vividly brought to our attention when we wanted to have our own steel [plants]. Now we had Tata steel but we wanted to have more steel. This was in my father's [Jawaharlal Nehru] time and he rightly felt that this should be in the public, that is, the state sector.

We went first to the United States to say would they help us set this up. They said, "Oh no, we won't help the government but if a private industrialist wants to take it up, we will help." We said, "We're very sorry, but we can't give any more steel plants to the private sector."

It was at a time when we drew our priorities and divided them into what was the core sector, and what would be left to the private sector, and what would be left to the small-scale sector, and so on. It was then that we went to the Soviet Union and they said they would help us and this is how the Bhilai and Bokaro steel mills came up. At that time no Western country was willing [to help].

The same thing happened with oil. We asked your companies if we had more oil apart from the little bit in Assam, because that was all we had. After what they said was a complete survey, they said, no there isn't any. Then we went to Romania. Romania brought in the Soviet Union—there was a joint effort—and we did find oil, onshore as well as offshore. And we are continuing to find it.

At that time we were talking about oil and steel and all these things, we were told by Western experts and others, the general public also, in newspapers, that what did a poor country like India want with steel? Why do they want to have steel? Why do they want to have big factories? That argument we absolutely reject. As I said earlier, we think science and industry have a great deal to contribute.

Any country, to guard its independence, has to be self-reliant to some extent. And if it's a big country like India, it has to be to a considerable extent. Therefore either way we're not going to use cars, typewriters, railways or whatever—if we are going to use them, it doesn't make sense that we buy them from the outside. We should try to make them even if they are not quite as elegant looking as the outside ones.

In some spheres of technology, my personal view is that we have to go all out to get the latest. Now this is a changing picture. It depends on our knowhow, our capacity.

On the other hand, our economic problems and the level of living of the majority of the people are such that we simply cannot say that we are going to have only this, because then you can't help the others. For the others you want something intermediate; you want something immediately, and that can only come about by what is known as "appropriate technology," that is the improvement of what they are using. It doesn't mean that they are bound to it for all time, but until they can get something better there is no reason for them to have the drudgery.

Take a bullock cart. If a bullock cart is fitted, as it is now in many parts of India, and there is one district where you can find every bullock cart fitted with tires. It makes an enormous difference—to the bullock cart driver, to the life of the cart itself, to the animals, and to the roads. Similarly, now more and more of these mills are coming up grinding grain. But where there aren't mills, the women are still using the hand-pounding machine. Of course from the health point of view the hand-pound-

Why Schmidt cites the new encyclical

by Rachel Douglas

During a three-day parliamentary debate of the national budget that concluded Sept. 18, West German Chancellor Helmut Schmidt invoked the just-published encyclical of Pope John Paul II, *On Human Work*, to defend technology-augmented human labor as “the Archimedes lever of life.” While Schmidt applied the Pope’s rejection of “primitive capitalism” against the would-be budget slashers from the German opposition parties, his remarks were of equal import for the United States and for international deliberations on economic policy.

Schmidt had told the press 10 days earlier that “national self-help cannot prevail over international developments.” Now his finance and economics ministers have suggested that West Germany, its currency stronger and trade balance improved, would presently be able to decouple itself from the devastating high interest rates imposed by the U.S. Federal Reserve.

As the Pope and leading political journalists in Mexico have delineated the opposition between human technology and no-growth, genocidal Malthusianism, so the Schmidt government throws the spotlight on the instrument of economic collapse, the high interest rates of Fed chief Paul Volcker. These interconnected matters, it now becomes certain, will be central at this month’s North-South summit meeting in Cancún, Mexico.

When he turned to military questions, Schmidt again rebuffed American intransigence. The chancellor succeeded both in relating security, including feasible levels of defense spending, to economic well-being and in arguing for good faith negotiations with the U.S.S.R.

The budget defended by Schmidt emerged from tumultuous debate within the government coalition of Schmidt’s Social Democratic Party (SPD) and the Free Democratic Party (FDP). The FDP fought for bigger spending cuts for the domestic economy, rivaling the austerity demanded by the opposition. But Schmidt, in parliament, said that there could be no further budget cuts without causing a disastrous, deflationary crisis. While the German economy was as healthy as could be expected under world recession conditions, Schmidt said, he certainly was not going to risk its demolition by the repetition of “foreign experiments”—meaning the tribulations of Britain and the U.S.

To refute the extreme Friedmanite doctrines of strict

ed grain is much better but it is very hard work for the women. If you can fit that with a ball bearing it lessens the physical energy one uses, as well as the time.

I’m giving only two obvious examples, but there are so many such things, small things, which if you can do immediately, you release that much energy. We have to have a bridge.

There are some things that we want for all time. For instance take our handicrafts. Now I don’t think that we should ever replace them by something else. Not only because they are beautiful, but because the people who work in those areas, they are much more complete people than those working with a conveyor belt.

You have to have a balance in all of this—you just can’t say I won’t have this and I won’t have that. That is why we are trying to keep a balanced picture between heavy industry, medium, small-scale, village.

Sneider: This brings me to my next question. Lately there’s been a lot of articles and reports, including the World Bank’s Annual Development Report, where again you see this big boom of the China “model,” that China is the economic model for the Third World . . .

Gandhi: I thought that mood was passed.

Sneider: There’s a revival. This time they say that because of the policies of the Chinese government, is scrapping heavy industry. . . .

Gandhi: I though they had scrapped it before when they had those backyard steel furnaces . . .

Sneider: Now they say they emphasize light industry, they are opening up these “special economic zones,” they are having a very coercive population control policy. . . .

Gandhi: That they have. But when we had population control, everybody was against it.

Sneider: The point is that all of these things are promoted as what China is a great “model” of. Again, also these comparisons are being made between China and India. I even saw that old canard recently in a column in the *Washington Post* that there are no beggars in the streets of China and you can find them in the streets of India. What do you think of such comparisons?

Gandhi: Well, I just read an article saying that there are beggars in China. Just last week, and I think it was in an American newspaper, but I’m not sure. They are having unemployment riots. They are having student troubles. Politically they are far from stable. And the moment they can, they are going to go in for heavy industry. If they are not going in, it is because their previous policies have failed completely and just now they cannot afford it from any point of view. I don’t know whether they have the skilled personnel but they certainly don’t have the other things necessary for it.