Chapter V

INDO-SOVIET RELATIONS : 1977-82

(A) Phase-I, 1977-80 : Relations During the Janata Regime

After eleven turbulent and historic years in office, Indira Gandhi stepped down as the Prime Minister of India in March 1977 - not left the country in a shambles as the rout of the Congress in the election of the new Lok Sabha would suggest, but a country that had been cajoled, persuaded and whipped into shape on the way to achieving its full stature as an economically strong, socially forward looking and politically mature nation.

A new party, the Janata Party, led by Morarji Desai assumed power in New Delhi at the end of March 1977. Atal Behari Vajpayee, a former Janasangh leader, took over as the new Minister of External Affairs. Prime Minister Morarji Desai and the Minister for External Affairs, Vajpayee took the earliest opportunity to declare their commitment to India's traditional policy of nonalignment. We can say that several specific characteristics or directions of the Janata government's foreign policy manifested themselves between April and June 1977 namely "genuine" or "proper" nonalignment, first priority to better understanding and cooperation with immediate neighbours, pursuit of a policy of "beneficial bilateralism" in general, renewed interest in the Commonwealth as a multi-lateral association and its regional and bilateral benefits and opportunities, and a somewhat different articulation of India's nuclear policy.¹

¹ The Indian Express, New Delhi, 25 March 1977
Soon after assuming office as Prime Minister on 24 March 1977, Morarji Desai had told a press conference that his government would follow a policy of "proper nonalignment". He also said that his government would not wish to have any "special" relations with any country. Obviously he had the Soviet Union in mind when he made this observation; for it is often asserted that the 20 year Treaty of Peace, Friendship and Cooperation between India and the Soviet Union signed in August 1971 had established "special" relations between the two countries. Commenting on this Treaty, the new Prime Minister said that if it meant that India should not have friendship with other countries, then it would have to change. "At least we will not act upon it in that manner."

Vajpayee, in a similar view, had declared on 7 April 1977, in his address at the meeting of the Coordinating Bureau of Non-Aligned countries in New Delhi India's resolve to follow the path of "genuine" nonalignment. Further, he made a speech in the Lok Sabha on 29 June 1977, in which he presented a full exposition of the Janata Government's nonalignment policy and its view of "proper" or "genuine" nonalignment. He said; "Non-alignment is not the policy of an individual or a party. This is based on National Consensus... The policy of non-alignment is, in fact, a logical and essential extension of national dependence in the field of international affairs... We affirm this old tenet of policy because nonalignment recognizes that in today's nuclear world war or its inevitability must be ruled out. We cherish our national independence, but reject the need to consign national defence to a committed or dependent military or ideological arrangement. Nonalignment frees a nation from the pressures to borrow foreign models or adopt other ideologies which may be alien to a nation's

2 Asian Recorder, New Delhi, 23-29 April, 1977, p.13707
civilization or its ethos.\textsuperscript{3}

These statements might have caused some alarm in Moscow but the Soviet Union needed India's friendship as much as India needed Soviet Union's.

Within five weeks of the election results, Foreign Minister A.A. Gromyko landed in New Delhi, on 25 April, 1977. Two weeks prior to his visit, a shift in the Soviet attitude toward the Emergency and the new Indian government was discernible. The fate of the Congress was now seen as a consequence of the "abuse of power", the "destruction of democratic norms", and the denial of the rights of the working class.\textsuperscript{4} Similarly, a statement on change in economic strategy by the new Minister for Industries, was reported without adverse comment.\textsuperscript{5}

The contents of the Soviet press in the week prior to Gromyko's visit indicated that the Kremlin had discussed the possibilities of the new leadership altering India's policy towards the U.S.S.R. There was a highly defensive attempt to dwell on the past benefits of Soviet support for India. Prominent Indians and major newspapers were quoted stressing the importance of Soviet-Indian ties, the value of Soviet economic and technical assistance and the significance of the 1971 Treaty of Friendship existing between the two nations.\textsuperscript{6}

During his stay in Delhi, Mr. A.A. Gromyko was received by the Acting President of India, Shri B.D. Jatti and hold

\textsuperscript{3} Foreign Affairs Record, June 1977, p.90
\textsuperscript{4} Pravda, 10 April 1977
\textsuperscript{5} Ibid., 21 April 1977
\textsuperscript{6} Ibid., 17 April 1977, Also see The Hindustan Times, New Delhi, 25 April 1977
talks with the Prime Minister Morarji Desai and the Minister of External Affairs Atal Bihari Vajpayee. This was the first high level exchange between the leaders of the new Government of India and the Soviet leadership. Pravda of 10 May, 1977 described the Janata Government's decision to welcome the Soviet Foreign Minister "as a practical step affirming continuity of friendly policy of India towards the Soviet Union."

From the Soviet point of view, it was a vital mission, and, after a long meeting with Desai, Gromyko felt sufficiently reassured to declare that it would be absolutely "unnatural" to allow "any gaps" to develop in Indo-Soviet relations. Vajpayee set the tone for Janata's policy towards the Soviet Union by telling the Soviet Foreign Minister: "We appreciate the help the Soviet Union has given us to industrialize our country and to make us self-reliant. We are also grateful for their consistent and principled support in our difficult times. We remember all this and we shall continue to value our friendship with you."{}

In the joint Indo-Soviet communique signed before A.A. Gromyko left for Moscow on 27 April, 1977, the two countries reaffirmed their faith in the spirit of the 1971 Treaty and noted with "satisfaction" their "identical or close" position on many important world problems. At the luncheon held in honour of the visiting delegation, Atal Behari Vajpayee assured the Soviet Foreign Minister "that the bonds of friendship between our two countries are strong enough to survive the demands of divergent system, the fate of an individual or the fortunes of a political party".

7 Cited in The Times of India, New Delhi, 12 May 1977
8 The Hindustan Times, 27 April 1977
9 The Times of India, New Delhi, 28 April 1977
10 Soviet Review, 5 May 1977, p.14
At the close of Gromyko's trip, it was evident that the relationship had been reaffirmed. Three new agreements were signed involving a Soviet loan, a supplement to the bilateral trade plan for 1977, and Soviet technical assistance for the Srinagar-Tashkent Trans-Himalayan Tropo Scatter Telecommunications link. In addition a lengthy joint communique issued at the end of Gromyko's visit revealed several areas of agreement between the two sides. Desai and Vajpayee were officially invited to the U.S.S.R., the importance of recognizing the Indian Ocean as a zone of peace was mentioned, South Africa and Rhodesia were condemned; a settlement of the Middle East crisis was called for on the basis of a return by Israel of the Arab territories taken in 1967, and Vietnam's admission to the United Nations advocated.

On 3 April, the 39th anniversary of the establishment of diplomatic relations between the Soviet Union and India was extensively observed. On 8 April 1977, A.B. Vajpayee expressed the hope that traditional relations of friendship and all round cooperation between the Soviet Union and India would further develop.

Despite all the greetings and platitudes which were exchanged when the Janata Government came to power the Soviet attitude began to quickly harden in their important dealings with India. This is clearly illustrated by the Soviet intransigence on the important question of Rupee-Rouble parity. The Russians sought to significantly hike the exchange rate of the Rouble which would result in India having to pay back much more for the aid received from Soviet Union.

11 The Hindustan Times, New Delhi, 28 April 1977
12 Pravda, 28 April 1977
On June 30, 1977 Morarji Desai wrote to India's Ambassador in Moscow, I.K. Gujral, "... I appreciate the sentiments he (Brezhnev) expressed about me and the new Government of India. Nevertheless we have to remember that he and his colleagues were equally effusive about the past regime which, if I may say so, was probably more in line with the way of their thinking and ideology than with democratic tradition..."  

In November, 1977, Gujral reported to Morarji Desai that the Communist Party of India was placed in a very high position in the 'communist fraternity'. Morarji replied to say that "he was not surprised at all because after all they were playing their game very faithfully and are receiving their reward."  

On 14 July, 1977 Indo-Soviet relations figured in the Lok Sabha in the context of the Soviet plan for Asian security. Prime Minister Desai told the House, that so far as he was aware, the Soviet Union had not fully spelt out the contents and implications of the proposed security designed. He added that if the plan meant the formation of another bloc or alliance India would not be interested in it. He did not agree that there were no Soviet bases in the Indian Ocean. As he put it, the Soviet Union certainly had its "spheres of influence", there: "it is a race between the two powerful nations. It is from that we have to save Asia."  

The Prime Minister's statement on 14 July were the first overt indications of a new turn or attitude towards relations with the superpowers. In the past, India's official spokesmen had always expressed their explicit ignorance about any Soviet bases or military expansion in the Indian Ocean.

14 Ibid.
15 Ibid.
16 Lok Sabha Debates, 4(29), 14 July 1977
Gromyko's visit to New Delhi was followed by the arrival of Desai and Vajpayee in Moscow on 21 October 1977. On the 60th anniversary of the Great October Socialist Revolution, in his speech on October 21, 1977 in Moscow, Mr. Desai called the October Revolution an epoch making event; in the history of the Soviet State and world history, that has inspired and continues to inspire millions of people.  

In a speech made at the dinner given in his honour on the same day, the Indian Prime Minister indicated to his hosts that New Delhi was not considering any major change in its relationship with the Soviet Union. He noted that the differences in the political and economic systems of the two countries had not prevented close cooperation in a number of fields and pointedly referred to the Indo-Soviet Treaty as a high point in the relationship.

Though he spoke of the recent political change in India as a revolution directed against the infringement of democratic rights, he immediately sought to reassure his hosts that the governmental change in New Delhi did not threaten the future of Indo-Soviet ties. He pointed out that the two countries were bound not by transitory issues such as ideology and personality but by their "national interests and vital common goals." Similarly, while emphasizing that India's basic commitment to nonalignment provided a flexible base for working toward friendly ties with all states, he added that established friendship would not suffer in the process. "From a visit to London for a conference fixed a long time ago and a stop in Paris on the way back, the Soviet Union is the first country I am visiting as Prime Minister of India," said Desai.

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17 Y. Aleveyer, "A Major Factor of Peace and Stability", International Affairs, Jan 1978, Moscow, p. 88
19 The Hindustan Times, 26 Oct 1978
Apart from the joint communique signed on October 26, 1977, and press reports on the talks, there is no detailed information available on the issues that were covered during the three rounds of negotiations that were held. Judging from the composition of the Desai's delegation, Indo-Soviet economic relations constituted a major area of discussion. A major dispute between India and the Soviet Union had erupted in the field of the Rupee-Rouble exchange rate. The Soviets argued that following price of the pound sterling to which the rupee was linked, justified a revision from 11.39 Roubles to 100 Rupees to 8.66 Roubles to 100 Rupees in 1975. The Indians countered with the argument that the Rouble was arbitrarily set in terms of gold and was not subject to market forces. The issue involved the payment of vast amounts by India in debt repayment and had led to prolonged haggling.

While developments such as the decision to use U.S. aid for the projected expansion of the Bokaro Steel Mill would suggest that New Delhi wished to avoid excessive dependence on the Soviet Union, the joint communique issued at the close of Desai's visit points to an expansion in the scope of Indo-Soviet economic ties. The two sides were ready to cooperate in the development of alumina, non-ferrous metal, irrigation and agriculture in India, while the possibility of setting up joint industrial projects in third countries was also discussed. In addition, it was decided to continue Soviet assistance in the expansion of steel and coal production.  

During Desai's visit, judging from the attention given to the Indo-Soviet Treaty in Soviet media, it was clear that Moscow was eager to have New Delhi clearly reaffirm its commitment to this aspect of the Soviet-Indian relationship. While the Treaty was mentioned twice in the communique, the two

20 The Hindustan Times, New Delhi, 26 Oct 1978
sides resolved to strengthen their ties "in the spirit" of the document. This formulation was at variance with the Soviet tendency to refer to the Treaty as the "basis" of Indo-Soviet relations.\textsuperscript{21}

The Indo-Soviet treaty emerged unscathed from the Desai visit, the Janata Prime Minister contenting himself with reiterating his view on his return to New Delhi that "there was no question of India having special relations with any country."\textsuperscript{22} The Soviets however, did seem to be changing their formulations, but not their policy, on the Indian Ocean. During Desai's visit they expressed support "for the striving of the peoples of the area to make the ocean a zone of peace". The joint declaration also "urged the removal of all foreign military bases existing in the Indian Ocean and prevention and establishment of new ones."\textsuperscript{23}

Morarji Desai had told the Parliament on 14 November 1977 about his visit to the Soviet Union (October 21-26, 1977) that "when the Janata Government came to power, there were many who believed that Indo-Soviet relations would suffer as a consequence of change of Government in India. This was not our expectation; the visit had indicated our faith that notwithstanding differences in our social and political systems and approaches on some issues, our relationship has in no way suffered. On the contrary, on the principle of promoting beneficial bilateral relations, there are possibilities of healthy development in future." He further said that the Declaration signed by President Brezhnev and himself, Indo-Soviet relations have stood the test of time. It is a relationship which need in no way be feared by any nation as it is

\begin{itemize}
\item \textsuperscript{21} The Hindu, Madras, 25 Oct 1978, Also see Pravda, 22 Oct 1977
\item \textsuperscript{22} The Statesman, New Delhi, 29 Oct 1977
\item \textsuperscript{23} Soviet Review, 24 Oct 1977, pp. 17-22
\end{itemize}
anchored in the principles of peaceful coexistence which have universal applicability.  

Gromyko's talks in New Delhi had Desai's visit to the U.S.S.R. seem to indicate that neither side wanted to alter the existing structure of Soviet-Indian relations. Despite speculation to the contrary, there is evidence of disinclination on the part of Desai and Vajpayee to bring about a change in the prevailing relationship with the Soviet Union. The fact is that India has little to gain by taking steps in this direction. For example, while the annulment of the Soviet-Indian treaty might be of value as a symbolic gesture as an indication of an impending change in India's foreign policy — it would not be worth much more. The treaty is not without a tacit significance for India's security concerns regarding China, and the recent indications of an upturn in Sino-Indian relations has not been substantial enough to make this aspect of the treaty unattractive to New Delhi. It is to be noted here that after a fifteen year interval, ambassadorial links with China were reestablished in 1976. In addition, in 1977, China broke a similar fifteen year impasse in Sino-Indian trade by concluding an agreement with the Indian State Trading Corporation for the import of shellac and nonferrous metal. Indian trade agents also participated in the Canton Trade Fair in April 1977.  

The Janata Government hoped to insulate the Indo-Soviet relationship from its initiatives in other field in promoting better relations with the U.S., China and the neighbouring countries, the last being a matter of first priority. 

The Janata leadership continued to be aware of the security

24 Foreign Affairs Record, Nov 1977, pp.243-4
25 The Hindustan Times, New Delhi, 20 May 1977
26 Vajpayee's Statement in the Lok Sabha, 29 June 1977
problem along the Sino-Indian frontier. While India's military capability along the border had improved substantially since 1962, a reduced sense of sinophobia could well have the effect of making New Delhi feel less urgent about the need to enter into substantive negotiations with Peking. At any rate any radical improvement in Sino-Indian relations would have brought to the fore certain major issues on which there existed a wide divergence of views. While the Chinese were perhaps be willing to settle the border dispute on the basis of the status quo, any agreement along these lines by the Janata Government would have complicated its political position at home. In addition, recent developments indicated that both countries viewed themselves as rivals for political influence in the smaller nation of South Asia.

The Janata government's approach to neighbours was considerable to scale down the country's power projection and meet them more than half way to resolve contentious issues — the "logic of good neighbourliness", as Vajpayee described the policy.

Political observers point out that the Janata government would have liked India to play a bigger role in South Asia and in international politics. Again, "there was already talk in Janata Party circles about India staking its claim to permanent membership of the Security Council". If the Indo-Soviet ties remained intact and if Sino-Soviet antagonism continued, the Kremlin would not have been averse to supporting India's reasonable, legitimate aspirations.

28 Kedar Man Singh, Far Eastern Economic Review, 6 Jan 1978
30 "Indo-US Relations: Structural Constraints", Economic and Political Weekly, 13(1), 7 Jan 1978, p.4
By early 1978, the Soviet leadership was disturbed by the discussions that the Indian Government was having with Western countries. President Carter, it seemed, wished to deal with India as the dominant regional power and would be mindful of its vital interests. Carter turned down the sale of A-7 aircraft to Pakistan, which pleased India, and corresponded copiously with Desai. Carter had paid a visit to New Delhi in January 1978.

Desai made other gestures to Pakistan. He adopted a line of diplomatic neutrality on Pakistan-Afghanistan differences and supported Islamabad for membership of the non-aligned movement after it left CENTO in the wake of the Iranian Revolution. An agreement on Salal dam, initiated by Mrs.Gandhi's government, was signed in 1978. Vajpayee, during a visit to Kabul in September 1978, urged Afghanistan to remain non-aligned and promote trust in the region. 31

Indian trade agents participated in the Guangzhau (Canton) trade fair in April 1977 and Chinese interest in promoting better relations with India was heightened by the change of government in New Delhi although Desai's meeting with the Dalai Lama in April 1977 provoked an official protest from Beijing for the record. China made friendly noises and signals came thick and fast from Beijing indicating a desire to improve relations. 32

All through the years of the Janata regime, and even when Kosygin visited India in March 1979, the Russians seemed obsessed with China and the fear that they were attempting to get nearer to them. 33

32 Nihal Singh, 'Options in a Dangerous World', The Statesman, New Delhi, 9 Jan 1979
33 Arun Gandhi, op.cit.
A balanced relationship was sought to be maintained with the superpowers on the basis of "genuine" nonalignment, beneficial bilateralism and international cooperation during Janata government. A new chapter in India-US friendship was opened with President Carter's visit to India; although serious differences over the nuclear issue remained, relations between the two countries were restored to a new level of mutual confidence. Friendly ties with the Soviet Union were sought to be strengthened further by working for greater cooperation in the economic, scientific and technological sphere. In February 1978, the 4th session of the Indo-Soviet Joint Commission met in New Delhi, when a protocol was signed on long-term cooperation between the two countries. Arkhipov, who visited India for the meeting emphasised that Indo-Soviet cooperation between the two countries entered a new phase with prospects for wider and new areas of cooperation.  

The Soviet Deputy Prime Minister Ivan Arkhipov arrived in India as the head of the Soviet delegation to attend the fourth session of the Indo-Soviet Joint Commission in February 1978. Arkhipov described Indo-Soviet relations as very "close", and said that there were yet "greater prospects for further deepening of our friendship and in particular our cooperation in the field of economic activity." At the conclusion of the session, a long-term protocol was signed between the two countries for the expansion of economic trade, technical and scientific collaboration, an expansion which according to Vajpayee, reflected a new pattern of cooperation in industry. The major areas of cooperation envisaged for the next fifteen years were steel, non-ferrous metallurgy, heavy machine building, coal and petroleum, communication and transport.

34 Vinod Bhatia, Indira Gandhi and Indo-Soviet Relations, op.cit., p. 90
35 National Herald, New Delhi, 26 Feb 1978
Seven sub-committees were set up to work out the details of cooperation, the most important of these being the one charged with the task of preparing a long-term economic programme, including a trade plan.\(^{36}\)

Besides agreeing to keep up its assistance for the ongoing projects, the Soviet Union offered to help in the setting up of a blast furnace at Visakhapatnam. It also undertook to set up an alumina plant with a capacity of 6,000,000 tonnes to exploit the bauxite deposits in Andhra Pradesh. Both projects were to be financed in accordance with the "compensation" principle which meant in the present case that the Soviet Union would be paid back in kind for the technology and expertise that it supplied. At the end of his visit, Arkhipov observed that his country's economic relations with India were passing on to a "qualitative new phase" a phase marked by a search for new areas of cooperation, wider development of industrial collaboration, exchange of technologies and experience on a broader basis, and collaboration in third countries.\(^{37}\)

In May 1978 India's Minister for Defence, Jagjivan Ram, visited the Soviet Union for a review of Indo-Soviet cooperation in the field of defence. In the course of his visit he expressed the hope that India would receive Soviet support for the furtherance of its objective of speedy national self-reliance. Marshal Ustinov, his Soviet counterpart, stated that the central objective of Indo-Soviet friendship, which he held up as an example of peaceful coexistence, was not confined to the two Governments but derived its strength from the people.\(^{38}\) Replying, India's Defence Minister specially mentioned the Indo-Soviet Treaty, and said that it

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36 The Statesman, New Delhi, 10 Mar 1978
37 Indian Express, New Delhi 3 Mar 1978
38 Hindustan Times, 24 May 1978
was not just a document between the two governments but a symbol of the sentiment of the two peoples for each other. The Treaty, he added, aimed at peace and friendship, non-interference, respect for sovereignty and mutual aid in times of necessity.39

In 1978, the Janata had to make decisions on arms purchases. Intense lobbying was on by France and Britain to sell the Mirage and the Jaguar. It was in this context that Soviet Air Force Chief Kutakhov visited India in March 1978 and offered an improved version of MIG-23 at concessional price and on better terms along with the promise to transfer its technology to India. In May, Defence Minister Jagjivan Ram visited Moscow for a review of Indo-Soviet cooperation in defence production. His main objective was to secure rapid transfer of Soviet weapon technology to India.40 when the Nani Palkiwala, India's Ambassador in U.S.A., wrote a letter to Morarji Desai on January 22, 1979, which showed that Soviet Union didn't want Morarji Desai to be Prime Minister of India. He wrote that the government of the Soviet Union had decided that they should work, as far as it lay in their power, to see that you (Morarji) cease to be the Prime Minister, and he added that some chosen persons in the Communist Party of India, who are pro-Soviet, had already received the message. The letter made public last week only confirm a conspiracy whose general contours have been known all along.41

Now it can be told that, from the very first month of the Janata Government a mystery meeting used to be held periodically, in the Guest House of a business house, in Faridabad. It was regularly attended by H.N. Bahuguna, Madhu Limaya, Nikhil

39 Ibid., 27 May 1978
40 Vinod Bhatia, Indira Gandhi and Indo-Soviet Relations, op.cit., pp. 90-91
41 Dirty Russian Hand in Indian Politics, Organiser, 25 Sep 1983
Chakravarti and the Russian Ambassador Vorosilov. A regular participant was Chandrasekhar.

Russia got its biggest break in India in 1969, when Mrs Gandhi continued in office after the Congress split, with CPI support. A top Russian Politbureau member flew into Delhi at the time and persuaded CPI and CPI(M) to support Giri for Presidentship to save Mrs. Gandhi's office and protect Russian interests in Asia. It is significant that Limaye and his friends also backed Giri's candidature. According to Giri's friends, Russia made Rs. 7 crores available to buy the so-called "Conscience" vote. It was during this period that the Treaty of friendship was signed, giving the world the impression that India was now part of the Russian camp. During the same period RAW entered into an arrangement with KGB transferring the services of some of its agents in the CPI(M) Politbureau to the Russian outfit. It was two of these gentlemen who played a crucial role in switching the CPI(M) support from Morarji to Charan Singh.42

Although Limaye's link with Moscow became clear after Janata came to power, Bahuguna's links were clear from the start. When he was Chief Minister of U.P. Russia presented him an Ilyushin plane. The Soviet Ambassador lauded him as an up and coming "National leader" at a function in Lucknow early in 1975. Russia continued its support to Bahuguna even in the 1977 elections as peritto Gohosh's letter to Dr. Ulltiferov in Moscow.43

Vijpayee had paid a visit to Moscow in September 1978. His main purpose was to appraise the Soviet leadership of the state of Sino-Indian relations and of India's new

42 For details see Madhu Limaye, Problems of India's Foreign Policy, Delhi, 1984, Chapter 7
43 Organiser, 12 July 1979
initiatives to normalise relations with Peking. Vajpayee spoke of the high degree of trust and confidence between India and the U.S.S.R. and of the Janata government's efforts to improve relations with India's neighbours, including China. He assured the Soviet leadership that improvement of Sino-Indian relations would not be at the expense of Indo-Soviet relations. However, divergence in perceptions had widened. Moscow had pointed out that the Karakoram Highway, built by China was a strategic one, which threatened China's neighbours, particularly India. Moscow wanted a reassurance from Vajpayee that the Janata government would do nothing at the expense of Indo-Soviet relations and friendship. At his luncheon in honour of Vajpayee, Gromyko did not mince words. He said: "The schemes of the forces that are hostile to world peace and international security in Asia should be rebuffed, and rebuffed decisively. It is necessary to unmask and frustrate their aggressive designs and expansionist proclivities in time.\[^{44}\] However, Vajpayee did not respond to these strong sentiments though he praised the principled policies of the Soviet Union in contrast to China's wayward actions. Thus, Moscow failed to dissuade Vajpayee from his proposed visit to Peking, if that was Moscow's intention. In the end even Vajpayee had to postpone his visit to Peking since he fell ill.\[^{45}\]

Kosygin came to India in March 1979. He had spent six days in India and had a series of talks with Desai and Vajpayee. He was relentless in his attack on China, and called China's aggression on Vietnam criminal. He addressed the Indian Parliament and said that no peaceloving country could remain indifferent to such blatant actions. He warned

\[^{44}\] Pravda, 13 Sep 1978

\[^{45}\] Vinod Bhatia, op.cit., p.92; also see Shashi Tharoor *Reasons of State: Political Development and India's Foreign Policy Under Indira Gandhi*, 1966-1977, New Delhi, 1982, p.372
that China might choose to 'teach India a lesson' at some point in future. However, even though India was outraged by the Chinese action, the Janata government did not want to fully identify itself with the Soviet reaction. Desai merely said: "We have agreed even where we differ." It was clear that New Delhi was not ready to team up with Moscow against China. So in the final communique India would only go to the extent of characterising the Chinese aggression as massive and armed attack, and to demand an immediate, unconditional and total withdrawal of Chinese troops from the territory of Vietnam.46 However, on the economic front, the Kosygin visit was memorable and an agreement was concluded on the controversial Rupee-Rouble exchange ratio. Kosygin offered 600,000 tonnes of additional crude for 1979. And although the Janata was more favourably disposed towards the West and to India's private sector, the visit of Kosygin led to the signing of a long-term agreement on trade, scientific and technical cooperation for a period of 15 years. It was the first long-term and comprehensive agreement between which led to an unprecedented expansion of cooperation between the two countries. The Soviet assistance already accounted for 30 per cent of steel capacity, 70 per cent of oil extraction, 30 per cent of oil refining capacity, 20 per cent of power generation and 80 per cent of metallurgical equipment. About 76 major projects had been built in India or were being constructed with Soviet cooperation.47

The Soviet Premier had separate meetings with the President Sanjiva Reddy, the Deputy Prime Minister (Finance), Charan Singh and the Deputy Prime Minister (Defence) Jagjivan Ram, and the Minister of External Affairs, Atal Behari

46 Overseas Hindustan Times, March 25 1979; and The New Times, No.13, 1979
Vajpayee. Among other subjects, Vajpayee talked of his visit to China. He informed Kosygin that he had told the Chinese leaders that if China normalised her relations with Moscow peacefully through bilateral negotiations, the forces of peace and stability would be strengthened and the whole world would stand to gain.

India and the Soviet Union considered it necessary to exert further efforts in the interest of strengthening peace in the Asian continent, of developing cooperation among all Asian countries on the principles of sovereign equality and independence: non-use of force, inviolability of frontiers, territorial integrity of states, non-interference in the internal affairs and other generally recognised principles of interstate relations. Acceptance of these principles in interstate relations, the communique said, would contribute to the transformation of Asia into a continent of durable peace and to strengthening of world peace.

Besides the situation in South-East Asia, the two sides reviewed various other international issues, including the situation in West Asia, the freedom struggles in Southern Africa, disarmament, the need to increase the effectiveness of the United Nations to ensure lasting peace and restructuring international economic relations on a democratic basis. The two sides noted that non-alignment is a positive factor in maintaining world peace, eliminating colonialism and racialism and ensuring equitable economic relations. They reiterated firm support to the conversion of the Indian Ocean into a zone of peace and regretted that Soviet-American talks on the subject had been suspended. India appreciated Soviet readiness to resume these talks.

Expressing deep concern over the continuing serious threat to peace in West Asia, they pronounced themselves
in favour of a comprehensive and just settlement of the problem on the basis of the complete withdrawal of Israeli troops from all Arab territories occupied in 1967, the recurring of the legitimate rights of the Arab people of Palestine, including their right to establish their own state as well as the ensuring for all states in the area the right to independent existence and development.

On yet another international issue, there were differences between India and the Soviet Union. This was on the Heng Samrin regime which had been installed in Kampuchea with the Soviet support. Despite repeated requests from Kosygin, Vajpayee was reported to have told him that India would extend recognition to Kampuchea only when it was sure that the new regime was in full control of the situation in that country. Yet as it turned out, the Janata government did "go a long way towards the Soviet position, refusing to link Vietnam's invasion of Kampuchea with China's assault on Vietnam. In drawing the line between friendship and the Soviet policies, the Janata was careful not to antagonise Moscow while preserving its own independence. However, the difference between the two countries were very much evident. Vajpayee, as has been pointed out by an astute observer, was privately reported to have expressed his "unhappiness over Kosygin's use of Indian podiums to denounce China and after the Russian Primier's departure, declared on television that what had been said in the joint communique was not as significant as what had been left out of it. Desai put it a little more succinctly.

48 Pushpesh Pant, "Major Developments in India's Foreign Policy and Relations, Jan-June 1979, "International Studies, Vol.19, 1980, p.508
49 Shashi Tharoor, Reasons of State: Political Development and India's Foreign Policy Under Indira Gandhi 1966-1977, New Delhi, 1978, p.371
50 Ibid., p.374
While Kosygin, before his departure, told reporters that both countries agreed on all subjects, Desai quipped that they had agreed even where they differed.\textsuperscript{51}

During Kosygin's visit in 1979, several protocols were signed between India and the Soviet Union. These included protocols for supply of 600,000 tonnes of Soviet crude in exchange for Indian rice, supply of agricultural machines and motor vehicles as gift to Suratgarh State Farm, agreement on cooperation in medical science and public health and a protocol on cultural exchanges.\textsuperscript{52} Another long term agreement was signed on cooperation in economic, trade, technological and scientific fields which would run for ten to fifteen years covering major proposals like Visakhapatnam Steel Plant, East Coast aluminium project, Mathura Refinery, Singrauli and Raniganj coalfields, Ramgarh washery and Malanjkhan copper project and also providing for Indian experts to visit Soviet Union to familiarise themselves with the Soviet development in inland fisheries, pulp and paper, and food industry.\textsuperscript{53}

Political dialogue between India and the Soviet Union continued uninterrupted in the next years. The Indian Prime Minister visited the Soviet Union on 11 June 1979 and received a flattering welcome. Cooperation between the Soviet Union and India, linked by traditional friendship, was strengthening with every passing year and this served the vital interests of the peoples of the two countries, said Brezhnev, General Secretary of the CPSU Central Committee and the President of the Presidium of the U.S.S.R. Supreme Soviet in his dinner speech in the Kremlin in honour of the visiting Prime Minister of India.\textsuperscript{54}

\textsuperscript{51} Pushpesh Pant, \textit{op.cit.}, p.508
\textsuperscript{52} Asian Recorder, 25(15), 1079, p.14832
\textsuperscript{53} Ibid.
\textsuperscript{54} Pravda, and The Times of India, New Delhi, 12 June 1979; Also see New Times, No.25, 1979
It has been considered necessary to draw extensively on this communique as it amply illustrates the close correspondence of views on a wide range of issues and brings out the community identity of strategic contexts between the two countries. It shows that in this case the cordiality in bilateral relations is more a function of coinciding national interests rather than a rapport between individual personalities or any ideological affinity.

Touching upon the situation in Asia, Leonid Brezhnev said that "China's recent aggression against Vietnam, the repeated threats of taking up arms again to teach somebody a lesson, all this extremely complicates the situation, and creates considerable dangers for Asian countries." Morarji Desai was received on his arrival in Moscow by President Brezhnev, Premier Kosygin and other Soviet leaders. Speaking at a banquet held in his honour in Moscow, Desai said: "In India the Soviet Union has a steadfast friend whose policies are not guided by or founded upon the shifting sands of transient considerations and temporary advantages, but are based upon the bedrock of warmth, goodwill and recognition of mutual interests." The Minister of External Affairs, Atal Behari Vajpayee who accompanied the Prime Minister on the tour, described as a "Landmark" the agreements reached during Desai's visit to the Soviet Union.

In the Soviet Union, Morarji Desai visited Tashkent, Moscow and Leningrad. At Moscow, Desai had talks with Brezhnev and Premier Kosygin. The joint communique issued at the end of the visit stated that the Indo-Soviet talks showed the "coincidence or similarity of views of India and the Soviet Union on key international problems". This would serve the

55 Ibid.
cause of "further widening the many sided cooperation between India and the Soviet Union."

The communique cited the Indo-Soviet long-term programme of economic, trade, scientific and technological cooperation, the agreement on cooperation in peaceful uses of nuclear energy, the joint commission meetings, the launching of the Bhaskara Satellite\textsuperscript{56} and the agreement on the Visakhapatnam steel plant on "new manifestation of the determination of the two sides to expand their economic and other cooperation."

During his wide ranging talks with the Soviet leaders, Desai explained India's position regarding various issues, especially those on which India and the Soviet Union had differences. On Kampuchea, the differences persisted and both countries reiterated their positions. Again, while India and the Soviet Union agreed that the Camp David agreement between Egypt and Israel signed through the mediation of the U.S. could not lead to a comprehensive settlement of the Palestinian problem, India did not express itself in favour of the move to expel Egypt from the non-aligned movement for being a party to the agreement.\textsuperscript{58}

However, the subject on which intense debates took place between the two leaders was on the development in Afghanistan, India's next door neighbour, where the Soviet Union had installed a pro-Moscow regime. The changed environment at India's doorstep was causing considerable concern to India not only because of the Soviet role there but also because of Pakistan using this as a proxy to get sophisticated military hardware from the U.S. Desai was forthright in his criticism of the developments in Afghanistan.\textsuperscript{59} In the joint communique,

\begin{itemize}
  \item \textsuperscript{56} \textit{Indian Express}, New Delhi, 8 June 1979
  \item \textsuperscript{57} \textit{The Hindu}, Madras, 12 June 1979
  \item \textsuperscript{58} \textit{Indian Express}, New Delhi, 13 June 1979
  \item \textsuperscript{59} \textit{Ibid.}
\end{itemize}
while referring to Afghanistan, both countries expressed themselves "firmly in favour of the aspirations" of the Afghan people for the preservation of their national independence and declared their opposition to "any interference by outside forces" in the internal affairs of that country. Desai, however, reportedly advised Brezhnev that the government in Kabul should try to acquire credibility among the Afghan people rather than blame Pakistan's interference for its troubles. On his return to New Delhi, Desai even went to the extent of offering his good offices to mediate between Afghanistan and Pakistan to solve the situation there.

A host of agreements were signed between India and the Soviet Union. Protocols on long-term programmes of cooperation were signed in October and December. On 1st December 1978, India and the Soviet Union signed in New Delhi a protocol envisaging cooperation in several new fields including agriculture, animal husbandry, light engineering and new areas of science and technology for the next ten to fifteen years. While extending Soviet cooperation in the development of small sector in India and also in the methodology of planning, it also facilitated joint research projects and joint industrial ventures in third countries. Yet another protocol signed in New Delhi on 23 December 1978 envisaged a total turnover of Rs. 1,200 crores, an increase of twenty per cent in Indian Soviet trade during 1979. It provided the Soviet Union an opportunity for the first time for the export of 300,000

60 Foreign Affairs Record, 25(6), June 1979, p.123
62 Ibid.
63 Asian Recorder, 25(2), 1979, p.14686
64 Ibid.
65 Ibid., 25(4), 1979, p. 14709
tonnes of cement, 57,000 tonnes of wood pulp as also fertilizers supply which was 40,000 tonnes more than the previous year; it also provided for the Soviet Union buying new items like petrol dispensing equipment, pneumatic tools and tool kits, steam boilers, heating equipment, printing machinery, incinerators and shoe uppers. It was clear that there were practically very few fields to which Indo-Soviet cooperation did not extend.

However, the most significant development during this period was the signing of a protocol on 25 November 1978 which fixed an exchange rate of Rs.10 to one Rouble for the settlement of all existing and future credit agreements and commercial transactions designated in Roubles between India and the Soviet Union. India, which had been trying for a reasonable Rupee-Rouble exchange rate for quite some time had reasons to feel happy about the new agreement. This was very much evident in the Annual Report of the Ministry of External Affairs for 1978-79 which commented on the agreement thus: "India regards the new exchange rate as a reasonable readjustment between the two countries taking into account the adjustment between the ruppe and other currencies. The protocol also contains an agreed built in mechanism for future adjustments in the exchange rate. The Soviet Union has provided an interest free 45 years deferred payment facility to meet additional liabilities arising from the application of the new rate of exchange in respect of supplies made and services rendered upto the date of protocol under the existing credits. The protocol is expected to smoothen the flow of trade and further strengthen the economic cooperation between the two countries."

66 Ibid.
67 The Hindu, Madras, 26 Nov 1978
68 Government of India, Reports, Ministry of External Affairs, 1978-79
It was pointed out that the agreement was, in the long term, self balancing with imports and exports equalling each other, thus needing no external resources to balance it. Also it was emphasised that the trade between the two countries being planned, the nature and substance of it was reviewed regularly and adjusted to the changing needs of the economies of the trading partners. However, critics of the agreement maintained that the compulsions in rupee trade on the partners to balance their two way transactions could naturally lead the stronger partner like the Soviet Union to charge higher prices for its exports and lower prices for imports.

(B) Phase-II, 1980-82: Relations During Indira Gandhi's Second Term

After being in the political wilderness for nearly three years, Indira Gandhi returned to power following the mid-term poll to the Lok Sabha, the Lower House of India's Parliament, in January 1980. She took over as Prime Minister on 14 January 1980 and appointed P.V. Narasimha Rao as her Minister of External Affairs.

Indira Gandhi was no stranger to the domain of government and foreign policy. She had been Prime Minister earlier for eleven years (1966-67) and had been associated with the formulation and implementation of foreign policy at the highest level, both in times of peace and war; and her approach to the various issues and aspects of foreign policy and relations was widely known.

Indo-Soviet relations survived a change of government in

70 Ibid., p.146
India and four leadership fatalities, those of Brezhnev, Andropov, Chernenko and Indira Gandhi. The durability of Indo-Soviet ties was manifest when the Janata Government came into power in 1977. The Janata leaders had talked about "genuine non-alignment", given the impression that they intended to distance India from the Soviet Union, but in effect Morarji Desai signed significant economic agreements with Moscow which were not exactly an indication of moving away.

The Soviet invasion of Afghanistan at the onset of the 1980s is the first time the Soviet had conducted a full-scale invasion of a country outside Eastern Europe. Although Afghanistan borders the U.S.S.R. it is a third world Muslim country. It also has considerable geostrategic importance.

The Afghanistan issue created some differences of opinion. India was not in favour of the presence of foreign troops and stood for an overall political settlement that would ensure withdrawal of Soviet troops as well as cessation of interference from across Pakistan's frontiers in the shape of material assistance to rebel elements. The Soviets sought to justify their massive military incursion into Afghanistan in December 1979 on the round that they had been "invited" by the then Afghan President, Hafizullah Amin. However, it is well known that Amin was far from being a friend of the Soviet Union. Indeed he was a foe or, at any rate, whom the Soviet Union regarded as a thorn, as it were, in its side. An unmistakable proof of this fact is provided by Amin's physical elimination, soon after the Soviet military take-over of Kabul, and the establishment of a pro-Soviet regime headed by Babrak Karmal.

Naturally the then Government of India headed by Charan Singh did not accept the manifestly untenable Soviet version.
The Indian press had also rejected the "Invitation" story. The veteran journalist, Girilal Jain wrote in a signed article: "It was sheer chicanery on the part of the Kremlin that it had arrived at the request of Kabul." The first official intimation India had of the Soviet invasion was from the Soviet Ambassador Yuri Varontsov knocking on foreign secretary R.D. Sathe's door around midnight on December 26.

By contrast, Indira Gandhi, who was then on the threshold of a new term of office, tended to indulge in a balancing exercise by blaming the Afghan developments equally, as it were, between the United States and the Soviet Union. In an interview to a French correspondent, she did say that she saw the developments in Afghanistan as a danger to India, but she has hastened to accuse the U.S.A. of being "responsible for destabilization of the region..., the past should not be forgotten." Moreover, even before she took over as Prime Minister which was on 14 January 1980, the Minister of External Affairs in New Delhi had reportedly got in touch with her, and on 11 January 1980 — in tune with her equivocal line — a spokesman of the Ministry said in New Delhi that the situation in Afghanistan "cannot be looked upon in isolation from bases and military linkages in Asia" and added that "a discussion [at the UN] at this stage will really heighten cold war tension." In the same view India's Permanent Representative at the UN Brajesh Mishra, intervening in the General Assembly debate on the Soviet intervention in Afghanistan expressed the view that "a discussion in the General Assembly of the question... did not help in restoring peace in the

71 The Times of India, New Delhi, 1 Jan 1980
73 The Times of India, New Delhi, 1 Jan 1980
74 Ibid., 12 Jan 1980
region."  At a time when the Soviet troops, as The Times of India editorially put it, had already forced their will on Afghanistan in utter contempt of international law.

When a resolution sponsored by twentytwo nonaligned countries demanding the "immediate, unconditional, and total withdrawal" of the Soviet troops from Afghanistan was put to vote on 15 January 1980, India chose to abstain, while an overwhelming majority of the nonaligned states lined up behind the 104-strong affirmative vote.

The speech of Indian delegate, Brajesh Mishra, as it was delivered, stunned the world. While opposing the presence of foreign troops and bases in any country, he said that the Soviet Union had assured India that it would withdraw its troops from Afghanistan when Kabul asked it to do so. "We have no reason to doubt the assurances, particularly from a friendly country like the Soviet Union with whom we have close ties."

Mrs.Gandhi attempted to bring back some semblance of balance to the Indian position. At a press conference on January 16, 1980 she disapproved interference by any foreign power in the affairs of another country and said that the Soviet presence in Afghanistan had increased tension and moved danger closer to the Indian border. Mrs.Gandhi went a step further by assuring Parliament on January 30 that India would made "every effort to ensure speedy withdrawal of Russian troops from Afghanistan."

75 Indian and Foreign Review, New Delhi, 15 Jan 1980
76 The Times of India, New Delhi, 1 Jan 1980
77 Quoted in Kuldip Nayar, Report on Afghanistan, Allied, New Delhi, p.59.
78 The Indian Express, New Delhi, 17 Jan 1980
79 Bimal Prasad, "India & the Afghan Crisis, in K.P.Misra, Afghanistan in Crisis, Vikas, New Delhi, 1981, p.79
Despite these differences, Indo-Soviet relations continued to have all-round development. On 27 May, 1980 UNI reported that the Soviet Union would supply India military hardware worth Rs. 1,300 crores under an agreement which was considered to be the biggest so far between the two countries. The Soviet Union undertook to advance long-term credit for these purchases under the most favourable terms, repayable over a period of 17 years and carrying an interest rate of 2.5 per cent per annum. The items covered were Petga class missile-equipped patrol boats, air-to-air and surface-to-surface missile rockets and anti-tank weapons and defence equipment. This was part of the defence agreements worth Rs. 2,500 crores concluded with various countries. 80 Subsequently an official spokesman clarified that western reports about a 1.5 billion was a "wrong projection". He denied that the arms deal was an indirect way of carrying favour with the Soviet Union. He added: "there was no uproar in the western media over the Jaguar deal with Britain last year which is double in value." 81

Another major step in the further expansion and consolidation of friendly Soviet Indian-relations was the meeting between Leonid Brezhnev and Indira Gandhi in Belgrade on May 8, 1980, which took place in an atmosphere of mutual understanding. In the course of the meeting, the two sides exchanged views on a number of questions pertaining to Soviet-Indian cooperation in various spheres, and agreed that expanding the sphere of mutually advantageous cooperation met the interests of the peoples of the Soviet Union and India. During discussions on major international problems the two sides noted that the positions adopted by

80 The Statesman, New Delhi, 28 May 1980
81 Eric Gonsalves, then Secretary in the Indian External Affairs Ministry at a press Conference at Kuwait, The Times of India, New Delhi, 21 June 1980
the Soviet Union and India on the main questions concerning
the strengthening of detente and peace were identical, and
that cooperation between them helped to promote stability and
good neighbourliness in Asia and throughout the world.82

On the invitation of the government of the U.S.S.R., the
Indian Minister of External Affairs, Narasimha Rao, paid an
official visit to the Soviet Union on June 3-7, 1980. During
his visit, Narasimha Rao had talks with Anderi Gromyko. The
two sides discussed the development of bilateral relations
and also a wide range of international issues of common
interest. They were pleased to note that relations between
the U.S.S.R. and India serve the interests of peace and
stability in Asia and throughout the world. They also examined
questions related to fulfilment of long term agreements in the
main sphere of Soviet-Indian cooperation. Having exchanged
views on the major international issues, the two sides remarked
on the closeness of the positions of the U.S.S.R. and India
regarding the issues under discussion. The Soviet Union and
India expressed their conviction that the process of detente
should be extended to all regions of the world and also their
firm intent to continue their support for an end to the arms
race and for the struggle against imperialism, racism and all
forms of domination. The results of the visit by Narasimha
Rao to the Soviet Union constituted a new and positive con­
tribution to the development of mutual understanding and
friendship between the U.S.S.R. and India.83

The President of India, Neelam Sanjeeva Reddy, visited
the U.S.S.R. between September 29 and October 7, 1980. During

82 A.A.Gromyko and B.N. Ponamarev, ed., Soviet Foreign Policy,
83 Pravda, June 8,1980 quoted in Gromyko and Ponamarev, ed.,
op.cit.
his talks with Leonid Brezhnev and other Soviet leaders, there was an exchange of views on the main question concerning Soviet-Indian relations, based on the firm foundation of the 1971 Treaty of Peace, Friendship and Cooperation. In their discussions on urgent international problems, the two sides paid particular attention to the strengthening of peace and international security, to the struggle against imperialism, colonialism and racism. The Soviet Union, declared Leonid Brezhnev, was making consistent and resolute efforts to preserve and stimulate detente, to secure a concrete shift from armament to disarmament; and to achieve a just political settlement of conflict situations, including those in such a "sensitive" region as the Near and Middle East. The two sides made a detailed analysis of the situation in Asia, where the intensification of activity by aggressive forces has escalated tension. The President of India described the traditional friendship between India and the U.S.S.R. as an example of fruitful and mutually beneficial cooperation answering the fundamental interest of both the Indian and Soviet peoples and also the interests of universal peace.84

An important landmark in the field of India's relations with the Soviet Union during this period was the 3-day state visit by L.I.Brezhnev, General Secretary of the Central Committee of the Communist Party of the Soviet Union and Chairman of the Presidium of the Supreme Soviet of U.S.S.R. The brief visit, which began on 8 December 1980 was considered to be more than a routine diplomatic exercise. It was indeed a crucial one because of the prevailing situation in the region. India viewed with apprehension the tension and conflicts growing in the region, the increase in the presence of the great powers, and the changing security environment caused by the rapid militarization of the Indian Ocean.

Brezhnev was accompanied by a high power delegation, comprising some of his senior colleagues, including the foreign minister Andrei Gromyko. During his stay Brezhnev held wide-ranging discussions with Prime Minister Indira Gandhi both on bilateral matters and on the prevailing international situation. The President of India, N. Sanjiva Reddy, reiterated India's stance on development in the region. Speaking at a banquet given in honour of Brezhnev, he stated that "we in India remain opposed to any form of intervention, covert or overt, by outside forces in the internal affairs of the region". He reaffirmed India's firm conviction that durable peace can be restored through negotiated political solution having full respect to the independence, sovereignty, integrity and nonaligned status of the countries of the region.\textsuperscript{85}

President Brezhnev's visit to Delhi in December 1980 promoted the relationship further in a variety of directions. Although the Indian side reiterated its position on the issue of Afghanistan, the joint declaration issued at the end of the visit made no reference to the presence of Soviet troops in Kabul. Apparently, the two leaders did not want their different perceptions to be reflected in the joint declaration which expressed serious concern over the hotbeds of tension in South-West Asia and reaffirmed their conviction in a comprehensive political settlement respecting the independence, sovereignty, territorial integrity and nonaligned status of the countries of the region. They asked for termination of the armed conflicts in the region and the exercise of restraint and promotion of cooperation.\textsuperscript{86}

\textsuperscript{85} Foreign Affairs Record, Dec 1980
\textsuperscript{86} The Times of India, New Delhi, 25 Sept 1981
Sanjeeva Reddy went to Moscow in October 1980. President Reddy's visit to Moscow was interesting in a number of ways. While the Reddy-Brezhnev talks covered a wide area and found considerable coincidence of views on lessening tensions in the troubled spots of the world, there was also the extraordinary incident of President Brezhnev keeping away from a dinner hosted by the Indian President in Moscow. Speculation was rife at the time that the Soviet Union was expressing annoyance over India's stand over some of the issues like Afghanistan, but subsequently the official explanation given by Moscow was that President Brezhnev had to keep away because of the death of the wife of the seniormost member of the Politburo of the Soviet Communist Party, Mr. Nikolai Tikhonov on the same day and that it was because of mere protocol.

During his 1980 visit Brezhnev said: "Friendship and cooperation with India is part and parcel of the foreign policy of the Soviet Union. We were with you when India was under the yoke of colonialism. We were with you when India's new statehood was emerging. We were with you in the difficult and trying periods for India. We were with you when various external forces were trying to bring pressure on your country when it was upholding its vital interests. We shall be with you in the days of joy and in the days of trial."

During the visit it was rightly emphasised that the experience of Soviet-Indian relations over the quarter century of the existence of independent India was of fundamental importance. It convincingly demonstrated how close multi-faceted ties can unite states with different social

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87 See Joint Communique, Ibid., 2 Oct 1980
88 Oleg Kitsenko, the Road of Friendship, Soviet Indian Cooperation Series, Soviet Land Booklets, 1980, pp.19-20
systems when their policies promote the fight for peace, security of nations, and are against aggression, all forms of colonialism, when relations among the states concerned are founded on respect for one another's sovereignty, non-interference in one another's internal affairs, and extensive development of economic and other cooperation based on equality and mutual benefit.

The Soviet Union continued to develop the relations with other countries in South and South-East Asia, with Nepal, Sri Lanka, Burma, Thailand, Singapore, Malaysia, Indonesia and Phillipines. The peaceful initiatives of the Soviet Union met with understanding on the part of the governments and the public of these countries. The important and urgent proposal put before the Thirty-Fourth session of the UN General Assembly by the Soviet Union on the inadmissibility of a policy of hegemonism in international relations brought a favourable response from the countries of Asia. Representatives of the Asian countries stressed that the issue was raised at an appropriate moment, pointing out that a hegemonic policy was a direct threat to international peace and security, and that this question bore on the fundamental principles of the United Nations Charter and also the principles and aims of the non-aligned movement.

On 10 December 1980, the Soviet Union and India issued a joint declaration in which they called for the elimination of all foreign military and naval bases in the region of the Indian Ocean, and for the prohibition of the establishment of new bases. They also strongly condemned any attempts to increase the foreign military presence in the Indian Ocean for whatever reason, and expressed their support for the just demand of Mauritius that the Chagos Archipelago including the
island of Diego Garcia, be returned to it. 89 The Soviet Union is a staunch champion of the idea that the Indian Ocean be turned into a zone of peace”, declared Leonid Brezhnev. “We believe that the Indian Ocean has been and remains the sphere of vital interests of the states located on its shores, but not of any other states.” 90

The expansion of economic relations kept pace with the development of other relationship. The Indo-USSR Joint Commission ending its 6th session in New Delhi on 23 January 1981, had agreed on specific areas of cooperation and a protocol was signed on the basis envisaged between Mrs. Indira Gandhi and President Brezhnev in September 1980. A Soviet aid of Rs. 527 crores during the Sixth Plan was agreed upon. The areas identified for this aid included such major units as an Aluminium complex in Andhra Pradesh, a four-million tonne Coal complex, a 1,000 MW integrated thermal power plant at Singrauli, oil exploration and the Visakhapatnam Steel Plant. The Protocol was signed by P.V. Narasimha Rao and Ivan Arkhipov, First Deputy Chairman of the Soviet Council of Ministers. The Commission indicated that substantial progress had been achieved in the implementation of working programmes of cooperation in important fields like ferrous and non-ferrous metallurgy, coal industry, oil, machine building, power and irrigation. 91

Trade had also expanded very substantially between the two countries. There had been a threefold increase during 1976-81. According to the statistics released from Moscow, the turnover which was 647 million Roubles in 1976, had touched 2,398.9 million Roubles in 1981. (One rouble equalled rupees twelve at the time). 91A

89 Pravda, 12 Dec. 1980, in Gromyko, op. cit., p. 626
90 Ibid.
91 The Statesman and The Times of India, New Delhi, 24 Jan 1981
91A India Today, 15 Oct 1982
The Soviet Union became the leading trade partner of the country, imported goods worth 1,333.8 million Roubles in 1981 as against the exports worth 1,084.1 million Roubles to India during the same period. Indeed of India's total exports of Rs. 6,709 crores in 1980-81 the Soviet Union accounted for goods worth Rs. 1,167 crores that is, about 17 per cent.\(^2\)

Another example of such close cooperation as exists between India and the Soviet Union with their different social, economic, and political systems was Mrs. Gandhi's week-long goodwill visit to the Soviet Union beginning from September 20, 1982, comes in the spirit of the understanding. The Indian Ministers of Irrigation and External Affairs preceded her arrival in Moscow for consultations with their Soviet counterparts on various issues of mutual interest.

Reviewing the progress of cooperation after Brezhnev's visit to India in 1980, V.I. Litvinenko, Deputy Chairman of the Soviet State Committee for Foreign Economic Relations, in an article mentioned the inauguration of the troposcatter link between the two countries in November 1981, the beginning of construction of the Visakhapatnam Steel Plant, the completion of the construction of the Mathura Oil Refinery, Korba aluminium plant and the preparation of the 1981-1990 techno-economic plan for oil development, the beginning of the work on the Singrauli coal and power complex construction, preparation of the technical documentation for the construction of a factory for production of prefabricated ferro-concrete structures for irrigation projects and the study for controlled explosion techniques in building of the 50 meter high Birarikhad dam in Himachal Pradesh. \(^3\)

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\(^2\) The Hindustan Times, 31 Sept. 1982

\(^3\) O.N. Mehrotra, "Mrs. Gandhi's Visit to the Soviet Union", Strategic Analysis, VI(7), Oct 1982
With such close and friendly relations between the two countries, India's efforts to diversify its sources of arms supply and to strengthen its economic relations with the West have been cited in sections of the Western press as irritants in Indo-Soviet relations. India's attempts to improve its relations with China and Pakistan during 1982 had also been treated in the Western media as issues causing dissatisfaction to the Soviet Union. None of these developments however has in fact retreated relations between the two countries. Mrs. Gandhi's visit to the Soviet Union was not meant to clear any misunderstanding or to resolve pending issues but to strengthen the existing close friendly relations and further expand the economic cooperation between the two countries.

This visit was in contrast to her well-published visit to the United States in July which first appeared as very successful but later raised certain doubts about the nature of the final outcome. Asked about the difference between her visit to the U.S. and the one to the Soviet Union, Mrs. Gandhi said the two were entirely different. One common thing was that they were goodwill visits. She said the Soviet Union stood by India in its moments of need: "Today, we seek friendship with all countries," she said. Her visit to the U.S. was intended to promote friendship with that country in the aftermath of the U.S. decision to transfer arms to Pakistan.

The Indo-Soviet joint declaration marking Mrs. Gandhi's visit affirmed the strong opposition of the two countries to outside interference in the internal affairs of the countries of South-West Asia. Without mentioning Afghanistan, the two countries expressed their conviction that the problems of the region demanded peaceful political solutions paying full
respect to the independence, sovereignty, territorial integrity and nonaligned status of the countries of the region. The declaration called upon the countries of South-West Asia to expeditiously terminate the armed conflict, to exercise restraint and cooperation constructively for reducing tensions and restoring peace. Both sides were confident that negotiated political solutions alone could guarantee a durable settlement of the existing problems of the region. Mrs. Gandhi said in a press conference in Moscow that the Afghanistan question should be viewed in its "totality" — the presence of Soviet troops as well as supply of weapons to insurgents from outside, which also was "interference".

The centrepiece of the joint declaration were the proposals on disarmament. India secured Soviet endorsement to its proposals for immediate suspension of nuclear weapons tested and convention on non-use of these weapons. For its part India welcomed the Soviet declaration not to be the first to use nuclear weapons and agreed with the Soviet Union that adoption of similar obligations by other nuclear weapons states would contribute to the achievement of complete ban on the threat or use of nuclear weapons.

Apart from issues related to South-West Asia and nuclear disarmament, the joint declaration also dealt with the need to restore détente between the two superpowers, find political solutions to conflicts in West Asia, South-East and elsewhere, convert the Indian Ocean into a zone of peace, implementation of U.N. decisions on decolonisation and complete elimination of racism and apartheid in South Africa.

During the course of talks, both the leaders referred to certain specific issues and among them two merit attention. First, Pakistan's offer of a non-aggression treaty with India.
The Soviet Union has never looked at this offer as positive and Brezhnev was reported to have told Mrs. Gandhi that the Pakistan's proposal was a cover for induction of American weapons. Another was Mrs. Gandhi's reference to the role of the leftist parties in India. There had been much criticism in India that this was unjustified as it related to internal affairs of the country. Mrs. Gandhi had explained that the subject figured when she gave a bird's eye view of the political and economic situation in India. Similarly, Brezhnev surveyed the Soviet situation.

The highlight of Mrs. Gandhi's visit to Moscow however was the Soviet offer to set up a 1000 MW nuclear power station in India. Mrs. Gandhi had suggested on the first day of her visit further expansion of Soviet collaboration in nuclear energy among several major areas in which India needed help at this stage. But the Soviet offer, which was first made in 1979 by the then Prime Minister Alexei Kosygin, during his official visit to India, was considered by the Janata government which did not find it feasible. India had evolved a specific design of nuclear power plants suited to the local conditions and has achieved a great degree of self reliance. Secondly, India has had frustrating experience of dependence on external nuclear fuel supply for the Tarapur Plant.

In sum, Mrs. Gandhi's visit to the Soviet Union was successful. Her visit had created an atmosphere conducive to further development of economic, diplomatic, defence and nuclear relations between the two countries.

Much of Indian attention was concentrated in the early months of 1983 on the Nonaligned Summit whose venue had been moved at the last minute from Baghdad at war with Iran, to New Delhi. Most members of the movement were pressing for an early summit, despite Baghdad's untenability, to praise Cuba
out of the Chairmanship, and India was happy to fill the breach. India had made a major contribution to the founding of the movement, but had not hosted a summit before.

The Soviets took keen interest in preparations for the summit, principally with a view to limiting the damage caused by their action in Afghanistan. Early in 1983, Leonid Zhegalov sounded the Soviet note in *New Times*. He said: "Indian politicians and diplomats are now taking an active part in drafting resolutions for the coming forum and consulting with representatives of other nonaligned countries on a wide range of questions. Some topics, like the so-called Afghan and Kampuchean questions, are tossed in from outside the movement to divert the conference from the discussion of truly burning issues, issues of paramount importance for the cause of peace and the developing countries. Delhi's stand on these questions is unambiguous." 94

The Soviets were banking on India to guide the summit through the shoals of Afghanistan and Kampuchea, a goal which coincided with New Delhi's objectives of bringing the summit to a successful conclusion. India's strategy was to emphasize issues of war and peace and economic development and give a global perspective to problems, instead of getting bogged down in regional issues. But there were no illusions about the contentious nature of the Afghan and Kampuchea problems. 95

G.L. Bondavesky, who arrived in Delhi at the end of a Soviet team to observe the summit declared: "The Seventh summit will be the most crucial in the history of the movement. You now have the right lady at the right place and the right time." 96

94 *India Today*, New Delhi, 31 Mar 1983
96 Quoted in *India Today*, New Delhi, 31 Mar 1983
In July 1983, the Soviets made a gesture to Mrs. Gandhi by inviting her son Rajiv Gandhi who had entered politics. Rajiv met almost everyone of note, including Ustinov, Gromyko, Arkhipov, Kuznetsov, Ponomora and Foreign Trade Minister Potolichev. Perhaps this was a Soviet way of pleasing Mrs. Gandhi. Immediately after Rajiv's return from Moscow, the pro-communist as distinguished from the CPI, press began lavishing praise on him.

There was no denying that despite multifarious development of the economic relationship, there were serious problems bedevilling trade between the two countries. The most serious problem was the huge balance in favour of India in its trade, particularly in the last three years. Indian exports to the Soviet Union far outstripped the Indian purchases from the Soviet Union. The turnover in Indo-Soviet trade increased eight and-one-half times between 1970-71 and 1981-82, showing sharp fluctuations and a dramatic increase from 1979 to 1982. Between 1980-83 India has been piling up a large surplus in its rupee holding as the trade with the Soviet Union is on the rupee trade pattern. According to the official figures, India's surplus had gone up from Rs. 212 crores in 1980-81 to Rs. 2,353 crores by the beginning of 1984.

This compelled the Soviet Union to reduce its purchases from India and led to the Soviet refusal to import Indian cashew in 1982-83 creating a serious problem for 200,000 workers in 120 cashew factories in Kerala.

The revised budget estimates for 1982-83 provided for Rs.12,800 million in "technical credits" to meet "temporary

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97 Jayashankar, "India's Trade with the Soviet Block: Growing Dependency and Commodity Inconvertibility", Problem of Nonalignment, New Delhi, June-Aug 1983
98 The Times of India, Editorial, New Delhi, 9 May 1983
imbalance" in India's rupee payment trade, largely with the Soviet Union. In the Soviet view this imbalance in India's favour was far from temporary. According to one estimate, India's trade surplus in 1982 was Rs.6,680 million.99

The Soviet agreement to sell India more oil was, in effect, a reluctant and short term effort to maintain the level of trade. The Soviets were sufficiently alarmed over the long-term trend to fire a warning shot across the bow. In 1983, they suddenly withdrew from Indian markets and temporarily suspended shipment of goods. India's dependence on Soviet and East European markets in certain areas had been considerable. In percentage terms, the rupee trade area accounted for 96.8% of exports in knitwear, 83% in cosmetics, detergents and toiletries, 76% in mica, 69% in pepper, 65% in cashews, 45% in coffee, 42% in drugs and pharmaceuticals, 41.6% in tobacco and 23% in textiles.100

Indian officials warned the Soviet Union that their abrupt withdrawal from the market would have political repercussions. Large parts of the country were dependent upon Soviet trade. Punjab in hosiery, Kerala in cashews, U.P. in shoe upper, Andhra in tobacco, apart from several enterprises set up specifically to cater to the Soviet demand. To Indian exporters, the government sent out a message that they should diversify their markets.

During Mrs. Gandhi's visit to Moscow in September 1982, the trade issue was discussed and the six-day visit to New Delhi of Arkhipov in May 1983 was a follow-up to the Moscow talks. Arkhipov signed a credit agreement of $140 million for the second stage of the Visakhapatnam Steel Plant. He also brought offers of two nuclear power plants of 440 megawatts each.

99 Jayashankar, op.cit.
100 Ibid.
four more thermal power stations of 200 MW each and new oil refineries.  

The trade quarrel was however patched up during 1983 by India promising to try harder to import Soviet machinery and the Soviets beginning a determined effort to interest the Indian private sector in Soviet industrial products.  

On 15 November 1982 President Brezhnev died and Mrs. Gandhi flew to Moscow for the funeral. On 9 February 1984 Soviet President Andropov died. Mrs. Gandhi again went for the funeral and had a special session with his successor, Chernenko. Indira Gandhi's assassination on 31 October 1984 was deeply mourned in the Soviet Union. She was genuinely held in high regard by the Soviet people, and as a world leader who was friendly to the Soviet Union, her passing away caused concern and anxiety in Moscow.  

Mr. Rajiv Gandhi's coming to power was welcomed. In its message of greetings to Rajiv Gandhi, the U.S.S.R. Council of Ministers had said: "The people and the leadership of the Soviet Union attach great importance to strengthening and deepening traditional relations of friendship and cooperation with India. You may be rest assured of the Soviet Union's readiness to extend assistance to India in further consolidating its economy, and in enhancing its international prestige."  

These assurances were reaffirmed during the meeting by Nikolai Tikhonov, Chairman of the U.S.S.R. Council of Ministers, had with Rajiv Gandhi on November 2, 1984. The

101 The Overseas Times, 20 May, 1983.
102 For details see The Times of India, New Delhi, 11 Jan 1983
103 The Times of India, New Delhi, 14 Nov 1984
Indian Prime Minister expressed profound gratitude for the kind wishes offered to him by the Soviet leadership and the deep sympathy expressed by the Soviet people. He had pointed out that India valued high its friendly relations with the Soviet Union and that these enjoyed the broad support of the political forces of the country and the Indian people in general. Proceeding from this fact, he had assured the Soviet delegation led by Nikolai Tikhenov, that much attention will be devoted to the further deepening of cooperation with the Soviet Union in keeping with the independent and peaceful foreign policy of the country, shaped under the guidance of Jawaharlal Nehru and Indira Gandhi. 104

104 Ibid.