

taken in by it, as dictators are so often taken in by counselors who tell them what they want to hear. Otherwise she would have probably tried to rig the election just as her fellow authoritarian in neighboring Pakistan rigged his recent election, using armed power to make the result stick...

All indications from the victorious alliance, known as Janata, are that a friendly attitude can be expected toward the United States, with a noticeable cooling of feelings for the Soviet Union...

"Whatever its foreign policy, India has begun to earn a new claim on American sympathies, and perhaps aid. All who love freedom are measurably safer today than before the Indian election and they have an obligation to encourage the spread of the democratic habit."

Baltimore Sun, "India: Democracy Wins":
 "Indian election results should substantially restore

the faith of those who had always wanted but not recently dared to believe, that the rights of the people...are universal values...In India, it was said the trampling of civil liberties during Prime Minister Gandhi's 19 month state of emergency was the mere loss of privilege for a thin Anglo-Indian educated veneer on top of society...

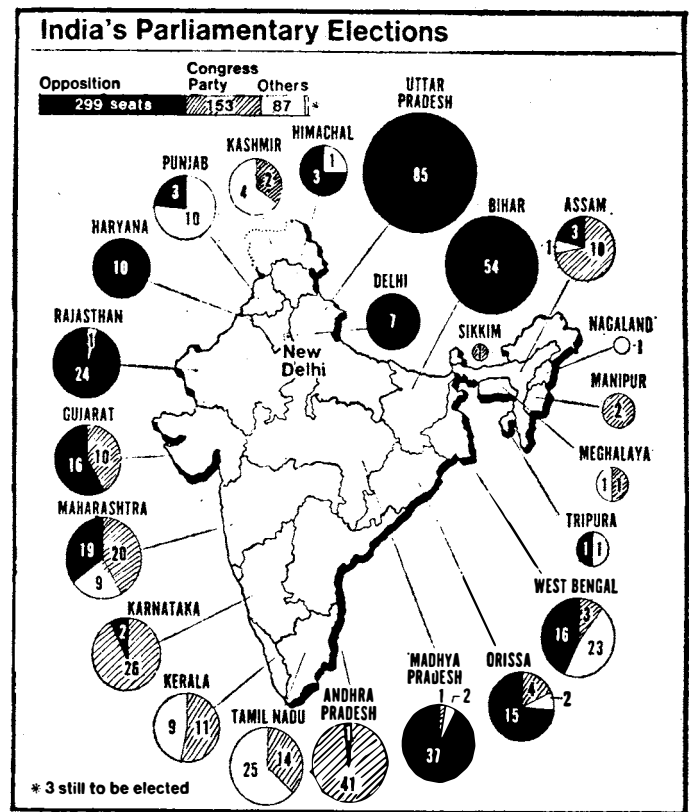
"But the meaning of the election goes far beyond India. It stiffens the opposition in Pakistan that courts prison by calling foul at Prime Minister Zulfikar Ali Bhutto's reelection. It demonstrates the deep worldwide yearning for freedom on which President Carter's human rights crusade depends. It suggests that in the Phillipines and Russia, South Korea and Czechoslovakia, Chile and Poland, handfuls of courageous dissidents may indeed be speaking not for the self-interest of a small elite, but for the basic beliefs of the greater part of humankind."

How The Congress Was Defeated

The Janata Party, a four party coalition will form a government next week as final parliamentary returns in India's lower house elections gave it 271 seats, exactly half the total 542. Janata allies in independent parties and the Communist Party of India-Marxist (CPM) captured another 40 seats and any support in parliament for the Janata by the Congress for Democracy (CFD) will give that disparate grouping a two-thirds majority to pass legislation. Indira Gandhi's Congress Party plummeted from a two thirds control of the Lok Sabha, achieved in 1971 elections, to a dismal total of 153 seats. Gandhi, who has been Prime Minister since 1966, lost her parliamentary seat as did at least five other cabinet ministers, and many leading Congress party figures who contested in northern Indian constituencies.

The electoral patterns not only show up the devastating defeat suffered by the Congress, the party which had governed India without interruption since 1947, but isolate the electorate's no-confidence motion against the Gandhi government around one issue: the compulsory sterilization program, initially formulated by the Ford Foundation and energetically carried out in northern India against Gandhi's own public position, by her son, Sanjay Gandhi and World Bank sympathizers in all government ministries.

The situation in the country now is extremely unstable as the Janata comes to power. The Congress Party has begun to regroup its forces, choosing former foreign minister Y. Chavan as its parliamentary opposition leader. Chavan, in his first statement, paid tribute to Mrs. Gandhi's leadership and indicated that she will continue to play a very significant role in the Congress party organization. A close aide to Mrs. Gandhi, according to the London Times, revealed that Mrs. Gandhi has rejected an offer to take a seat in the Upper House or take the seat of another Congress Party member in the Lower House. Instead, she is weighing the launching of a major reorganization of the Congress Party to put it in shape for a bid to return to power in six months. Various



state government elections are already scheduled for that period.

India is full of apprehension in assessing both the devastating Congress defeat and how its new disparate leaders will govern. Morarji Desai, the Prime Minister, was the very man who in the 1960s enforced the International Monetary Fund's austerity mandate against India's Soviet-aided state sector based economy. Further, he has gone on public record opposing India's bank nationalizations and any concessions to industrial

workers in salaries or cost of living indicators, making his election promises illusory.

How the Vote Broke Down

The election was tipped in the Janata's favor in northern India. In Uttar Pradesh and Haryana and Bihar, the states where the highest number of sterilizations were conducted under threats of the rescinding of work licenses and delays in the awarding of peasant debt moratoria. In Uttar Pradesh and Bihar which account for more than one-fourth of the seats contested, the Congress returned zero votes, with the former state the scene of Mrs. Gandhi's defeat by a 55,000 vote margin to Raj Narain. Sanjay Gandhi also lost handily here, while former defense minister Bansi Lal was beaten in Haryana by an overwhelming two-and-a-half-to-one margin. Both Sanjay and Lal were most closely associated with the sterilization program, and Gandhi herself was further hurt in the balloting by Sanjay's false assertions that "in 300 villages I have not seen a single forced sterilization."

In contrast, in the southern states of Andhra Pradesh, Kerala and Karnataka, and Tamil Nadu, the Congress won 89 out of the total 146 seats and its allies, the Communist Party of India (CPI) and other regional parties also fared well. This is because of two factors: the sterilization drive did not hit this region as severely and the southern states are more committed to the Congress as a secular, linguistically just party. Tamil Nadu in particular did not forget that it was Mrs. Gandhi who in 1966 solved the language riots. Desai on the other hand fanned those flames, proposing an even stronger push to have Hindi, the national language that originates in the North, imposed on the South indiscriminately.

Left Forces

It is ironic that the Communist Party of India-Marxist (CPM) captured 22 seats while the Communist Party of India (CPI), Gandhi's ally, fell from a 1971 total of 23 to 7. The CPM vote is basically a worker protest against government austerity measures, in particular the

freezing of worker bonuses, but it also pointedly reflects the no-confidence quality of the vote. The party itself has never proposed any economic program to solve this problem. The CPI on the contrary, did push for a solution, organizing its campaigns around the Non-Aligned Colombo Accords calling for international debt moratoria and a new monetary system. However the CPI did support Gandhi during the 21 months of emergency while failing to decisively influence her to break with the 'sterilization' wing of her own party. Its returns reflect a backlash of the Congress defeat, in particular Mrs. Gandhi's own personal setback.

The Wild Card

A great deal of the realignment of Indian politics depends on what Jagjivan Ram, leader of the Congress for Democracy (CFD) will do. Early in February, Ram split off leftist and centrist tendencies in the Congress to form the CFD as a protest the CPI characterized as a principled rebellion against Sanjay Gandhi, Bansi Lal and other Congress leaders associated with the Birla financial group. Ram then opportunistically made an electoral arrangement with the Janata, revealing to the electorate the depth of the Congress Party schism.

Ram's landslide personal victory in the elections and the CFD victory in 28 out of 50 constituencies it contested aptly describes how powerful a factor he became in the Congress's loss. But Ram's personal prospects of becoming Prime Minister took a new turn with the Congress's lopsided defeat. His faction is not large enough to defeat Desai's bid for prime minister, and Ram's decision today to abstain from supporting the Janata for the time being reflects his own misgivings of the Janata's ability to rule. From his standpoint, a CFD-Janata link would put him into an alliance with his lifelong political enemy, Desai, and pit him against Chavan, the new Congress parliamentary leader who is known to be close to Ram. Further, should he at any time push his own base, the Untouchables of the Indian caste system, into an alliance with the Jan Sangh, whose policies are defined by caste supremacism, sure chaos and violence will ensue.

Opposition To IMF Bailout Surfaces In U.S., Europe

Sections of the U.S. Congress, regional bankers and conservative political groups are moving to block United States participation in expanded lending and financial control powers by the International Monetary Fund (IMF), an expansion proposed by the Chase Manhattan banking group and supported by the Treasury Department and the New York and Washington Federal Reserve Banks. Western European governments and businessmen are maneuvering to stall the issue; within each country, some are looking toward an alternative restructuring of the world monetary system, while others are consoling themselves with the implausible

idea that new IMF loans could be turned into a slush fund to finance Third World imports of European goods. It appears that Saudi Arabia, sought as one of the principal contributors to new lending, will put up a few billion dollars if a political and financial package is achieved; they have rejected a role as unilateral safety-net providers.

The new fight in the U.S. Congress was called to President Carter's attention March 24 at his Washington press conference. Laura Chasen, a correspondent for this news service, asked the following question: "Yesterday, several Congressmen accused your economic policies of