PN Haksar and Indira’s India: A Glimpse of the Domestic Sphere, 1967-1976

Abstract

This article presents four episodes from the political period 1969 to 1976 in India, focusing on the views and actions of PN Haksar, principal secretary and adviser to Prime Minister Indira Gandhi (1967-73). Unlike the ‘high politics’ hitherto under focus from then i.e. Congress split (1969), birth of Bangladesh (1971) and the JP Movement/Emergency (1974-5), the aspects under consideration in this article were of subterranean existence. These are, first, the provincial reverberations of the Congress split, the case considered here being that of Bombay Pradesh Congress Committee (BPCC). Second, the attitude of the Congress party towards left opposition, the Communist Party of India Marxist (CPI (M)), in West Bengal, as revealed through the anxieties of Governor Shanti Dhavan. The third aspect under consideration is a glimpse of Centre-States relations, as shown through New Delhi’s interactions with the EMS Namboodiripad-led and CPI (M)-dominated United Front Government of Kerala. Finally, the article looks at Haksar’s attempts at planning and development for the state of Bihar. Each of these four themes was among the ‘wider range of functions’ that Mrs Gandhi wished to be performed by her Secretariat and allow us to test how successful it was. Each of these provides context for contemporary issues.

Keywords: PN Haksar, Prime Minister’s Office, Indira Gandhi, Congress Party

Introduction

Parmeshwar Narain (PN) Haksar has been called ‘probably the most influential and powerful person’ in Prime Minister Indira Gandhi’s government from 1967 to 1973 (Frank 2001: 314). A student at the LSE in the 1930s and a lawyer at Allahabad in the 1940s, he was taken in the Indian Foreign Service by Jawaharlal Nehru and served in the UK, Austria and Nigeria, before joining the Prime Minister’s Secretariat (PMS) in
May 1967. Once there, Haksar ‘proved to be the ablest and most upright adviser
Indira ever had’ (Malhotra 1989: 96). He has been portrayed as the mandarin behind
the ‘leftward turns’ (nationalisation of banks and abolishment of privy purses and
other privileges of the princely states) the Prime Minister took in 1969-70 and the
‘elixir of victory’ she tasted in the electoral battlefield as well as in East Pakistan in
1971 (Guha 2008: 434-66; Raghavan 2013). His has been called ‘the hand that guided
Indira through the 1969 split of the Congress Party’ (Frank 2001: 314). Indeed, their
political lives have been pronounced as intertwined recently, in an account that is
Haksar’s ‘own life story’ based upon his own archives (Ramesh 2018: xvi). Consequently, his jettisoning by her from September 1973 is held as a factor in the
fall of Mrs Gandhi (Frank 2001: 352-53), which culminated in the emergency, the
excesses of which did not leave even Haksar untouched (Krishnan 2011: 169).

Haksar, then, was first of all a political player. He had to be in that transitional period
of late-1960s, when a new contract was being forged in India between state and
society, which Indira’s Congress would actively frame. Haksar joined the PMS within
months of the fourth general election in February 1967. An electorate of 250 million
had voted in an election that was marred by more violence than the three previous
occasions put together; symbolic of a general mood of challenge to the state prevalent
in the country. Congress had won 281+ seats out of 521 in the Lok Sabha thereby
securing a working majority of 45. It secured less than half of the assembly seats and
lost its majority in a staggering ten states – Punjab, Delhi, Rajasthan, Uttar Pradesh
(UP), Bihar, Orissa, West Bengal, Madras, Kerala and Manipur. Party factionalism,
united opposition and a two-decade long stint in power breeding complacency among
ministers and disillusionment among voters were the chief reasons for this dramatic
downturn in Congress’ fortunes. The Grand Old Party had to shed some dead wood and re-orient itself around the personality of Mrs Gandhi to be able to retain its long-held power. She had herself written to Haksar before he joined her PMS that ‘the state of affairs is quite extraordinary here...Congress as a party is dormant and inactive. We are at the beginning of a new dark age’. To dispel this darkness, she wanted Haksar by her side. Writing to ‘ask if [he] would be willing to come to Delhi’, while still in the middle of the 1967 election campaign, Mrs Gandhi scribbled a note that provides a rare peek into her personal view of the long-gone syndicate world of the Congress’ regional satraps:

Re: present position – Kamaraj has held talks with Morarji [Desai] and has told him that he no longer supports me. He says that Atulya Ghosh and Sanjiva Reddy will support him. [SK] Patil is a new entrant, backed by the Bombay industrialists, strongly by Mafatlal and Tata. Having collected money in my name for the AICC, he has doled it out individually to CMs and candidates for LS. He says he has most of the CMs in his pocket + 200 MPs!! No industrialist, except of Madras, will [support] Kamaraj and many of them are anti-Morarji too. My own view is that the CMs will support me, with the exception of Bihar and perhaps Assam. In Bihar, things are in a mess, one group supports Kamaraj and one Patil and one Morarji. In Assam there are two groups, one will very definitely support me; the other may or may not. Orissa is doubtful too – success in the elections is doubtful and their behaviour after election is also doubtful though most people feel that both groups will support me. UP – both groups are supporting [me] at the moment. [CB] Gupta would like Morarji included in the Cabinet. A short time ago he was very angry with Patil but may make up because of funds. Rajasthan and MP seem confident of victory and both support me. DP Mishra is a tricky person and is trying to be

1 Note on the Fourth General Election, Subject File Serial No. 251 (III Instalment), PN Haksar Papers (NMML)

2 Undated, Indira Gandhi to Haksar, Correspondence File (III Instalment), Haksar Papers
“in” with everyday. Mysore, though very close to Kamaraj, has assured me of support and so has CM Andhra [but] the Sanjiva Reddy group in Andhra will be against me. West Bengal CM will probably support although he has not said so. Atulya Ghosh who is loudly and publicly proclaiming support may hedge. Maharashtra is solid and reliable – both [YB] Chavan and the CM. Gujarat will naturally support Morarji. Madras will support me unless Kamaraj is in the field, in which case about half may still support me. Kerala will be for me, so probably will Punjab, Himachal and Kashmir. Haryana is very much for Morarji but will see which way the wind is blowing.³

In dismantling this byzantine Congress, a process that was more long-drawn and contested than indicated by the events of November-December 1969 formalising the party’s split, Haksar was right on the front-line. Various facets of this process – not central but of no less importance – remain un-explored when compared with the high water-marks of that period. A key reason earlier was lack of sources for such an exercise but since Haksar’s papers have come into public domain that is no longer the case as is evident from their recent use as a ‘privileged window’ into the India-Pakistan war of 1971 and then the JP movement of 1974 (Raghavan 2013; Guha 2008: 467-92). By further plumbing them, this article probes four aspects of the political climate of those times and Haksar’s presence in them. These are, first, the provincial reverberations of the split on the internal politics of the Congress, the case considered here being that of Bombay Pradesh Congress Committee (BPCC). After only a few weeks in his job, Haksar had felt strongly that ‘the most obvious and elementary principles of the basic framework of our policies have either been forgotten or their significance and validity not understood’. It took longer, and was more difficult, to re-establish this ‘basic framework’ through a revamped organisation

³ 5-6 February 1967, Indira Gandhi to Haksar, Correspondence File (III Instalment), Haksar Papers
at lower levels than Haksar expected. Second, it looks at the attitude of the Congress party towards left opposition, the Communist Party of India (Marxist) (CPI (M)), in West Bengal. Along with jurist Shanti Dhavan, the man he successfully recommended as Governor of West Bengal, Haksar was ‘very much concerned’ with the gathering strength of the CPI (M), and their views and actions highlight the delicate role of the Governor from yet another unflattering vantage.

The third aspect under consideration is Centre-States relations, not the constitutional conundrums on federalism but its practical implications as shown through New Delhi’s interactions with Kerala. In November 1967, EMS Namboodiripad-led and CPI (M)-dominated United Front government submitted a memorandum on the financial relationship between the Centre and the States on which ‘the only comment’ that Haksar could make was that ‘if Namboodiripad had been Prime Minister, he would have argued in favour of an exactly contrary proposition in order to emphasise the unity and integrity of India’ [Italics mine]. This was an illustration of Haksar’s identification with the ‘broad ideological consensus regarding the sovereignty of the nation-state [and] its potential to unite Indians’, which had existed in the Congress since independence. Finally, the article looks at planning and development, chiefly

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4 21 June 1967, Haksar to Indira Gandhi, 398/Secy/67, Subject File Serial No. 195 (III Instalment), Haksar Papers

5 2 September 1969, Shanti Dhavan to Haksar, 722/PS/HC/69, Subject File Serial No. 199 (III Instalment), Haksar Papers

6 30 November 1967, Haksar to Indira Gandhi, 12007/Secy/67, Subject File Serial No. 123 (III Instalment), Haksar Papers

7 Sunil Purushotham, “Destroying Hyderabad and Making the Nation”, *Economic and Political Weekly* XLIX (22):29
its political workings through a study of Bihar. Haksar, Deputy Chairman of Planning Commission (1975-77), had resolved in 1972 that he would not allow Bihar to be ‘written off’.\(^8\) This was two years before JP’s movement brought the spotlight on the state and made it a battle-ground of wills between JP and Mrs Gandhi.

Each of these four themes was among the ‘wider range of functions’ that Mrs Gandhi wished to be performed by the reorganised PMS. LK Jha, her outgoing Secretary, cautioned her that ‘any sizeable increase in PMS would be a matter for public comment and possibly some internal criticism’ and, instead, recommended the relatively non-controversial strengthening of the Cabinet Secretariat, which was also under the Prime Minister.\(^9\) He also warned her that the ‘PM may come in for a certain amount of personal criticism’ on Haksar’s appointment to an enhanced and empowered Secretarial post, given that he was still only an officer of the Additional-Secretary rank.\(^10\) Nevertheless, Haksar was not only ‘hand-picked’ by Mrs Gandhi for the above-mentioned personal affinity and ideological reasons (Frank 2001: 313), but a measure of his standing can be gauged by the following note he sent to her almost exactly three years from his appointment:

I do not share the conviction that some Ministers whom I know to be wholly incompetent or otherwise undesirable, must, of necessity, be accommodated [in the new council of ministers]. I have particularly in mind Fakhruddin Ali Ahmed, KK Shah, Jagannath Rao,

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\(^8\) May 1972, DN Sinha to Haksar, Subject File Serial No. 232 (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers

\(^9\) 17 March 1967, LK Jha to Indira Gandhi, Subject File Serial No. 195 (III Instalment), Haksar Papers

\(^10\) 20 March 1967, LK Jha to Indira Gandhi, Subject File Serial No. 195 (III Instalment), Haksar Papers
IK Gujral, Dinesh Singh, Jagiivan Ram, Dr Karan Singh, VC Shukla, Triguna Sen, VKRV Rao, K Hanumanthaiya, K Raghu Ramaiah, Bali Ram Bhagat and GL Nanda.\textsuperscript{11}

The confidence in this note can be gauged by the fact that each of these gentlemen had a prolific political career. Secondly, each of these themes and Haksar’s views on them help us further compliment and corroborate his portrayal in the domestic milieu hitherto drawn along ideological and intellectual lines or with a ‘high-minded sense of social purpose to advance the national interest’ (Ramesh 2018: xv). To the extent Haksar’s political instincts and motivations have been questioned, it has been in the realms of the re-structuring of Congress party, working of Mrs Gandhi’s government and its forays into international politics. Herein, it is well-established that he was a socialist with ‘a strong moral core’ who wanted to bring in ‘meaningful social reform’, a ‘committed’ bureaucrat of integrity and an ‘erudite and experienced diplomat [who] thought in terms of historical parallels’ (Guha 2008: 436; Hewitt 2007: 97; Frank 2001: 314; Raghavan 2013: 59). Finally, each of these themes provides context for issues relevant today. Congress is in shambles and could do with a 1969-style renaissance. The same is true for the Left opposition in the country. Centre-states relation is expected to take a fraught turn with a strong, single-party central government in power after thirty years. As for Bihar, notwithstanding the decade long so-called \textit{sushasan}, it continues to bring up the rear on most socio-economic indices of development.

\textbf{Congress Party Politics (Bombay)}

\textsuperscript{11} 14 March 1971, Haksar to Indira Gandhi, Subject File Serial No. 164 (Guard Files, III Instalment), Haksar Papers
In October 1969, in the midst of the Congress split, Haksar wrote to Mrs Gandhi, ‘politically speaking, Bombay is a festering sore and it can only be cleansed up if PM were to pay a visit and address a big public meeting’. Bombay, the financial capital of the country as well as the financial fountain for the Congress was a key battleground for Mrs Gandhi against the old guard in the party. Bombay Congress had been controlled by SK Patil since the days of Vallabhbhai Patel. Patil’s clout stemmed from his financial prowess, a measure of which was his collection of Rs 70 lakhs for the party coffers in the 1967 general election, and his control over what Rajni Kothari called the ‘faction-chains’ of the Congress there, of ‘critical importance’ then. His shock defeat from Bombay (South) in 1967 ‘at the hands of the young trade unionist and Socialist Party candidate George Fernandes sent waves across the country’ and weakened the Congress’ old guard (Krishna 2011: 78). As the party split in the autumn of 1969, its provincial ramifications percolated and the events and personalities in Bombay show the ‘confusion in the minds of Congress workers about the position’.

Even after Mrs Gandhi had been expelled from the Congress for ‘indiscipline’ by S Nijalingappa, party’s president, on 12 November 1969, a resolution was passed eight days later in Bombay, in which the local Congress had committed to work for ‘unity’. In an example of Patil’s enduring strength, the Bombay Congress Committee office

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12 18 October 1969, Haksar to Indira Gandhi, Subject File Serial No. 142 (III Instalment), Haksar Papers

continued ‘to work exclusively on behalf of the Old Congress’ even as Mrs Gandhi’s Congress, Congress (Ruling-R), held its session in Bombay in December. MR Vyas, a ‘Young Turk’ of the New Congress, who would go on to become the Bombay Congress Chief in 1972, complained to Haksar about the continuing ‘gross misuse of the [Congress organisation] in the interest of the Old Congress’ in Bombay and requested him to ‘ascertain and clarify at the earliest the correct position and to chalk out a programme of action to remove this anomalous and highly ambiguous situation’. Vyas emphasised the importance of not letting ‘matters drift’ and not allowing ‘the Old Guards to malign the new forces under PM by default’. In January 1970, Vyas reported that the ‘BPCC [was] sliding over into the hands of SK Patil’, as much because of Patil’s machinations as because of the non-Bombay, Maharastra leaders of the New Congress.

Maharastra Congress Committee leadership, with YB Chavan’s consent, is eager to let SK Patil retain Bombay Congress Committee uncontested and force a separate ad hoc body for Bombay. Vasant Patil (MPCC President) has virtually been presiding at all such meeting dealing with Bombay, thereby publicly exhibiting that though in theory the ad hoc body would be a “Bombay one”, it would be more or less an appendage of Maharastra. Whether this is intentional or a mere “slip”, I do not know. The forces wanting an ad hoc body are powerful and do not wish to lose anytime. This will enable Patil to exploit the non-Maharastrrian wealth on the one hand and feed the Shiv Sena [on

14 31 December 1969, Vyas to Yagnik, Shah and Kher, Subject File Serial No. 197 (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers

15 31 December 1969, Vyas to Haksar, Subject File Serial No. 197 (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers
the other]. I would suggest that PM has a frank and personal talk with Vasant Rao Naik.¹⁶

This factionalism between Marathi-speaking Maharastrian politicians and the Gujarati political players in the more cosmopolitan Bombay was a legacy of the regional gulf in the old Bombay Presidency and Central Province (CP) and had come to fore in 1937-38 in the KF Nariman and NB Khare episodes (Baker 1979: 32-48, 70; Low 1993: 82; Kuracina 2010). These have been explained as an ‘outcome of personal ambition and ego, clashing with the party decorum, discipline and national interest’ (Singh 2015: 130). However, in March 1937, ‘if popularity were the only criterion’, Khurshed Nariman would have been elected as the leader of the Bombay Congress legislative party, victorious in the first provincial elections held under the 1935 Government of India Act. Nariman, president of the BPCC during and before the elections and leader in the Gandhian civil disobedience movement earlier, however, was ‘not acceptable to KM Munshi and Vallabhbhai Patel’. The latter especially thought that if Nariman became Premier, he would not submit to the control of the high command because of his independent personality’ and popularity, and ‘saw to it’ that a pliable BG Kher was elected instead.¹⁷ Patel’s fears were not phantom and were realised in the Khare episode of 1938, which was the climax of the Maharashtra-Mahakoshal/Marathi-Hindi divide in the neighbouring CP Congress. Unlike Nariman, Khare had formed the first Congress Ministry in the CP in July 1937. Soon,

¹⁶ 4 January 1970, Vyas to Haksar, Subject File Serial No. 197 (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers


http://shodhganga.inflibnet.ac.in/bitstream/10603/138359/9/09_chapter%204.pdf (accessed 3 January 2018)
differences emerged between him and his Ministers from the Hindi-speaking parts of the province and, three of them, RS Shukla, Mishra and DS Mehta, resigned in early 1938. In July 1938, Khare sought to dissolve his bickering ministry to facilitate a fresh formation, with the British Governor’s agreement. Patel warned him against doing so unless instructed by the Congress high command. Khare ignored him and was expelled from the party, while a new ministry was formed under Shukla.¹⁸

Over 1970-71, gradually it became clear that ‘all sorts’ were included in the new Bombay Congress with ‘little relevance to [their] actual support to the PM’s progressive policies’. As Vyas complained, ‘persons, who had pushed around people like me at the undivided BPCC when we took up the cudgels on behalf of PM’s policies, became the masters’. The new Congress in Bombay thus began ‘on the same line as taught by SK Patil...a replica of SK Patil’s Congress’. It did not matter electorally for thanks to the national state of affairs, Congress won in Bombay, but long-term damage was done in terms of its organisation. Vyas reminded Uma Shankar Dixit, ICS-turned-politician and the treasurer of Mrs Gandhi’s Congress, in January 1972 that ‘ultimately the success of PM’s policies will depend on the state of the party. One of the reasons that the Congress had come to sorry pass by 1967 was that the leadership of men like Morarji, SK Patil had made a mockery of the organisation’. As one who had been a vocal supporter of Mrs Gandhi in Bombay since August 1969,

Vyas was disillusioned that, in the new Congress as in the old, ‘political career-ism, wire-pulling and mischief-making have acquired positions of vantage’.  

Haksar was regularly told that the Bombay Congress had turned into a ‘farce’. The root cause was ‘false protégés’ of Mrs Gandhi; leftovers from ‘SK Patil’s stewardship of Bombay’. Vyas and the economist Rajni Patel had emerged as the choices to head the new Congress and Mrs Gandhi visited Bombay to bless this new team in February 1972. She addressed a mammoth crowd and Vyas was confident about the upcoming state election, which he thought would conform to ‘the khaki brigade description’. Haksar, mindful of the Gujarati ‘industrial, commercial and trading’ domination of Bombay city, had supported Vyas over Patel in September 1971 as a candidate for the Rajya Sabha from Bombay’s new-look Congress party (Ramesh 2018: 225). Here was another example of the ‘leader-client patronage’, along ‘competing local, regional and inter-regional interest groups and networks’ that characterised the Congress (Blackstock and Gorman 2014: 256). However, the situation would sour soon and spectacularly. By August, a municipal strike raged in Bombay, and, in 1973 more than 12,000 strikes were called for in the city. Mrs Gandhi and her Congress had begun on the downward spiral to 1975.

19 6 January 1972, Vyas to Uma Shankar Dixit, Subject File Serial No. 243 (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers
20 13 January 1972, Vyas to Haksar, Subject File Serial No. 243 (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers
21 22 February 1972, Vyas to Haksar, (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers
22 Kothari, Rajni. “The Congress ‘System’ in India”, 1163
23 12 August 1972, Vyas to Haksar, Subject File Serial No. 232, (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers
Left Opposition (Bengal)

Among the ten states in which the Congress lost power in the 1967 assembly elections for the first time since 1947 was West Bengal. Here, the Bangla Congress of Ajoy Mukherjee – a breakaway faction – came together with the CPI (M) to form a United Front government. The unsteady coalition was in office for only eight months before President’s Rule was imposed on Bengal in November 1967. Haksar wrote for Mrs Gandhi the argument in support of imposing it. It amounted to an assertion that with the CPI (M)’s participation, ‘constitutional government has been rendered impossible’.²⁴ This reflected the CPI (M)’s then-complicated existence within the ambit of the Indian constitution and its attitude towards it, perceived at the time by many to be ambiguous. It proved to be immaterial for the CPI (M)’s popularity and political hold in the state became clear when the United Front came back to power in the elections held in early-1969, with the CPI (M) winning 80 seats compared to 43 in 1967. The government fared a little better this time and lasted for seventeen months till July 1970. Given this scenario, the role of the Governor in West Bengal became crucial and Haksar advised Mrs Gandhi to appoint the jurist and diplomat Shanti Swaroop Dhavan, his acquaintance from Allahabad. Dhavan was serving as India’s High-Commissioner in the UK when he was appointed to the Raj Bhavan in Calcutta. His two-year tenure was marked by imposition of the President’s Rule twice in the state, a spell that only came to an end with the return of Congress (Indira) to power in early-1972 under the leadership of Siddhartha Shankar Ray. A key reason for this

²⁴ 22 February 1968, Haksar to Indira Gandhi, Subject File Serial No. 128 (III Instalment), Haksar Papers
breakdown in the cycle of electoral politics and elected governments, arguably more than the usually written about ‘axis of conflicts’ within the CPI (M), between CPI (M) and Bangla Congress and between CPI (M) and the Naxalites (Guha 2008: 424-25), was the mistrust harboured by Mrs Gandhi, Haksar and Dhavan against the CPI (M) and its cadre-based politics.

Dhavan and Haksar, in particular, were alert to the growing strength of the CPI (M). In September 1969, even before he formally took charge of West Bengal, Dhavan sent a note to Haksar that is quite revealing of the suspicious attitude of the Indian state apparatus to the CPI (M) in those days. This was after all still the decade of India’s China War (Maxwell 1970), when those from the then-undivided Communist Party of India (CPI) who would go on to form the CPI (M) in 1964, were understood to be as ‘neither exactly nor entirely on India’s side’. Further, the CPI (M) had not entirely declared at this time that it either ‘wholly embraced the parliamentary path or wholly eschewed armed revolution’. In it, Dhavan claimed that the CPI (M) was putting together a trained volunteer ‘force’ of 50,000. Dhavan charged the CPI (M) of harbouring designs ‘to safeguard the people’s democratic movements in towns and villages and to propagate the ideas of good for people’s revolution among the masses’. But more than that Dhavan also claimed that the United Front ministers in West Bengal approved of the plan to create a volunteer forced to ‘thwart all conspiracies against the government’. Dhavan was so concerned that he prepared a separate note for Mrs Gandhi, Union Home Minister, Ajoy Mukherjee and Jyoti Basu, Mukherjee’s deputy. He wanted Mrs Gandhi to discuss the matter ‘particularly’ with

Basu. As he had no locus standi on any of this yet, he wanted Haksar to stop this move of the CPI (M). A 50,000-strong force equalled four army divisions and, loyal to a single opposition party, was indeed a matter of concern. Its legal sanction, official status and relations with state police were all unanswered questions. More than that, for Dhavan, it brought back memories from the 1940s and a key para from his note revealed anxieties always latent in the Congress and Indian body politic:

One of the recognised methods by which minority parties in the country in the past have obtained political mastery is the raising of a private army or volunteer force. If the declared purpose of the CPM’s leaders is a reality, it may be advisable to stop it now before it becomes a menace [or] before a stage is reached [imposition of President’s rule].26 [Italics mine]

This was a case of a Governor articulating ‘the concerns of the centre’ and, more than that, of the Congress even before having formally taken charge. It reflected the Congress’ old distrust of those interest groups, which were encouraged by the colonial state before 1947 to counter them in electoral politics. For the Congress and the Indian state, it was not a question of political difference, but their position was that it was ‘difficult to rely upon [Communists because] their loyalty to their party overrides all other loyalties’. This was not a stand of animosity but, rather, a sense that the Communists were like ‘Jesuits belonging to the strict order and not over-scrupulous in their dealings with others, provided they carry out the dictates of that order to [which]

26 2 September 1969, Dhavan to Haksar, No. 722/PS/HC/69, Subject File Serial No. 199 (III Instalment), Haksar Papers
they owe their basic loyalty’. 27 This distrust not only remained acute till the Congress was in opposition in West Bengal but also manifested itself once it returned to power in the 1972 state election. Hakasar had heard some Congressmen say that ‘they would do the “Indonesia” to the CPM’ in West Bengal. 28 As the SS Ray government settled down, it began vindictively against the CPM so much so that Jayaprakash Narayan felt compelled to write to the Chief Minister in June 1972. In a measure of Haksar’s central importance at the time, JP’s letter was forwarded to him and it was Haksar who drafted Ray’s reply. In it, he sought to put the CPI (M)’s role in the United Front governments and President’s rule under scanner.

For the last several years, West Bengal has been precariously poised on the brink of a disaster...totally inconsistent with the working of democratic processes. Administration was tampered to the point of paralysis...There was an atmosphere of violence, intimidation and insecurity...It is natural for the CPM to cover up their past misdeeds...But I see no reason why others should fall for it. [It] is, to my mind, bringing grist to the mill of those who have no use for democratic processes. [Italics mine]

To JP’s charge of rigging in the elections and demand for an inquiry, Haksar was even more bullish: ‘Why should there be [an] inquiry? In any case, such an exercise is futile because it cannot inspect the ballot papers, election documents cannot be seen [and] witnesses can neither be summoned nor put on oath’. Quite improbably, Haksar concluded that results of an inquiry ‘cannot bring any comfort to the people of West

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27 22 May 1971, SP Khanna to Haksar, Subject File Serial No. 171 (Guard Files, III Instalment), Haksar Papers
28 14 March 1972, Haksar to Indira Gandhi, Subject File Serial No. 179 (Guard Files, III Instalment), Haksar Papers
Bengal who have suffered so much in these few years’. This was yet another example of the Congress employing popular will to achieve narrow goals made possible by it becoming ‘a political and ideational end in itself’ (Tudor 2013: 207).

**Centre-States Relation (Kerala)**

In November 1967, the CPI (M) government of Kerala led by EMS Namboodiripad submitted a memorandum in New Delhi in support of a plea that ‘the Central Government should review the broad question of centre-state financial relationship’. This set off a five-year long tussle between Mrs Gandhi and the opposition that only ended with the return of Congress ministries in most, if not all, states after the 1972 elections. In its background was the experience of the first CPI government in Kerala in 1957-59 and its dismissal by Jawaharlal Nehru’s Union Government. With their victory in the assembly election, the CPI had ‘gravely undermined the Congress’ claim to represent all of India’. It followed it with a reformist Agrarian Relations Bill ‘providing stability of tenure to small peasants who cultivated holdings owned by absentee landlords’ and a controversial Educational Bill ‘aimed at correcting the abuses in privately owned schools and colleges…managed by the Church, the Nair Service Society and the SNDP’. Between February 1959, when Mrs Gandhi was elected the Congress president and June 1959, when Nehru visited Kerala, the situation in the state had deteriorated dramatically into a showdown between an ‘opportunistic alliance of the Church, the Nairs and the local Congress Party’ and the ‘people’s government’ of EMS Namboodiripad, which saw 150,000 protestors being...
jailed. With a hesitant and reluctant Nehru finally giving in, President’s Rule was imposed in July ‘on account of a breakdown in law and order’ (Guha 2008: 289-296). This history of tension fed the current suspicion in relations.

Namboodiripad wanted ‘widening’ of the tax-base for states comprising the Corporation Tax, Gift Tax and Wealth Tax – all of which went exclusively to the centre. Secondly, he urged setting up a permanent Finance Commission, complementing the Planning Commission, instead of one being set-up every five years. Third, he recommended establishment of a Centre-State Council as ‘a national forum for discussing major monetary and fiscal policies and review of the pattern of plan assistance’. The crucial assumption underlying Namboodiripad’s memorandum, as grudgingly acknowledged to Mrs Gandhi by Haksar, was that ‘in our country we are destined to have different political parties in power in various states’. Having conceded that, he could not yet ‘conceive of how to prima facie invent a device whereby the friction between the states and the centre is reduced’. The context of Namboodiripad’s memorandum was the food crisis in Kerala, especially the shortage of rice that year. The Central Government had promised 75,000 tonnes of rice per month to Kerala at the beginning of 1967 but despatches varied between 22,000 and 40,000 tonnes. As a result, rationing was imposed in the state at the rate of 160-180 grams per head per day. By late-1967, even this half supply of rice ration was under threat. While wheat supplies were maintained at 50,000 tonnes per month, as the Governor of Kerala put it in his monthly report,

\[30\] 30 November 1967, Haksar to Indira Gandhi, 12007/Secy/67, Subject File Serial No. 123 (III Instalment), Haksar Papers
We cannot ignore the fact that people here are essentially rice-eating. They cannot understand why all the rice-eating states in South India cannot be treated alike. If India is one country, then there can be no justification for surplus states like Andhra and Orissa issuing for higher rations of rice than a state like Kerala. The question is not merely one of supplies of rice; the whole problem is intimately connected with politics. Failure of the Central Government to maintain adequate supplies of rice and particularly their failure to treat all rice-eating states on the same footing have given a strong argument in the hands of various political parties to condemn the Central Government. A strong political propaganda is on foot to present the picture to people as an attempt on the part of the Central Government to starve out Kerala and to create special difficulties for the [Namboodiripad] Ministry in an attempt to topple the State Government.31

Indeed, Mrs Gandhi’s and Food Minister Jagjivan Ram’s initial attempts to procure rice from other states for Kerala had run into a Congress-opposition divide. They had pressed the Congress-run Andhra Pradesh to release rice for Kerala and, ‘as a pressure on the government of Andhra’, Mrs Gandhi even considered ‘not going to the opening of the Nagarjunasagar dam complex’. Haksar dissuaded her from this course of action after finding out from the Food Corporation of India (FCI) that whereas Andhra was in a tight corner, it was the Dravida Munnetra Kazhagam (DMK) government of CN Annadurai in Tamil Nadu that was ‘sitting on a considerable pile’. The FCI’s estimate was that Annadurai had a stock of 150,000 tonnes of rice and ‘could be persuaded to release part of it if he had a firm assurance of a replacement’.32

31 3 December 1967, Governor’s report, Subject File Serial No. 124 (III Instalment), Haksar Papers
32 27 July 1967, Haksar to Indira Gandhi, Subject File Serial No. 114 (Guard Files, III Instalment), Haksar Papers
Mrs Gandhi’s strategy to deal with opposition-ruled states, after her electoral and military triumphs in the 1970-71, was to hold elections there and have her party return to power. This cavalier approach earned her some reproach from her father’s and Mahatma Gandhi’s old colleagues like Mridula Sarabhai and CS Natu (Servants of the People Society). She brushed aside Sarabhai’s suggestion that she wanted to win elections by ‘hook or crook’. To Natu, who complained to her about the ‘recent alliance of the Congress…with the Muslim League’ in Kerala, she replied at length revealing a little her ends-oriented attitude to electoral politics. This too was a reply drafted in the first instance by Haksar:

Both in Kerala and West Bengal as elsewhere, the CPM have been adopting certain policies and programmes which presented very serious problems. We could have ignored this fact but this would have been disastrous...In the larger interest of dealing with the CPM, the Congress Party made some minor adjustments. The results of the elections showed the correctness of the strategy adopted...I presume that you would not think that we have jettisoned our principles. [Italics mine]

To pave way for elections, the experience of imposition of the President’s Rule under Article 356 of the Indian Constitution came handy. This was the article under which Namboodiripad’s first government had been dismissed in July 1959, with an eager Mrs Gandhi as the then-Congress President. Now, her fifteen years in power scaled new heights in deploying this arbitrary measure thereby taking the federal structure of

33 Undated, Indira Gandhi to Mridula Sarabhai, Subject File Serial No. 164 (Guard Files, III Instalment), Haksar Papers

34 4 October 1970, Indira Gandhi to Natu, Subject File Serial No. 160 (Guard Files, III Instalment), Haksar Papers
the Indian democracy down by quite a few notches. To Haksar, varied conditions, circumstances and political considerations notwithstanding, it was clear that President’s Rule ought to lead to fresh election and between 1967 and 1972 he marshalled the evidence for its imposition in many states followed by an election invariably propitious for the Congress party riding on the coat-tails of Mrs Gandhi’s personal popularity. As he put it in a note composed in February 1968 on the-then prevailing situation in Haryana and Rajasthan: ‘Why should the legislative remain suspended if their sense of loyalty has brought about the state of affairs where constitutional government is not possible?’ In believing this, Haksar did not spare even the Congress-run states (Ramesh 2018: 308-09). In January 1973, he advised Mrs Gandhi to not bother with revamping the Congress in Andhra Pradesh as it was ‘not likely to make a dent on the ugly situation prevailing there...the present [Congress] CM and Government having proved their incompetence the state would give way to the President’s Rule’. If anyone argued that President’s Rule made ‘confrontation’ between the Union and the states ‘more direct’, Haksar was ready to contend that it was ‘already direct and against the PM’. Therefore, it was incorrect to say that ‘President’s Rule will add any new dimension to the confrontation’. On the contrary, President’s Rule, for Haksar, provided ‘just the right kind of [tool] to reform ranks within the existing Congress’.

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35 22 February 1968, Haksar to Indira Gandhi, Subject File Serial No. 128 (III Instalment), Haksar Papers

36 12 January 1973, Haksar to Indira Gandhi, Subject File Serial No. 187 (III Instalment), Haksar Papers
Elections and economy aside, the Centre-State relations in those days also had a critical impact on judiciary (Ramesh 2018: 281-82). In the first half of 1972, the appointment of judges to the High Court in Uttar Pradesh became a bone of contention between New Delhi and Lucknow – both run by Congress governments. Eventually in mid-July, Mrs Gandhi met Chief Minister Kamalapati Tripathi and Haksar’s background note for the meeting is an excellent exposition of the infamous conception of ‘committed judiciary’ that the chief mandarin and the Prime Minister espoused. Haksar began by urging Mrs Gandhi to remind Tripathi that

Appointment of High Court judges is a matter of highest political importance. Many of our problems get complicated [otherwise]. Consequently, it should be a matter of common concern of the CM of UP and PM, who belong to the same political party, to have identity of approach and views on this. [Italics mine]

Tripathi had taken umbrage that New Delhi had intervened in the appointment of High Court judges and Haksar retorted that since the Supreme Court had been such ‘a source of trouble to us...if judges of High Courts continued to be appointed with reckless disregard, the Supreme Court of the future has no chance of improving itself’ because most of the Judges in the Supreme Court were recruited from the High Courts. If it was ‘a question of amour proper’ for Tripathi then it was also ‘a matter of amour proper of the PM’; in any case

The question of amour proper might have been understandable if the argument had been between the Central Government and a Government like that of Tamil Nadu but when
the question of “prestige” is raised between the CM of UP and the PM, we are reaching a situation of complete impasse.  

Inevitably, he ended with a threat: ‘if PM cannot persuade him then [Centre] will have to exercise its constitutional right to advice the President that a particular Judge may or may not be appointed’. As Mrs Gandhi showed inclinations to take this path, Jagjivan Ram – a veteran of Nehru’s 1946 Interim Government and the Dalit face of the Congress, who would only leave Mrs Gandhi in February 1977 – was expressing to people ‘his discontent, regret over the fact that gradually she was becoming a dictator’ even before the December 1971 Bangladesh war. While the March 1973 episode of the elevation of AN Ray as the Chief Justice of India, superseding three of his senior colleagues, is well-known and linked to Haksar’s view that ‘judges as well as civil servants should be “committed” to the policies and philosophy of the government in power’ (Guha 2008: 474), the above note shows the extent of this inclination that Haksar held from much before.

**Planning and Development (Bihar)**

As has been demonstrated recently, through his time in the PMO and later Planning Commission, ‘Haksar agonised over the special development challenges in India’s two most populous states - UP and Bihar. He never let go of an opportunity of imploring the prime minister to put her personal weight behind land reforms, especially in Bihar’ (Ramesh 2018: 155). Relatedly, Haksar also identified Bihar as a

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37 13 July 1972, Haksar to Indira Gandhi, Subject File Serial No. 181 (III Instalment), Haksar Papers

38 25 October 1971, Indira Gandhi to Haksar, Subject File Serial No. 231 (III Instalment), Haksar Papers
problem state for the Congress. In March 1972, in an elaborate note on Congress’ factionalism to the Prime Minister, he wrote thus on Bihar:

Unless we have a Chief Minister who commands at least the acquiescence of other factions and of the very large number of candidates for CM-ship, disaster is in store for the Congress in a matter of few years. Bihar desperately needs a firm CM, a wise Governor and a team of good civil servants in the Secretariat at Patna.  

Among his interlocutors in the state was Prof Mahendra Pratap, Vice-Chancellor of Patna University that would be the scene of the JP-led student movement against Mrs Gandhi two years hence. He had been warning Haksar about the deteriorating situation inside the University and the inability of the state government to do something about it due to vested interests in administration and semi-criminal elements in the police. Higher education in Bihar was ‘at the mercy of intrigue and pressure-tactics’. That was just the tip of the iceberg. If Mrs Gandhi’s 1970 election slogan of garibi hatao applied anywhere, it was Bihar, the poorest state in the country. Urging Haksar to make ‘revolutionary changes in the administrative machinery ruling the state’, DN Sinha (President, Bihar Co-operative Federation Limited) summed up Bihar’s troubles well: ‘the recent history of economic development in this state may be summed up as progression from poverty to

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39 14 March 1972, Haksar to Indira Gandhi, Subject File Serial No. 179 (Guard Files, III Instalment), Haksar Papers

40 10 April 1972, Mahendra Pratap to Haksar, Subject File Serial No. 187 (III Instalment), Haksar Papers
pauperism’. By September 1972, there was a tone of crisis in Haksar’s notes on Bihar. Asking the Union Home Secretary to be in ‘constant touch with what appears to be a fast-deteriorating situation’, he felt that the Congress’ state government lacked a capacity to deal with ‘a near-chaotic situation’. Suggesting ‘anticipatory action’ and deployment of the army and para-military forces, Haksar’s targets were exactly those that Mrs Gandhi would single out during the 1974-75 JP agitation: ‘Communists, students, and the Jan Sangh’. That year also saw a burgeoning power crisis in India, which would be worsen after the 1973 global oil shock. Bihar was of some importance here because of the near-entire production of nation’s coal there, as Jharkhand was then a part of the state, and it provided an occasion for Haksar to invoke Mrs Gandhi’s favourite bogey: the anti-national foreign hand. Sample this note on the situation in thermal electricity production in the state:

The extent of the involvement of politicians and the officers of the Bihar government in the affairs of the Bihar state electricity board is deep and abiding. Once a number of MPs demanded a Commission of Inquiry and Mr Ranchor Prasad was appointed to enquire. Mr Prasad is fully involved with the American activities in the country...This group of saboteurs has a very powerful lobby in Delhi. [It] enjoys the protection of [pro-US] Dr KL Rao [Union Minister for Power]. [Italics mine]

In early 1973, nearly 180 million people were affected by a spreading drought in the country. That year, prices rose by 23% and by early 1974, following the global oil

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41 9 May 1972, DN Sinha to Haksar, Subject File Serial No. 232 (Notes as PS to PM, 1967-73, III Instalment), Haksar Papers

42 8 September 1972, Haksar to Govind Narayan, Subject File Serial No. 184 (Guard Files, III Instalment), Haksar Papers

43 13 December 1972, Subject File Serial No. 215 (III Instalment), Haksar Papers
crisis, India’s import increased by a billion dollars and the resultant crisis within urban workforce came to fore in the May railway strike of more than a million workers. It was followed in August 1974 by a student movement in Bihar, which provided the stage for Jayaprakash Narayan’s return to politics in opposition to the Congress government in Bihar. Haksar, who would later confess that he was ‘obsessed’ by Bihar, urged Mrs Gandhi in October to mount an ‘Operation Bihar’. Sideline from active politics by now in the Planning Commission as its Deputy Chairman, Haksar had time to pursue his obsessions and he commissioned four reports on the state in the two years of 1975 and 1976. First of these was on ‘political power in Bihar’. It began by drawing a picture of a ‘feudal system [of] fear and favour’ sustained by caste chains between the MLAs and his ‘muscle men’. On this ‘basic political system’ rested the administrative machinery in Bihar and unless the former was dismantled, the latter could not be improved. Taking on JP and his social movement, the paper went on,

Some people like JP are naively expecting that the elective system will give relief and all they have to do is to select good men. We have had many elections in Bihar and many good men have fallen by the wayside. We should not forget that it is the electorate that is perpetuating the system and we have to look to [this] environment for an answer.

So, if JP’s ‘Total Revolution’ was not the solution then what was? According to the report, it was ‘agricultural revolution’ propelled by the ‘farmers’ service society concept [that] brings in the commercial bank to induce growth and controls the finances but allows general policy decision to the small men in the villages’. It was imperative to ‘go all out with this attack before the [political] power structure wakes
up and tries to sabotage the concept’. The follow-up to this note was prepared in the Planning Commission in February 1976. It made it plain to Haksar that a ‘very considerable amount of political organisation supported by adequate supply of credit’ was needed to make any dent on the situation in Bihar. Haksar could, practically speaking, calibrate the state’s plan in terms of allotments to power and irrigation projects and social services. By May, with the emergency in full swing, Haksar was feeling ‘oppressed’ by Bihar and ordered the Planning Commission officials to ‘disaggregate’ the points made in the notes above, examine the state ‘more minutely’ and come up with a ‘specific strategy for Bihar assuming that there is a political will to deal with that state’ [italics mine]. The result was yet another study that went over familiar territory of ‘feudal socio-economic system’, ‘primitive agriculture’ and a ‘caste-based social structure’. It also made it clear that Haksar’s favoured solution of land re-distribution was a ‘theoretical answer’ and the practical reality was that

The political structure in Bihar cannot afford to displease the local power structure. The entire power structure is against any compromise. Bihar believes in feudalism [of which] it is a classic example.  

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44 21 March 1975, Note by B Sivaraman on Political Power in Bihar, Subject File Serial No. 87 (I and II Instalments), Haksar Papers

45 5 February 1976, S Chakravarty to Haksar, Subject File Serial No. 87 (I and II Instalments), Haksar Papers

46 5 May 1976, Haksar’s note, Subject File Serial No. 87 (I and II Instalments), Haksar Papers

47 10 May 11976, B Sivaraman to Haksar, Subject File Serial No. 87 (I and II Instalments), Haksar Papers
Armed with all these papers, Haksar wrote a long and detailed note to Mrs Gandhi on 29 September 1976. He began by arguing that as ‘the forging of a viable political instrument [state Congress] for bringing about changes may take time’, the ‘administrative apparatus’ remained the only available instrument. This proposition had the great merit of chiming in neatly with the then-prevailing emergency. Haksar further elaborated on its effectiveness by pointing, as Mrs Gandhi knew only too well, that ‘the entire system [during emergency] has reacted to the leadership like a steed that knows his rider’. But the system in Bihar suffered from too much chopping and changing. No officer in the state had a settled tenure. Between 1973 and 1976, there had been three Chief Secretaries, four Development Commissioners, four Planning Secretaries and three Agricultural production Commissioners. If this was the first area where the Prime Minister could set the matter right, then next was ‘the gay abandonment with which Bihar launches the state sector enterprises’. In 1976, there were as many as thirty-six State Corporations: ‘means of disbursing political patronage’ squandering vast amount of resources. Haksar’s advice was in keeping with the temper of times and his mistress: establishing ‘new working relationships’ between the Central Government and the rural poor in Bihar by-passing the state administration. Abandoning land re-distribution now, he explained his modus operandi thus:

One could begin by concentrating on a few districts and try there to change the terms and conditions of share cropping, make credit available for productive purposes, promote literacy on a massive scale and make adequate arrangement for drainage and ground
water exploitation. This can be done with the involvement of selected officials and political workers. 48

Conclusion

At the peak of his influence with Mrs Gandhi, between May 1967 and January 1973 when he was her ‘ideological compass and moral beacon’ (Ramesh 2018: xiv), PN Haksar could offer advice in magisterial terms as under:

I feel that PM should show a sensitive understanding of the so-called “Young Turks”...Time has come when PM should reiterate her faith in a socialist society. For this purpose, it is necessary to educate people politically, above all the Congress Party cadres...Otherwise, nationalisation would end up in mere bureaucratisation and state capitalism [and] PM should express anxiety about [this]. A realistic approach would consist in improving the efficiency, the organisation of our existing PSUs, carrying on vast educational programme in favour of socialism, building up new cadres and thereafter proceed to enlarge the public sector. 49

In his 1964 article on ‘The Congress System’, Rajni Kothari had ended on a prescient note: ‘for all we know, the delicate balance on which the legitimacy and power of the Congress system rests may be rudely disturbed, and a more authoritarian system might emerge’ [Italics mine]. 50 Alongside the trend of appointing ‘professional

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48 29 September 1976, Haksar to Indira Gandhi, Subject File Serial No. 87 (I and II Instalments), Haksar Papers

49 9 July 1969, Haksar to Indira Gandhi, Subject File Serial No. 42 (Guard Files, I and II Instalments), Haksar Papers

50 Kothari, Rajni. “The Congress ‘System’ in India”, 1175
experts’ like Haksar, this meant that in late-1960s and early-1970s, the old ‘faction chains’ of Congress and their consensual authority gave way to a new consolidation of power at the top. As seen above, Haksar exercised a strong, authoritative and, at times, arbitrary influence; often, more than elected MPs or ministers and even Chief Ministers. HY Sharada Prasad, who served in Mrs Gandhi’s PMO from 1966 to 1977, categorised Haksar as an ‘instrument of power’ but one, ‘who did not derive all his authority from Indira Gandhi’. Instead, Haksar ‘contributed in no small measure to her own dominance and to making the office of the prime minister’s secretary so powerful’. Mrs Gandhi herself held that ‘a prime minister’s secretary was as important as a cabinet minister and most of the time, knew more about the government than any cabinet minister’. It should not be surprising then that politicians, of the ruling party itself, ‘found him overbearing’ (Sharada Prasad 2003: 84-5).

As the experience of Bombay shows, the decimation of a Congress organisation that constituted the opposition to Mrs Gandhi’s government in 1969-70 closed for ever the possibility of the party at provincial level providing an alternative leadership. Elections in the organisation gave way to selections from the top. The ‘competitive relationship’ between Congress’ organisation and its government – a critical characteristic from 1937 to 1967 – was a thing of past. What of the opposition then? At this time, as the experience of the Communist Party shows, it could only be a ‘regional or sectional phenomenon’ and oppose the Congress effectively at the state-level. However, unlike the Nehruvian period when the federal legislature system afforded the opposition an importance ‘out of proportion’ to its size, under Mrs

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51 Kothari, Rajni. “The Congress ‘System’ in India”, 1164
Gandhi the Congress had moved to a negative manipulation of exactly the same system and its institutions like the Governors’ office. With the 1967 elections providing a cue for a reorganisation of ‘the Congress system’ as well as a re-emergence of opposition, a change came in Centre-State relations as Mrs Gandhi’s government’s exchanges with the CPI (M)-led Kerala and DMK-led Tamil Nadu show. This internal reorganisation had its limits too as Congress’ troubles in Bihar between 1969 and 1975 show. There the ‘old network of social groups, leader-client relationships and patronage’ in a highly segmented society of kin and caste held the fort and defeated all attempts by the government to reform it via the development route. Haksar’s Operation Bihar failed to take off because the Congress party in the state refused any disturbance to its carefully-cultivated structure of compromises and by this time, 1974-76, Haksar was no more an ‘influential and powerful person’ in Prime Minister Indira Gandhi’s government.

References


