



Viewing cable 08NEWDELHI1972, POLITICAL BARGAINING CONTINUES PRIOR TO KEY VOTE

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 SUBJECT: POLITICAL BARGAINING CONTINUES PRIOR TO KEY VOTE
 IN PARLIAMENT
 REF: KOLKATA 209
 Classified By: Charge D'Affaires Steven White for Reasons 1.4 (B and D)

¶1. (C) SUMMARY. Foreign Secretary Shiv Shankar Menon and his delegation departed for Vienna on July 17 to brief the 35 Board members of the International Atomic Energy Agency (IAEA) and another 19 members of the Nuclear Suppliers Group (NSG) on the U.S.-India Civil Nuclear Cooperation Initiative. In Delhi, government officials responded positively to suggestions about how to address concerns emerging from Vienna, particularly the need to begin negotiating an IAEA Additional Protocol and for the IAEA to circulate India's (INFCIRC) already-public separation plan as an official IAEA document. Political horse-trading continued in anticipation of the special session of parliament to consider the confidence vote on July 21 followed by the vote itself on July 22. Prime Minister Manmohan Singh and opposition Bharatiya Janata Party (BJP) leader L.K. Advani each plan to host a dinner for supporters on July 20; the parties will presumably have to choose one or the other. An estranged Congress Party MP and three Telangana Rashtra Samithi (TRS) MPs publicly stated their intention to vote against the UPA, leaving the government still clinging to a slim majority. Small parties representing collectively about 20 votes find themselves with generous suitors; one party chief has reportedly succeeded in having the Lucknow airport renamed after his father. The unrequited Left continued its anti-government rant, but showed signs of internal strain. Lok Sabha Speaker Somnath Chatterjee refused to resign despite pressure from within the Communist party to do so and has made it clear that he was not in favor of the Left voting with the opposition BJP against the government, a position that seems to have resonance among comrades disinclined to face early elections.
 END SUMMARY.

GOI to Address IAEA Member Concerns, Fumbles on Scheduling

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¶2. (SBU) Foreign Secretary Shiv Shankar Menon departed for Vienna on July 17 for his briefing on July 18 to IAEA Board members and NSG members on the U.S.-India Civil Nuclear Cooperation Initiative. Local media had reported statements by an IAEA spokesman on July 16 that the briefing by the visiting Indian delegation had been canceled. In fact, the briefing was scaled down from all 140 IAEA members to just the 35 Board members, in addition to the 19 others that comprise the 45-member NSG that do not also sit on the IAEA Board. Menon is traveling with Department of Atomic Energy director for strategic plans Dr. R.B. Grover, Department Of Atomic Energy's (DAE) Gitish Sharma, and Chief of Staff Naveen Srivastava. They will be joined in Vienna by Geneva-based Ministry of External Affairs Counselor Venkatesh Varma, a veteran of nuclear deal negotiations.

¶3. (C) Pursuant to recommendations from the U.S. Mission to the IAEA, PolCouns raised two issues of concern to IAEA Board members on July 16 with Ministry of External Affairs Joint Secretary for the Americas Gaitri Kumar and Virender Paul in the National Security Adviser's office. PolCouns stressed the importance of starting negotiations on an Additional Protocol as soon as possible, relaying that such agreements usually take about a year to conclude but that IAEA Legal could have a model text ready quickly if the Indians ask to begin negotiations. PolCouns also reported, following messages from UNVIE, that some IAEA delegations did not understand the connection between the safeguards agreement (with its blank safeguarded facilities list) and the separation plan listing the civil nuclear facilities that would fall under safeguards (already a public document). PolCouns shared that the IAEA is prepared to circulate the separation plan as an official IAEA document if the Indians request it. Both Kumar and Paul promised to get on

courage is contagious

these two tasks ""right away"" to set things up for a productive trip to Vienna for Menon. On the Additional Protocol, the Prime Minister's Special Envoy will have to push the Department of Atomic Energy, which will have the lead. On the facilities list, an instruction could go to India's mission in Vienna fairly quickly.

UPA Maintains Precarious Lead In Vote Count

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¶4. (SBU) The special session of parliament to consider the confidence vote will begin on July 21 and conclude with a vote on July 22. Minister for Parliamentary Affairs Vayalar Ravi claimed on July 15 that the government would prevail in the July 22 confidence vote with over 280 votes cast in its favor. Kuldip Bishnoi, an estranged Congress Party MP who had been suspended for floating the idea of forming his own party in December 2007, confirmed his intention to defect in the confidence vote. (This development was apparently expected by party insiders and not a leading indicator of further fragmentation within the party.) Consulate Chennai reported on July 17 that the Telangana Rashtra Samithi (TRS) has publicly stated it will vote against the UPA. One of its three members of parliament has broken from the party, but is unlikely to support the government because the TRS has positioned the trust vote as a statehood issue, so voting for the UPA would mean voting against Telangana interests.

¶5. (SBU) Our best guess at this time show the government maintaining its slim majority with the anticipated vote count at about 273 in favor, 251 opposed, and 19 abstentions. A similar analysis from the British High Commission tracks closely with our numbers.

Dueling Dinners Force Parties to Declare Loyalties - - -

¶6. (SBU) Prime Minister Manmohan Singh and opposition Bharatiya Janata Party (BJP) leader L.K. Advani each plan to host a dinner for supporters on July 20, the evening before the special parliamentary session begins on July 21. Media reported that Advani will use the dinner as a strategy session to field MPs to speak against the confidence motion. Advani will also reportedly meet the BJP's National Democratic Alliance (NDA) supporters on July 17, including Chief Ministers of the states where NDA constituents are in power. Rajasthan Chief Minister Raje reportedly plans to skip the meeting, raising the ire of the BJP leadership.

¶7. (SBU) Prime Minister Singh's dinner on July 20 will include the Congress Party's new allies in the Samajwadi Party as well as other recent converts and fence-sitters from smaller parties. The Telegraph quoted a senior government source who said that PM Singh was ""neither crunching numbers nor seeking daily briefings on the political sensex. His bottom line is clear."" It also claimed that PM Singh was upset with the BJP for allegedly recanting on an ""understanding"" that it would support the deal. The article concludes that if the government survives the July 22 vote, PM Singh's priority would be to implement flagship social programs to thank his party for rallying behind him.

Votes For Sale

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¶8. (SBU) Behind the scenes, the Congress Party machine is working overtime. Sonia Gandhi reportedly plans to meet Jharkhand Mukti Morcha (JMM) leader Shibu Soren and Janata Dal Secular (JD-S) leader H.D. Deve Gowda. Retaining the support of JMM's five seats and the JD-S's three seats is reportedly vital to the UPA government's strategy. In exchange for retaining the support of the three votes of the Rashtriya Lok Dal (RLD), the Congress Party has reportedly pledged its support to rename Lucknow's Amausi airport after Chaudhary Charan Singh, father of RLD leader Ajit Charan Singh, who may also get a cabinet seat.

¶9. (C) On July 16, PolCouns met with Captain Satish Sharma, a Congress Party MP in the Rajya Sabha, a former Indian Airlines Pilot, and a close associate of former Prime Minister Rajiv Gandhi considered to be a very close family friend of Sonia Gandhi. Sharma mentioned that he, as well as others in the party, was working hard to ensure that the UPA government wins the confidence vote on July 22. He said that the Prime Minister, Sonia Gandhi, and Rahul Gandhi were committed to the nuclear initiative and had conveyed this message clearly to the party. Sharma said that PM Singh and others were trying to work on the Akali Dal (8 votes) through financier Sant Chatwal and others, but unfortunately it did not work out. He mentioned that efforts to encourage Shiv Sena (12 votes) to abstain were on-going. While different Congress operatives were working on different groups of MPs, Sharma said that Rahul Gandhi was personally working Omar

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Abdullah's Jammu and Kashmir National Conference (J&KNC), whose two MPs are inclined to vote in favor of the UPA. Sharma mentioned that he was also exploring the possibility of trying to get former Prime Minister Vajpayee's son-in-law Ranjan Bhattacharya to speak to BJP representatives to try to divide the BJP ranks. He mentioned that if the party wins the trust vote, they would then prefer to go for national elections in February or March 2009, which would give the UPA time to control prices and bring down inflation.

¶10. (S) Sharma's political aide Nachiketa Kapur mentioned to an Embassy staff member in an aside on July 16 that Ajit Singh's RLD had been paid Rupees 10 crore (about \$2.5 million) for each of their four MPs to support the government. Kapur mentioned that money was not an issue at all, but the crucial thing was to ensure that those who took the money would vote for the government. Kapur showed the Embassy employee two chests containing cash and said that around Rupees 50-60 crore (about \$25 million) was lying around the house for use as pay-offs.

¶11. (S) Another Congress Party insider told PolCouns that Minister of Commerce

and Industry Kamal Nath is also helping to spread largesse. "Formerly he could only offer small planes as bribes," according to this interlocutor, now he can pay for votes with jets."

"What If"s: No Vote or a UPA Defeat

¶12. (SBU) PM Singh appears to have opened the door to the Left to call off the vote, telling media on July 16 that the government had the numbers to prevail in the confidence vote and that it was "unfortunate" that the special session had to be foisted upon parliament and distract the government from addressing urgent issues like inflation. PM Singh publicly acknowledged trying to get the BJP to support the nuclear initiative by reaching out to former PM Atal Bihari Vajpayee, but Vajpayee reportedly deferred to opposition leader L.K. Advani to make the call.

¶13. (SBU) There are some signs that the GOI may decide to go ahead with the nuclear initiative even if it loses the confidence vote on July 22. Media quoted Rahul Gandhi on July 16 as saying, "I support the PM 100 percent on the nuke deal. We are going to win the trust vote, but even if the government falls, so be it." He also claimed the BJP was divided over the nuclear initiative, saying, "There are people in the BJP who support the deal and do not know why their party is opposing it." Rahul Gandhi also recalled how Left parties in the mid-1980s had stonewalled his father Rajiv Gandhi's efforts to introduce computers in government offices and vision of a computerized India. Congress Party Chief Sonia Gandhi said in Andhra Pradesh on July 17 that the government "will not compromise on the nuclear deal because it is in the national interest."

Disagreements Among Comrades: Left Shows Signs of Strain

¶14. (SBU) The Left continued its rant against the government. The Community Party of India-Marxist (CPI-M) Polit Bureau grouched that the Prime Minister's Office set a "dangerous precedent" by meeting industrialist Mukesh Ambani on July 14, during which Ambani reportedly offered help in securing Shiv Sena support for the UPA government. The CPI-M said the government's rejection of the use of force against Iran by Israel was "timely," but that it would only be credible if the government were to cut military ties with Israel.

¶15. (SBU) The Left has also begun to show signs of internal strain. CPI-M Polit Bureau member Sitaram Yechury told media on July 15 that the party erred in listing Lok Sabha Speaker Somnath Chatterjee among its members who withdrew support from the UPA government on July 8. Chatterjee said he does not want to step down as Speaker despite pressure from within the party to do so. He also wrote a letter to Prakash Karat making it clear that he was not in favor of the Left voting with the opposition BJP against the government. (Chatterjee has looked to the UPA government to help him keep his position as Speaker and appears to be rallying moderate CPI-M members disinclined to join their comrades in voting with their rival BJP against a government that they supported for

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several years.) Also on July 15, Samajwadi Party leader Amar Singh and two other SP leaders called for Chatterjee not to quit his post.

¶16. (SBU) Consulate Kolkata reported on the growing split within the CPI-M (reftel). Many CPI-M members, particularly Muslims, cannot fathom voting with the "communist" BJP. A large group of West Bengal MPs do not want to bring down the government and are angry at Karat for his failed strategy. If the government falls, they fear the CPI-M could lose 10-15 seats in new elections based on unfavorable recent local election results. If the government survives, the Left will be embarrassed for having achieved nothing on the issues that are important to their constituents, few of whom care about the nuclear initiative. Though defection is a possibility, Communist Party discipline remains strong and members are unlikely to vote with the government.

Communists Find Muslims To Be More Anti-BJP Than Anti-American

¶17. (SBU) A Times of India report on July 17 claimed that Muslim MPs do not view the nuclear initiative confidence vote as a communal issue, but rather one of differences in perception of national interest based on party positions. Of the 37 Muslim members of parliament, 26 are in parties that have declared their support to the government for the confidence vote, while 11 are with anti-deal parties. Mayawati's Bahujan Samaj Party (BSP) has tried to turn the confidence vote into a communal issue by reaching out to Muslim councils ("bhaichara" committees) and Islamic scholars in Uttar Pradesh and claiming that the Congress Party has compromised their interests. This strategy appears to be failing, partly because Muslims view the BJP as a more immediate threat than closer relations with the U.S. Communist Party of India-Marxist (CPI-M) MP and central committee member Hannan Mollah reportedly told media, "Let's see what strategy can be worked out to convince the Muslim electorate that we are not working in tandem with the BJP." Media reported a Forward Bloc local assembly member in West Bengal, Mehboob Mondal, saying, "It's becoming difficult to explain that we are not with the BJP. It's clear that Muslims are not happy with us and their feelings may well reflect on Lok Sabha results."

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