

India's BJP Can't Wait, Wants Elections Now

by Ramtanu Maitra

At the National Executive meeting of the ruling Bharatiya Janata Party (BJP) on Jan. 12, India's Prime Minister Atal Behari Vajpayee called for early parliamentary elections, expressing hope that the resulting government will be in place before the end of April. The scheduled five-year tenure of Vajpayee's coalition government, the National Democratic Alliance (NDA)—which consists of more than 20 parties but is dominated by the BJP—is scheduled to expire next September.

Analysts point out that the call for early elections was based on some recent successes enjoyed by the government. The BJP, and Prime Minister Vajpayee in particular, believe that these successes can be translated into votes, and that this should be done before the electorate forgets. The rush also betrays a certain uneasiness about the future.

But beyond that, as the leading English-language news daily the *Hindu* pointed out in an editorial on Jan. 14, the unmistakable refrain at the Hyderabad party conclave was that under Vajpayee, India has come close to achieving its national dreams of glory and prosperity, and that voters should allow him to continue the good work. In other words, the BJP will market itself as Vajpayee's political instrument, rather than the other way round.

Recent Successes

The most prominent achievement being cited is the spurt of growth exhibited by the economy during the last two quarters. India, Asia's third-largest economy, achieved 9% growth in the second quarter of Fiscal 2003—a significant jump from the 7.4% in the first quarter. The economists contend that overall growth for the current fiscal year, which ends on March 31, will be as high as 8.2%—a little more than what the Prime Minister had been demanding from his colleagues.

In addition, Vajpayee's government has done well in formulating and directing foreign policy during the past few years. His crowning achievement was his highly successful visit to China last June. Subsequently, both India and China have deployed high-level special representatives to work out a framework for talks to resolve the non-demarcated Sino-Indian borders along the Himalayas. This border of almost 4,000 kilometers was left non-demarcated, despite some efforts by the British Raj during its occupation of India (1857-

1947). In 1962, India and China were involved in a military conflict over the issue.

It is to the credit of two earlier Indian Prime Ministers, the late Rajiv Gandhi and P.V. Narasimha Rao, that Sino-Indian relations have shown significant improvement. The 1998 nuclear explosive tests by India under the premiership of Vajpayee, had suddenly soured relations between New Delhi and Beijing; but that situation began to change around 2000. Constructive efforts by the Chinese leadership and Prime Minister Vajpayee have now created a favorable environment, in which the two countries are expected to be able to work out a solution in the near future. There are many signals in that direction, including Beijing's virtual recognition of the former Himalayan Kingdom of Sikkim as part of India. Sikkim joined the Republic of India in 1975, but China did not recognize this development. Another indication is Prime Minister Vajpayee's categorical acceptance that Tibet is a part of China, while he was visiting Beijing last June. These moves indicate that the two are getting ready to resolve the border dispute.

India-Pakistan Talks

Vajpayee, during his recent Jan. 4-6 trip to Pakistan, achieved broad agreements with Pakistani President Pervez Musharraf. Both leaders have shown eagerness to resolve the five-decades-old enmities and start anew. Both sides seem agreeable to address not only various economic and trade issues, but also the vexatious question of the state of Jammu and Kashmir. Both India and Pakistan continue to lay territorial claim to the state, and they have fought two wars over it. In 2002, the two countries assembled close to 1 million soldiers along the borders, armed to the teeth.

It is expected that Vajpayee, in order to woo the electorate, will also cite his government's initiatives to expedite trade and economic integration in Southeast and Central Asia. India is seeking to become an economic partner of the Association of Southeast Asian Nations (ASEAN)—a powerful ten-member economic grouping. In Central Asia, India is looking for energy cooperation with Kazakstan, and opened an air base recently in Tajikistan, to ensure protection of Indian interests in the region.

In Afghanistan, following the ouster of the Taliban militia by the U.S. special forces and the pro-India, pro-Russia Northern Alliance, India has found a political (but not yet an economic) foothold in that country. According to available reports, Indian initiatives in Afghanistan have been welcomed by the U.S.-backed interim government led by President Hamid Karzai.

It is also to the credit of the BJP-led government that India has succeeded in maintaining a balanced relationship with Russia, the European Union, and the United States. When the improved Sino-Indian relationship starts to bear fruit, it is expected that India will grow faster economically. While In-

dian-U.S. relations have flourished in almost every sphere, New Delhi had no problem in turning down the U.S. request to send troops to Iraq. At the same time, India has further strengthened its economic and strategic relations with Iran, a nation considered by the neo-conservatives in the Bush Administration as a key part of the "axis of evil."

Why the Rush?

While it seems that these achievements of the BJP-led government will not vanish even if the elections are held in September, one may question: Why the rush?

One possible explanation is that the BJP fears the fickle Indian economy, particularly the rural sector. Due to plentiful rainfall last year, the agricultural sector, which had shown very slow growth over the last five years or so, got a boost this fiscal year. It is the agricultural sector's success that would help India to attain the unexpected 8.2% growth. New Delhi does not want to tie up its electoral future with another monsoon season (June-August) which may turn out to be unsatisfactory.

In fact, the BJP has done little for rural India during its tenure. Rural voters are finicky and they have developed a habit of remaining focussed on economic issues pertaining to them. Despite regular efforts of India's poll analysts, who pull out briefs full of caste, religious, and ethnic equations to summarize the outcome of electoral results, New Delhi at the bottom of its heart knows that unless rural India, where almost 70% of the billion-plus population lives, is convinced that the government cares about them, votes will evaporate like camphor from an uncorked bottle.

This is also why the main political opposition to the BJP, the Indian National Congress party, lost three of the four state assembly elections last November. The Congress party was ruling these states, and if one believed what party members were saying before the election results came out, it would have seemed that the party would win all the contests. The Congress party partisans were busy telling each other that the secular politics of their party is loved by a vast majority of the electorate, and the "Hindu fanaticism" of the BJP is hated by one and all. What they hid, or never wanted to believe, is that a majority of the rural population did not like the policy of spreading poverty around, implemented by some of the Congress chief ministers under the pretext of achieving social equality.

Now that the BJP has scored unexpected successes in the state level polls in November, its leaders do not want to allow the Congress to regroup. It is evident that the Congress party, which is in disarray at the leadership level, will not be able to mobilize itself to take on the BJP if the elections are held earlier.

From the look of things, then, it seems that the BJP will be able to remain the single largest party (it had won 182 of the 540 parliamentary seats) in the coming elections. A few months ago, very few analysts in India would have projected

more than 110 seats for the BJP. But most of the analysts, who come from the middle or upper-middle class, have little contact with the rural poor. To these analysts, the Vajpayee administration's recent successes with Pakistan, China, Southeast Asia, and Central Asia, and India's refusal to send troops to Iraq, are valid enough reasons for the BJP to get re-elected. However, while the BJP will not lose votes because of its foreign policy, it may not gain any because of its success either.

Short-Term Economic Gains

Economic policy is yet another matter. Most of India's growth and employment, prior to the boost in the agricultural sector due to good rains, remained centered around outsourcing of jobs by other countries to India, and the phenomenal success of India's IT sector. Most, if not all, of these jobs helped the educated urban population, and did little for the rural poor. A few months ago, when Indian analysts were predicting a poor showing of the BJP in the coming parliamentary elections, they were eager to point out that the BJP's failure was its inability to create employment for the rural people.

On that score, beside the effect of the good monsoon, the BJP has little to show. There is no doubt that the Prime Minister's personal initiative to connect India's four corners with four-lane highways has generated some direct, as well as indirect jobs. According to industry estimates, of the 5,800 kilometer project, half had been completed by the end of 2003, and the project is slated for completion by December 2004. Despite delays, market players are hopeful the project will provide a big boost to companies in the steel, cement, and construction businesses, while indirect demand will help automobile sales, housing, retailing, and tourism.

Some of these effects were also visible in the economic growth reports for the first two quarters of this fiscal year. The Center for Monitoring Indian Economy (CMIE), a Mumbai-based independent economic think-tank, pointed out in its recent report that the industrial sector would expand at a faster rate than previously estimated, boosted by healthy demand for automobiles and steel, on the back of a consumer-driven recovery after the farm-dependent economy's best monsoon in a decade. The CMIE expects industry to expand at 6.5%, higher than the 5.5% forecast earlier. Services, mostly located in the urban areas, are seen growing at 8.3%, compared with the previous estimate of 7.3%.

It is evident that the BJP will project this very short-term economic success to gather people around. However, the hollowness of their economic policy was its failure to make serious efforts to improve India's physical infrastructure and in the areas of education and health care. Growth based on overloaded, weak infrastructure peters out in no time. (One may cite the problems China's rapid growth is facing now, because of its massive power shortages.) The BJP just cannot wait.