

The Electoral Verdict and After: The Road Ahead for India

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June 2014 Asia Policy Brief 2014 | 04

The convincing victory of the BJP in the 2014 Indian general elections came as a surprise to many. Most opinion polls, which had predicted a win for the Bharatiya Janata Party (BJP) and the National Democratic Alliance (NDA) that it leads, had not anticipated the scale of the party's victory. The BJP alone won 282 seats and the NDA 336 out of 543 seats in the Lok Sabha, the lower house of Parliament. Two things stand out in the verdict. This is the first time in 30 years that a party won a majority on its own; this is also the worst-ever showing by India's grand old party, the Indian National Congress, which won a mere 44 seats, 70 less than its previous all-time low in 1999.

Why the BJP won

Much of the credit for the decisive nature of the BJP's victory has to go to India's newly-appointed Prime Minister, Narendra Modi. When the BJP announced Modi as its prime ministerial candidate in 2013, there were many who were sceptical of his ability to reach out to voters beyond the party's traditional catchment area of northern and western India. The 2002 communal riots in Gujarat, which happened under Modi's watch, were a serious concern for many, particularly minorities. But not only did he enthruse voters across India, including eastern and south-

ern India where the BJP is not traditionally strong, but also helped the party win an unprecedented number of seats from the north and west.

Though in terms of seats it was a strong mandate for the BJP, in terms of vote share the party won just 31 percent of the total vote. Indeed, this is the lowest vote share for a single-party majority in the Lok Sabha. On the other hand, the Congress won 19 percent of the votes and only 44 seats, far less than what the BJP had won in 2009 with roughly a similar vote share. But the first-

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past-the post-system, coupled with the fragmentation of the anti-BJP vote in many constituencies, resulted in an extraordinarily high vote to seat conversion for the BJP.

Among the factors crucial to the BJP's success was the presidential-style campaign run by Modi. Perhaps the only other prime ministerial aspirant in India who ran a similar campaign was Indira Gandhi in the 1971 election. Given the fragmentation of the polity there were doubts about the efficacy of such a campaign. But Modi was helped by the fact that the electorate, particularly younger voters, was receptive to his message.

There were several reasons why Modi's campaign was so successful. First, Modi spoke the language of development and governance, rather than the divisive agenda of Hindutva (or Hinduness), which appealed to voters. The BJP's campaign was extremely well packaged and funded, using both the traditional and social media to tremendous effect. Modi, who addressed some 450 rallies across India during the campaign period, also used innovative methods such as hologram technology to address multiple rallies without actually being physically present. This allowed Modi to transcend the BJP's traditional vote base of upper caste Hindus and its regional limitations.

On the ground, however, the BJP worked actively to consolidate the Hindu vote. This paid dividend in states like Uttar Pradesh, which sends 80 MPs to the Lok Sabha, and Bihar which elects 40 MPs. Both states saw communal violence in the run-up to the polls which possibly helped the Hindu vote consolidate in favour of the BJP and enabled it to win an astounding 93 out of 120 seats compared to only 22 seats in the 2009 election. The BJP was also able to woo lower castes, who traditionally do not vote for the BJP, by consistently emphasising Modi's lower-caste background; it also made crucial alliances with parties such as the Lok Janshakti Party (LJP), which has considerable support among the lower castes, in Bihar.

Second, the Congress-led United Progressive Alliance (UPA) was facing severe anti-incumbency on various counts, including high inflation, a raft of corruption scandals and policy paralysis, and the BJP seemed to many voters the only credible, national alternative. A demoralised Congress ran a lackadaisical campaign which was a pale shadow of the BJP's. It helped the BJP that India's corporates as well as some media houses were heavily backing Modi.

Third, the Rashtriya Swayamsevak Sangh (RSS), the ideological lynchpin of the Hindu nationalist movement and an outfit which was banned in the early years of independent India, pulled out all stops to get Modi elected. Though Modi, a former RSS volunteer, has had his run-ins with his parent organisation, it was the RSS which was instrumental in getting Modi selected as prime ministerial candidate and then backing him to the hilt.

Fourth, many had felt that the minority Muslim community's mistrust of Modi would prove to be an obstacle for the BJP. However, the vote of the Muslims, who make up 14 percent of India's population but are rarely a majority in any constituency, got divided among parties contesting against the BJP. This was especially true in Uttar Pradesh and Bihar where the BJP won most of the seats where there is a heavy concentration of Muslim voters.

The Congress debacle

Even though nobody expected the Congress to return to power, most pre-poll surveys had predicted around 100 seats for the party. That it did considerably worse indicates that the party got little right in its campaign. While anti-incumbency was a huge factor, the Congress could neither defend its achievements over the past decade, such as the employment guarantee scheme for the rural poor, nor connect to young voters. Prime Minister Manmohan Singh was virtually absent from the election campaign. The Congress' chief campaigner Rahul Gandhi also contrasted poorly against the oratorical skills and charisma of Modi.



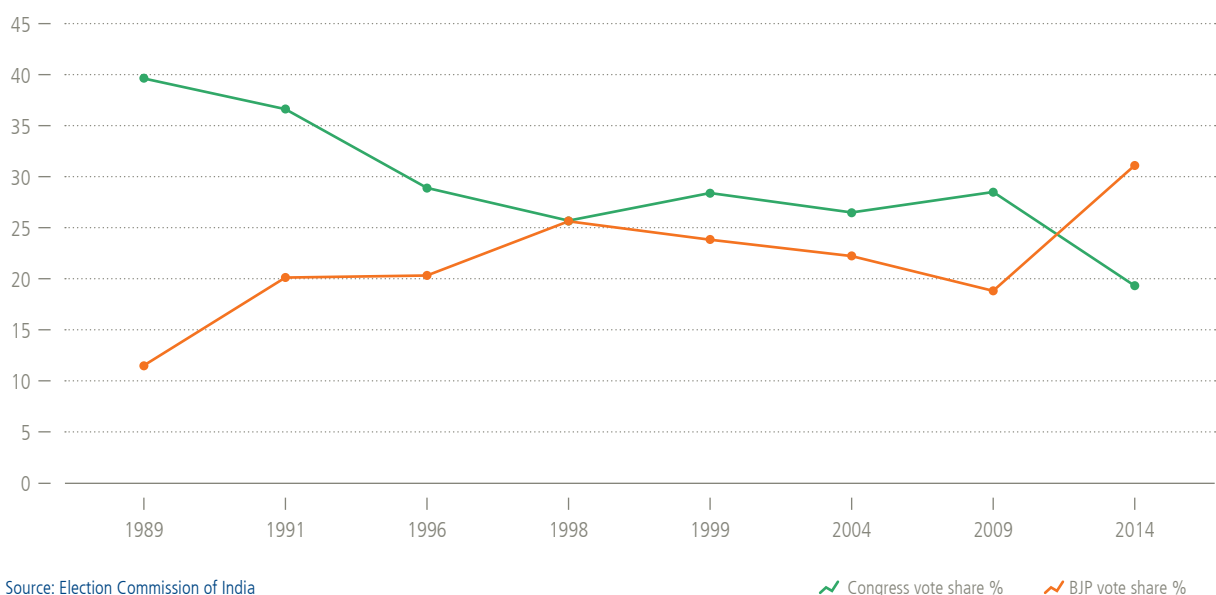
Some of the pre-poll strategies of the Congress backfired. This was particularly true of the southern state of Andhra Pradesh where the Congress had won 33 of the 42 seats in the 2009 general elections. Subsequently the Congress had suffered a split in the state with the son of former Congress chief minister and strongman, Y.S. Rajasekhara Reddy, forming his own party the YSR Congress. The Congress hoped to counter this by bifurcating Andhra Pradesh and benefitting electorally in the newly-created state of Telangana. But that ploy boomeranged with a local outfit, the Telangana Rashtra Samithi (TRS), winning big in Telangana. In the other unit of Andhra Pradesh, popularly referred to as Seemandhra, the Congress was predictably decimated with the regional parties, Telugu Desam (which sealed a last-minute alliance with the BJP) and YSR Congress, sharing the spoils. The Congress managed to win only two seats in the entire state of Andhra Pradesh, a dra-

matic decline which symbolised the state of the party in this election.

The elections were also a clear indication of the withering away of the Congress’ grassroots organisation in most states. Unlike the BJP which has strong state leaders, the Congress has hardly anyone of real stature in the states. Even in states such as Karnataka, Himachal Pradesh and Uttarakhand, where the Congress had won Assembly elections in the recent past and formed the government, it performed far worse than the BJP.

Just as the election verdict has strengthened Modi’s hand, it has discredited the dynastic hold over the Congress. The leadership of Sonia and Rahul Gandhi has been found wanting not only during the election campaign, but also for the entire second term of the Congress-led United Progressive Alliance (UPA) government. However given the dynamics within the Congress, it is unlikely to go in for radical changes even after a defeat of such magnitude.

Figure 1: Percentage of votes won by the Congress and the BJP: 1989 – 2014





The regional players

The combined vote share of the BJP and the Congress was just over 50 percent, which meant that almost half the voters supported regional parties. This showed the continuing strength of the regional parties. Among the regional parties that did exceptionally well were the All India Anna Dravida Munnetra Kazhagam (AIADMK) in Tamil Nadu with 37 seats, West Bengal's Trinamool Congress with 34 and the Biju Janata Dal in Odisha with 20. In Andhra Pradesh three regional parties – the Telugu Desam, the TRS and the YSR Congress – won a bulk of the seats.

Some of the most surprising results, however, came from Uttar Pradesh where the ruling Samajwadi Party (SP) won only 5 seats and the Bahujan Samaj Party (BSP) none. In what was a four-cornered contest in most seats, the vagaries of the first past the post system with its winner-takes-all logic hurt both parties. The BSP won over 19 percent of the vote but had nothing to show for by way of seats. In the 2009 election both parties had done well with the SP winning 23 seats and the BSP 20.

In Bihar, too, the results were dramatically different from last time. The ruling Janata Dal (United), led by chief minister Nitish Kumar, which pulled out of an alliance with the BJP in 2013, got burnt winning only two seats compared to 20 in 2009. The LJP, which had not won a single seat in 2009 but tied up with the BJP this time, won an impressive six seats.

Two other pre-poll allies of the BJP had mixed showings. The Shiv Sena in Maharashtra improved from 11 seats in 2009 to 18 in this election; the Shiromani Akali Dal in Punjab, however, won four seats which was exactly the same number it had won in 2009.

Finally, the Aam Aadmi Party (AAP) or the Common Man's Party, which had sparked worldwide interest after it formed a short-lived state government in Delhi in 2013, won only four seats. Surprisingly all four seats were from Punjab and none from Delhi. While the spread of the AAP

to another state is a reason for celebration for the party, the inability to win a single seat in Delhi would be a cause for worry with Assembly elections most likely due in the state later this year.

Challenges for the new government

The strong mandate for the BJP has ensured that Modi will not be constrained by demanding regional allies, in the manner the UPA was, as well as detractors from within his own party. He has thus been relatively free to appoint a team of his own liking. With fewer allies to appease, Modi has expectedly downsized the size of his cabinet to 45 from a 77-member Cabinet during the UPA's second term. It is expected though that the cabinet will be expanded at a later stage since several ministers are currently holding multiple portfolios.

The union cabinet, which was sworn in on May 26, has some familiar faces who had served in the NDA government under Prime Minister Atal Behari Vajpayee from 1999 to 2004. The two most senior ministers, Arun Jaitley and Rajnath Singh, are seen to be close to Modi. Jaitley holds the crucial portfolios of finance and defence; the BJP president Rajnath Singh has been given home. Sushma Swaraj, who has not always seen eye to eye with Modi, has been given the external affairs portfolio. Some appointments have raised eyebrows because of the inexperience of the ministers. A common thread is that most of the crucial ministries have gone to Modi loyalists which means that the prime minister will exert tight control over them. It also indicates a larger role for the Prime Minister's Office.

The two notable omissions in the cabinet were L.K. Advani, who was effectively the number two in the Vajpayee government holding the position of deputy prime minister and home minister, and Murli Manohar Joshi who was the human resource development minister under Vajpayee. Both were kept out ostensibly on the grounds that no person above 75 would be appointed to the cabinet. The



Table 1: The new government’s top priorities

Priority	Proposed Action
Contain inflation which stood at 8.5 percent in April 2014	Remove supply-side constraints; address farm pricing and procurement; increase investment in agriculture; contingency plan for sub-normal monsoon
Increase growth rate which was under 5 percent in 2013–14	Encourage FDI; a single-window system of clearances; promote labour-intensive manufacturing; liberalise FDI in defence production
Improve infrastructure	Infrastructure development programmes for high-speed rail, roads and airports; fast track public-private partnerships; increase electricity generation
Tackle corruption	Follow up black money with foreign governments; clear rules for allocation of coal, minerals and telecom spectrum; use social media for participatory governance
Skills development	Set up massive online open courses; Indian Institutes of Technology and Indian Institutes of Management in every state

Source: Ronojoy Sen

real reason probably is that both the veteran leaders were not keen on Modi’s selection in 2013 as the BJP’s prime ministerial candidate. Advani reportedly wanted the Lok Sabha Speaker’s post, but that too was denied to him.

The new government has to grapple with several challenges. On the economic front, Modi has inherited a stagnant economy, high inflation, stalled projects and policy paralysis. Topping Modi’s list of priorities would be pulling India from its present under 5 percent growth rate up to something close to its peak 8–9 percent, and taming inflation. The former requires higher levels of investment, particularly in infrastructure, which had sharply tapered off during the second term of the UPA. During his tenure as Gujarat chief minister Modi had built up a business-friendly reputation. This is likely to encourage investment, both domestic and foreign. The stock markets have already cheered the election results and the appointment of Modi as Prime Minister. On inflation, Modi has to take a call on whether to back the tight monetary policy of central bank governor, Raghuram Rajan, who has resisted cutting interest rates.

A low-hanging fruit would be to put in place a national goods and services tax to replace the multiple state-level taxes. This would bring in more money to the government coffers. But a bigger challenge for Modi is the long-term structural reform of the Indian economy which would involve lowering the government deficit, trimming subsidies and radically reforming state-run entities in the power, coal and gas sectors as well as the railways, which is India’s largest employer. To do this Modi is likely to face several obstacles, including protests from the beneficiaries of subsidies, a stubborn and often corrupt bureaucracy and labour unions.

An even bigger challenge is the creation of employment opportunities for India’s youth – 10 million of them enter the job market every year – many of whom have voted for Modi. This requires turning India into a labour-intensive manufacturing hub. Since manufacturing contributes to only 11 percent of jobs in India, it’s a tall task for Modi. There are several steps that he would have to take, none of them easy in a complex federal polity such as India. Two important ones are making land acquisi-



tion easier for setting up industry and easing labour laws. With a majority in the Lok Sabha, the BJP government will have no problem in pushing through legislation in the lower house. But in the Rajya Sabha (the upper house of Parliament) the BJP is well short of a majority, which will require it to reach out to regional parties.

On foreign policy, the BJP government has begun on a bright note. In an unexpected move Modi invited the elected heads of India's immediate neighbours, including Afghanistan, to attend his swearing-in. All except the Bangladeshi prime minister, who sent a representative, attended. Most importantly, Pakistani Prime Minister Nawaz Sharif not only attended the event but also held talks with Modi. Though largely symbolic, the meeting signalled intent on Modi's part to talk to Pakistan despite the BJP's hardline stance on acts of terrorism originating from Pakistan. The focus on India's immediate neighbourhood is evident from the fact that Modi's first bilateral trip in mid-June was to Bhutan and foreign minister Swaraj's to Bangladesh.

In the days to come India's foreign policy will be tested with regard to the United States, which until recently was unwilling to grant Modi a visa. Modi is scheduled to meet US President Barrack Obama when he attends the United Nations General Assembly in New York in September. With China, India's largest trading partner, Modi enjoys a good relationship having visited Beijing four times as chief minister. Despite a long-standing border dispute, the Chinese sense economic opportunities in India and sent its foreign minister Wang Yi for bilateral talks with Swaraj in early June.

Finally, Modi will also be closely watched on how much he decides to push the Hindutva agenda of the BJP and if he is willing to rein in the more radical Hindu nationalist organisations. During electioneering Modi largely eschewed the Hindu nationalist rhetoric and focused on governance, which was the theme of his campaign. The record of the Vajpayee government, which

had allies to contend with, shows that the BJP has tended to become centrist in power. But Modi has also said nothing significant, except a mention of the welfare of minorities in his maiden speech in Parliament, to assuage the sentiments and fears of minorities. Indeed, one of the worrying aspects of the BJP's convincing victory is that not a single Muslim MP has been elected on a BJP ticket.

It might not be easy too for Modi to ignore the RSS, an organisation in which he was schooled, and which mobilised its considerable cadre to ensure the BJP's win. Though the RSS is not involved in day to day administration it plays a significant role in major decisions within the BJP. Modi might also have to do a balancing act between policies, advocated by allied organisations like the Swadeshi Jagran Manch, which support protectionist policies, and big corporates who have invested so heavily in ensuring the BJP's victory. The BJP's traditional support base of small traders too might impose restrictions on economic policy. The BJP has already indicated it is against FDI in multi-brand retail.

Conclusion

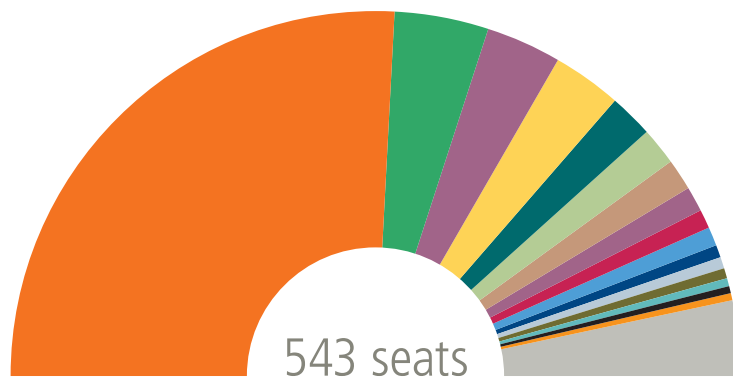
Within days of assuming government Modi has issued a list of ten priorities. Most of these, such as transparency in government or addressing the economy's concerns, are generic. India's president in his address (which lists government policy and is approved by the cabinet) to both Houses of Parliament on June 9 identified controlling food inflation as the government's top-most priority. Other ambitious goals of the government are to provide housing to all Indians by 2022. In his initial days as prime minister, Modi has taken a CEO-like approach. In what was probably a first, Modi met senior bureaucrats of the different ministries and departments and assured them that he would back their decisions. He has also asked all ministers to prepare a 100-day agenda.

While the flurry of activity is meant to signal the intent of the government, the biggest test before Modi is to

manage the sky-high expectations of those who voted him to power. Modi’s supporters believe that he will be able to govern India, at least on the economic front, in the way he has Gujarat. Leaving aside the contestation over Modi’s record in Gujarat, which has clocked impressive growth but has been average on social development indicators, there are concerns about whether his autocratic style of government will translate well for all of India. It is not just, however, a question of Modi’s style of governance. In India’s federal system there are only so many things

that Modi and the central government can do. As of now, the BJP is in power on its own or with allies in seven of India’s 29 states. It will aim to win in important states such as Maharashtra, Delhi, Haryana and Bihar that are expected to go to election over the next year. This would make it easier for Modi to push through federal schemes. Having given Modi a convincing mandate, the Indian voter is going to be demanding. Modi’s durability will depend on how quickly he can deliver on the promises that he has made.

Figure 2: Election results 2014



Parties	Seats per party	Parties	Seats per party	Parties	Seats per party
● Bharatiya Janata Party	282	● Telugu Desam Party	16	● Lok Jan Shakti Party	6
● Indian National Congress	44	● Telangana Rashtra Samithi	11	● Samajwadi Party	5
● All India Anna Dravida Munnetra Kazhagam	37	● Communist Party of India (Marxist)	9	● Aam Aadmi Party	4
● All India Trinamool Congress	34	● Yuwajana Sramika Rythu Congress Party	9	● Rashtriya Janata Dal	4
● Biju Janata Dal	20	● Nationalist Congress Party	6	● Shiromani Akali Dal	4
● Shiv Sena	18			● Other Parties (less than 4 seats)	34

Source: Election Commission of India



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ISSN 2195-0485

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