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## General Elections in India: Narendra Modi Set for a Second Term

Patryk Kugiel

*The just-concluded parliamentary elections in India will most probably be won by the Indian People's Party (Bharatiya Janata Party, or BJP) of incumbent Prime Minister Narendra Modi. Despite growing unemployment and a crisis in agriculture, for most voters, Modi remains a guarantee of economic growth and active foreign policy. India is set to have a stable majority government and continue modernisation. Irrespective of the vote, no major changes in the country's foreign policy are expected.*

Official results of India's parliamentary elections, which began on 11 April and ended on 19 May, will be announced on 23 May. In all, 900 million citizens were eligible to vote to elect 543 deputies to the lower house of parliament, the Lok Sabha. Four out of the five major exit polls published on 19 May show the BJP-led coalition—the National Democratic Alliance—has secured an absolute majority (more than 272 mandates). Although exit polls have not always proved right in the past, most likely the BJP will form the next stable government. The hopes of the opposition, led by the Indian National Congress (INC), to regain power after the defeat of BJP in three state elections in 2018, do not appear to have come true. In the campaign, domestic and economic issues played a major role, but the terrorist attacks in Kashmir earlier this year made foreign and security policy extremely important. The elections were primarily a plebiscite on Prime Minister Modi's tenure and an assessment of his achievements in domestic and foreign policy in the last five years.

**Domestic matters.** BJP promised in the campaign to continue to reform the economy and modernise the country to improve the material situation of all citizens. Since taking power in 2014, Modi has been pushing for liberalisation of the economy: he opened new sectors to foreign investment, reduced corruption and the bureaucracy, and developed a digital administration. The state has significantly improved its position in the *Doing Business* ranking, rising from 132<sup>nd</sup> in 2014 to 77<sup>th</sup> in 2018. In the last five years, India has attracted nearly \$240 billion in foreign investment. The government carried out historic tax reform—a single GST tax replaced dozens of duties and fees—and reformed bankruptcy and insolvency laws. In recent years, India's economy has grown at a rate of over 7% of GDP, making it the fastest-growing major economy in the world.

The opposition focused on criticism of the government's actions, such as the badly carried out exchange of banknotes ("demonetisation") in 2016, which hit mainly the poorest citizens and small entrepreneurs. Reform of labour and land-acquisition laws, constituting important limitations on economic development, has not been carried out. The flagship "Make in India" programme has not led to an increase in manufacturing's share of India's GDP or the creation of additional jobs. According to data from 2018, the unemployment rate is the highest in four decades. As a result, employment became the second most important issue, next to the crisis in agriculture, in the campaign. The opposition also criticizes the

government for limiting the freedom of speech and democratic liberties as well as strengthening Hindu nationalism, threatening the secular state and cohesion in the multicultural society.

To counteract its decline in popularity, even before the campaign began, BJP adopted a law reserving 10% of seats of administration for poorer sections of higher caste members and introduced additional cash transfers (\$100 a year) for the poorest farmers. In the election manifesto, BJP made 75 promises, including doubling farmers' income by 2022, lowering taxes for the middle class, and making India the third-largest economy in the world by 2030 (from sixth today). For its nationalist electorate, BJP also announced the rebuilding of the Ram temple in Ayodhya and the withdrawal of a special status for the Muslim majority state of Jammu and Kashmir.

In turn, INC's main proposals included the introduction of a minimum guaranteed income of about \$1,000 per year for 20% of the poorest families, doubling of expenditures on education, from 3% to 6% of GDP, and health protection, from 1.5% to 3% of GDP, as well as defending the democratic and secular character of the country.

**Foreign and Security Policy.** [BJP has continued the main foreign policy directions and principles of its predecessors](#), distinguishing themselves from them mainly with greater activity in the international arena. Prime Minister Modi's personal involvement, such as his visits to nearly 100 countries, has helped strengthen India's international position. The BJP's successes include deepening strategic partnerships with Israel, Japan, and even the U.S. despite growing tensions in trade relations with that country. Simultaneously, Modi has made India's cooperation with the EU more dynamic and strengthened contacts with the ASEAN and Persian Gulf countries. To a greater extent than his predecessors, he has used soft-power tools, especially contacts with the Indian diaspora, promotion of culture (gaining a United Nations declaration of an International Day of Yoga), and improving religious relations with Asian countries.

The BJP government was less successful in South Asia, [where China has significantly increased its influence](#). Relations with its northern neighbour have been in the worst state of crisis in many years, reflected in [India's refusal to participate in the Chinese Belt and Road Initiative](#). India's tough attitude towards Pakistan and attempts to isolate this country have not led to a change in Pakistani policy towards extremist groups. In recent years, there have been more and more frequent exchanges of fire on the line of control with Pakistan and terrorist attacks in Kashmir. An assault on a convoy of Indian security forces in Pulwama on 14 February led to India's first armed retaliation inside Pakistan in a half-century.

As a result of the tensions, the improvement of state security and a policy of "zero tolerance of terrorism" were considered priority issues in BJP's election manifesto. In the document, the party also promises India will play "a major role in shaping the 21<sup>st</sup>-century agenda", confirms the aspiration to win a permanent seat on the UN Security Council, and [supports a "free Indo-Pacific"](#). Although INC criticized some of BJP's activities in external relations (e.g., towards Pakistan), its foreign policy agenda is not fundamentally different. The INC also wants a decisive fight against terrorism, strives for a permanent UNSC seat, and seeks to strengthen cooperation with India's neighbours and G20 members.

**Conclusions and Perspectives.** Despite its weakening popularity in recent months, the BJP has succeeded in securing the support of most Indians. Its campaign promises and reviving of nationalistic moods helped in this. The decisive factor is Indians' continued trust in Prime Minister Modi, perceived as a smooth, uncorrupted administrator who strengthens India's importance in the world. BJP will probably obtain an absolute majority like it did in 2014. It remains to be seen whether the unified opposition parties and their promises aimed at the central and regional level will allow them to win enough seats in key states (e.g., Uttar Pradesh has as many as 80 deputies in the Lok Sabha) to stop the BJP from forming a majority government. The return to coalition governments under BJP or INC still cannot be excluded; however, most likely is a continuation of the stable BJP-led government with Modi as prime minister.

Regardless of which party wins, no major shift in foreign policy should be expected. Despite their rhetorical and tactical differences, the main political forces agree on the main directions and assumptions in foreign policy. With Modi, additional opportunities to further liberalise the economy and deeper rapprochement with the U.S. and Europe is likely. India's course under the more nationalist BJP, however, may lead to new tensions with the EU over human rights or trade. One can also expect a continuation of India's tough stance against Pakistan and a more assertive policy towards China.

After the Indian elections, the EU will begin to implement its strategy towards the country adopted at the end of 2018. To give more momentum to deeper cooperation, it may be worth organising an EU-India summit in Brussels, which did not take place in 2018, for later this year. Deepening India's partnership with the EU and U.S. creates a good context for Poland to strengthen relations with the Indian authorities, especially in the face of growing disappointment with Chinese cooperation. After the election, it is worth carrying out the long-awaited visit of the president of Poland to India and making efforts to organise a return visit of the Indian prime minister to Poland in 2020. This would be an opportunity to present a Polish offer of engagement in India's modernisation programmes in prospective sectors, including mining, food processing, and environmental protection, and the establishment of a strategic partnership.