

# India's new BJP government spells out its top priorities

by Susan Maitra and Ramtanu Maitra

The newly sworn-in coalition government led by the Bharatiya Janata Party (BJP) leader Atal Behari Vajpayee, has identified five policy priorities and has sought cooperation from other politicians in nation-building. The BJP-led government has been asked by President K.R. Narayanan to prove its majority in the Indian Parliament before March 29.

In the 12th Lok Sabha (lower house of Parliament) election that ended in February, the BJP emerged as the largest party, winning 180 of the 545 seats. Its coalition partners brought in another 80 seats, to make the group the largest. Subsequent alliance by a handful after the election helped the BJP to form the government. Despite alliance-making efforts which lasted for more than a week, the BJP government will have a razor-thin majority, making it highly vulnerable.

## Promising signals

The BJP is the only political party that is growing nationally; in the last polls, the BJP for the first time won seats in the south and northeast. The other national party, the Congress Party, has been on the wane throughout the 1990s. It remains a powerhouse in certain states, however, and managed to secure 140 seats in the Lok Sabha, to emerge as the second-largest party.

The decline of the Congress Party is due to the growing mistrust of party leaders by the electorate. Too many promises, too many misdeeds, and too much power corruption have weakened the once-mighty political party of India.

In contrast, the BJP's image is that of an untested entity. There is a realization within the top echelon of the BJP that, in order to keep growing, the party in power must deliver goods, in significant amount, to the people. Analysts point out that there were a number of factors behind the success of the BJP in the just-concluded polls. These include the huge credibility gap of the United Front-Congress Party alliance, and the BJP's image of a sincere and honest, albeit naive, party, which has been kept out of power by the machinations of the old establishment. If this analysis is correct, then the BJP leadership must realize that unless its promises are kept, the growth trend that the party now enjoys will evaporate in no time.

In his first address to the nation, Prime Minister Vajpayee promised a lot:

- States to be empowered to clear Foreign Direct Investment up to 15 billion rupees in core sectors;
- Food production to be doubled in 10 years;
- Rapid expansion and improvement of drinking water, housing, sanitation, education, health care, and other social sectors;
- Rapid expansion of physical infrastructure—power, oil, petroleum, roads, transport, ports, telecommunications, etc.;
- Adoption of a National Water Policy;
- Making India a global information technology power;
- Safeguarding the national interest in the World Trade Organization (WTO).

Although Vajpayee's priority list contains some of the items that were earlier approved as the National Agenda by the BJP and its allies as a common goal for the government, it does not include all the items in the BJP's own priority list, such as adoption of the nuclear option for national security. It is, however, widely known that the present government has no intention of giving up the nuclear option as of now.

The first impression one gets listening to Vajpayee's Cabinet ministers, is that there is a recognition that the country is stagnating badly, due to policy indecision. The new government has to move quickly. This came across clearly in Power Minister P.R. Kumaramangalam's first meeting with the media.

Acknowledging a gross shortage of power throughout the country, the Power Minister said that the BJP-led government is working out a mechanism to clear fast-track power projects in three months. He said that a committee is likely to be set up to look into the delay of projects, worth over 860 billion rupees (more than \$2.2 billion), that are presently gathering dust in the bureaucracy. Kumaramangalam added that the government would welcome foreign investment in the power sector, but "we are not going to depend on these investments fully," and added that internal resources, too, would be mobilized to meet the country's power generation requirements.

## Problem areas

The biggest problem facing the new government is surely the economy—more precisely, the financial situation. Fi-

nance Minister Yashwant Sinha, who was the Finance Minister in the Chandrashekhar government (1990-91), has acknowledged that all is not well with the economy. The marked slowdown of the domestic and international economy has drawn his attention.

Sinha told the press, after assuming his job, that his priorities include removal of imbalances from the government's budget and reversal of the shortfall in the government's revenue earnings. He also assured the multinational corporations and foreign investors, that the new government would not set up roadblocks to foreign investment. He pointed out, however, that the government would clearly define the priority areas where the country needs foreign investment. "We will not leave anything vague and we will also streamline procedures to facilitate greater foreign investment in the country," he added.

On the exchange rate, the Finance Minister made it clear

that he does not subscribe to the theory that a lower currency value encourages exports. "We will like to have a stable exchange rate," he told the press, and maintained that "the exchange value of the rupee is only one component in the export business."

Despite the assurance given by the Vajpayee government that it would not make any drastic change in financial policy, apprehensions abound. Industrialists and businessmen estimate that the Vajpayee government will not be able to deflect pressures exerted by a faction of the Rashtriya Swayamsevak Sangh (RSS—see *Documentation*) on economic policy. The foremost worry among this circle is whether the *swadeshi* (which really means, "India first") lobby will scare away foreign investment and lead to further stagnation of the already-backward technologies in the core sectors. There is no doubt that the pressure group within the RSS pushing *swadeshi* is a powerful one.

## Who is Prime Minister Atal Behari Vajpayee?

Born in 1926, Atal Behari Vajpayee campaigned for his first parliamentary election in 1957 as a member of the Jana Sangh, the party he helped to found in 1951. The Jana Sangh was the political arm of the Rashtriya Swayamsevak Sangh (RSS). The organization was formed in 1923, at a time when tension between Hindus and Muslims had intensified under the British Raj, and the colonial rulers were systematically fragmenting Indian society with the ultimate objective of breaking up the country at their departure. The BJP was formed in 1980 by members of the Jana Sangh, which had been merged with the then-governing Janata Party in May 1977.

Vajpayee is an articulate orator and an accomplished parliamentarian. He served the Janata Party-led government (1977-80) as Foreign Minister, and then became Prime Minister for 13 days in 1996, when the BJP staked a claim for power, but subsequently failed to show the required majority in the Lok Sabha.

Despite being a very important leader with the RSS, which is still considered an "untouchable" by many Indians, Vajpayee is regarded as a BJP leader who is neither communal nor narrow-visioned. After the swearing-in, in his first meeting with the media, Vajpayee spelled out his government's approach to the much-debated issue of secularism. Invoking the Tamil philosopher Thiromoolar's dictum, "We all belong to one clan, there is but one God," Vajpayee said that this is the "only valid meaning of secu-

larism," as far as he and his colleagues are concerned. He said that his party would re-create the spirit that guided India's freedom struggle: bringing together people of all religions, all regions, all professions to create a strong, confident, and surging India.

Vajpayee has kept the Foreign Ministry portfolio in his own hands, with a young woman parliamentarian from Gwalior as his deputy. Vajpayee was the Foreign Minister in the 1977 Janata Dal-led government, and this stint of his is considered even today as one of the most potent periods of diplomacy by any Indian Foreign Minister. His tenure as Foreign Minister is warmly remembered by most Pakistani politicians and bureaucrats as the period when India showed genuine interest in developing friendly relations with its neighbors. In fact, many consider that the much-touted Gujral Doctrine (named after outgoing Prime Minister I.K. Gujral), which identifies India's prime objective as earning the friendship of its neighbors by settling disputes to the neighbors' satisfaction, was really pioneered by Vajpayee. Vajpayee also has the distinction of being the first Foreign Minister to visit China after the 1962 border skirmish.

While most BJP stalwarts, such as L.K. Advani and Murli Manohar Joshi, are considered as political representatives of the RSS, Vajpayee has developed a large political grassroots base of his own. This base includes caste Hindus, lower caste Hindus, scheduled caste and scheduled tribes, Muslims, and Christians. Vajpayee's network also includes a large number of BJP politicians who have little or no connection to the RSS.

A man who loves to write poetry more than engage in politics, Atal Behari Vajpayee is perhaps the trunk from which the BJP tree has flourished in recent years.

The Finance Minister's stated concern about the industrial slowdown has prompted discussion on exactly what he wants to do. There are indications that the BJP may go for pump-priming the production base. This would rekindle domestic growth, but would also enhance imports, leading to an increase in the external payment imbalance. Some analysts claim that by weakening the rupee, exports can be enhanced to offset the increased external payment imbalance. There are many who claim that the rupee is overvalued, particularly in light of the weakened Southeast Asian currencies.

Another problem area for the new government is its non-recognition of the fundamental causes of the financial devastation that has been wrought in Southeast Asia. As yet, none of the BJP leaders have responded to the scheduled April 16 meeting in Washington, D.C. of 22 nations on global economic and financial matters.

## Foreign reactions to the new government

U.S. President Bill Clinton, in an unprecedented move, telephoned the Indian Prime Minister and expressed Washington's desire to "move the relationship forward." The Clinton-Vajpayee conversation, which lasted for about ten minutes, emphasized the values that India and the United States share. Clinton also told Vajpayee that he is looking forward to visiting India this year.

Similar positive signals came from both Bangladesh and Pakistan. Pakistani Prime Minister Nawaz Sharif was put under pressure by the hard-liners to rebuff the "Hindu nationalist" BJP government and put on hold future talks with New Delhi on various disputes that have poisoned the two countries' relations, including trade and commerce.

Congratulating Vajpayee on assuming power, Nawaz Sharif offered to go "an extra mile" toward improving bilateral relations, and invited the new Indian Prime Minister "to work closely with us for ushering in a new era of durable peace and stability in South Asia."

While Islamabad and Washington welcomed the new government, the media in London, not unlike the orthodox Islamic hard-liners in Pakistan, called it a "motley ruling coalition," and saw in the government a coalition of neo-fascists, religious extremists, and Hindu nationalists, among others. Most of the British papers chose to use "neo-fascists," "Hindu chauvinists," or "Hindu nationalists" as labels to identify the BJP.

Apprehension over the BJP was also broadcast by Standard & Poor's. Clearly overstepping its brief, S&P declared that India's economic health is not good, two days after the

government was sworn in, and also stated that the BJP-led coalition was a group of "opportunistic parties with no ideological coherence." S&P said that it would continue to downgrade India's credit rating unless the new government shows "a clear commitment to fiscal prudence, including more credible reforms in the public sector and rapid movement toward privatization."

The peg on which the British, along with the Islamic and other BJP-baiters, hang their hats in identifying the BJP as "neo-fascist," is the fact that many believe that the organization is controlled by the Rashtriya Swayamsevak Sangh, a cadre organization. The RSS celebrates the glory of India prior to the invasions of the Turks, Mughals, and British, and trumpets the uniqueness of Hindu civilization. The RSS was banned thrice by the government of India. The first banning came in 1948 following the discovery of its links to the assassin of Mahatma Gandhi. It was banned again in 1975 following the imposition of a state of emergency by Mrs. Indira Gandhi. Then, the RSS was accused of anti-social activities with the purpose of bringing down the government. The last banning came in 1993, following the demolition of an Islamic mosque, the Babri Masjid, in Ayodhya. The RSS, along with two other Hindu religious groups, were accused of masterminding the demolition, although the ruling Congress government's involvement in the demolition, and events leading to the demolition, is not beyond suspicion.

No doubt the RSS tightly controlled its political wing as long as it remained small and insignificant. It is generally acknowledged today, however, that the RSS has been reduced to merely an important faction within the BJP, as the party has grown multifold and now has a huge political machine of its own. Moreover, beginning in 1996, the BJP began to bring under its fold regional political parties which have little commitment to the Hindu religion. Prior to the 1998 polls, Punjab's Sikh-religion-based Akali Dal became an important ally of the BJP, and in the post-election adjustments, Dr. Farooq Abdullah's Muslim-dominated National Conference party of Jammu and Kashmir threw its support to the BJP.

Although the BJP has never been in power in Delhi, it is not an unknown quantity. Over the last decade, it won electoral victories in a number of Indian states and at present holds power in the most populous state of Uttar Pradesh and such other important states as Maharashtra, Gujarat, Rajasthan, and Delhi. In all these states, the BJP functioned as well as one could expect, and yet allegations against the party continue to appear galore in the British and other media.

In addition, those who conjure up the fear of "neo-fascists" riding to power in Delhi, ignore the fact that many of the individuals who are now in the Vajpayee Cabinet had also served as ministers in the Congress or United Front governments earlier.