



AN EVALUATION OF PERFORMANCE OF MODI GOVERNMENT: A REGIME OF MASSIVE MANDATE

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ABSTRACT

India is a multi-party democracy and every party is guided by its unique ideology. Every party aims to maximize the welfare of the people but have different approaches in achieving them. The performance of a government is critical to its legitimacy. In a multi-party democracy like India, political parties have differing agenda. Each political party's actions in policy-making and governance are dictated by their unique ideology. However, the stated aim of all parties is to maximize the welfare of the nation and its people. The objective of this study is to measure the performance of the BJP based on their delivery of governance at the national level. The quality of governance can be measured using internationally accepted indicators such as corruption and rule of law and their consequent social and economic effects.

KEYWORDS :

Introduction

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Performance Indicator

- Governance Indicators
- Social Indicators
- Economic Indicators

Modi stormed into power in 2014 by winning Lok Sabha election with massive mandate, he delivered a strong message: "We are not here for any positions but for a responsibility".¹ From bureaucrats to MPs, everyone started falling in line. Be it strengthening foreign policy or launching welfare schemes for low-income group, team Modi has been working hard to fulfil people's expectations. Here are some major policies Modi government put before the nation. The first half of the three years of the BJP's tenure was a period dedicated to announcing initiatives and the following major schemes were launched.

1. Make in India

To facilitate investment, boost research & development (R&D), ensure product originality and create skill-based jobs by establishing industrial sector; major national programme was started by Narendra Modi. Modi has reached out to the world with his idea of 'Make in India' and it has generated positive response from foreign companies.

2. Swachh Bharat Abhiyan (Clean India Campaign)

Swachh Bharat Abhiyan was launched on 2 Oct 2014 by Modi. Filth is considered one of the major problems in India and he gave the issue its due importance by launching a nationwide campaign. Many called it a masterstroke from Modi as it put him at par with Mahatma Gandhi in public perception and also gave people the message to act on hygiene and civic sense. Modi nominated notable personalities from film industry, sports, media, business and other celebrities to promote the initiative.

3. Jan Dhan Yojana

On 15 August 2014, Modi announced Jan Dhan Yojana. Over 15 crore bank accounts were opened in last one year. Main focus has

been on reaching every household to provide credit facility, pension and insurance to account holders.

4. Economic Reforms and Policy Implementation

Modi-led NDA government's primary focus is on reviving Indian economy through major reforms in manufacturing and export sector. Government has not only increased the limits of FDI in Railways, Insurance and Defence but also encouraged privatisation of loss-making public sector companies. Without being bogged down by coalition partners, Modi persisted with his focus on transformation. On the infrastructure front, government has already begun work on connecting major metros under Diamond Quadrilateral rail corridor project. Major reforms and developments are under process for Modi's dream projects: 100 Smart Cities and Clean Ganga Mission.

5. Campaign for Building Toilets

PM Modi has initiated a huge project to construct 10 crore toilets by 2019 at an unbelievable rate of one toilet per second. Modi appealed to corporate sector for contribution in this Clean India drive. Positive response has come from IT giant TCS and they have decided to build 10,000 toilets in girls' schools across the country. An enormous fund of 100 crore has been provisioned for this cause. Oriental Bank of Commerce has announced contribution of 2 crore for building toilets. Bharti Foundation, Adani Group, Reliance Group and Vedanta Group have also pledged support for the campaign and contributed significantly.

6. Pradhan Mantri Ujjwala Yojana

Prime Minister Narendra Modi launched an ambitious Rs 8,000 crore scheme to provide 5. crore free LPG connections to BPL families using the money saved from 1.13 crore cooking gas users voluntarily giving up their subsidies known as Pradhan Mantri Ujjwala Yojana "Since the launch, 1.13 crore people have given-up LPG subsidies and are buying cooking gas at market price," Oil Minister Dharmendra Pradhan told reporters here.

7. Digital India: To deliver Government services to citizens electronically by improving online Infrastructure and by increasing Internet connectivity.

8. Startup India, Standup India: To provide support to all start-up businesses in all aspects of doing business in India.

9. Smart City Mission: To develop 100 cities all over the country making them citizen friendly and sustainable
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Three years are perhaps not enough to judge the intentions and performance of the government. However, an analysis of the government's policies having long run impact on the economy and social complexion can be done or at least, regarding the agendas

the government is pursuing for the fulfilment of policies mentioned in its election manifesto at this stage.

Economic Growth

This is one of the areas where the government has particularly lost ground. India is one of the fastest-growing economies of the world. However, this growth is not because of the government's fiscal policies, but because of its own momentum and spontaneity. The manufacturing sector is down, employment generation is at an all time low, the agriculture sector is under crisis and private investments are low – but ironically, the economy still seems to be moving upwards. After all, despite demonetisation, India's growth-rate still stays at 7%.

Now, this is not surprising. As private investments are down, India's growth is certainly being driven by consumption. The Seventh Pay Commission, the one rank one pension (OROP) scheme and a good monsoon possibly helped consumption levels to shoot up. However, this consumption-led growth is not going to help in the long run. Experts argue that India is going through the path which China has already gone through – and this path is going to take the economy nowhere, if investment levels don't go up.

The inflation level and fiscal deficit also seem to be under control. Foreign reserves are also at an all-time high. However, these are not things which the government should really take credit for. As said earlier, India's economy is growing on its own. Having said that, it must be noted that world economy is going through a recession, which has also negatively affected India.

Demonetisation

Demonetisation has been the most controversial exercise of the Modi government, so far. It was controversial, mainly because of the faults with its implementation and the inability to tackle these faults. Despite these facts, it has given the BJP political mileage since it was lauded by a significant portion of the masses across India. Implemented with the objective of curbing the menace of black money and counterfeit currency, this exercise seems to have been a failure, without producing many results. As was said in the Economic Survey, 2016-17, demonetisation is going to have negative consequences in the short run. However, it's also supposed to provide long-term benefits. Calling it a 'monumental mismanagement', former Prime Minister Manmohan Singh on Thursday said that the demonetisation of high value currency notes has caused great distress to the common man of the country. He remarked that the GDP of the country could shrink by 2 percentage-points due to the way it has been implemented.² Opening the attack on the government for its decision to scrap the high-value Rs. 500 and Rs. 1,000 notes, former prime minister Manmohan Singh told the Rajya Sabha on Thursday that '50-days' was like a torture that could have a disastrous effect on the poor and the deprived. He termed the implementation of the demonetisation a case of "organised loot and legalised plunder." Describing the exercise as a "monumental disaster," Dr. Singh said the decision could lead to the GDP declining by two percentage points. "This is an underestimate and not an overestimate," he said.³ Calling the decision to demonetise Rs 1,000 and Rs 500 currencies the "greatest blunder in economic policy for 70 years", Arun Shourie, former minister in the NDA-I government of Atal Bihari Vajpayee, on Tuesday said the RBI governor in this case has behaved "like an under secretary in the Ministry of Finance".⁴

Former Union Minister Arun Shourie mocked the claim of demonetisation of high-value currencies being a radical measure, stating that jumping into well or committing suicide is also radical. Everybody will say it is a wonderful move going by its stated objective which is to strike at black money but it was not a "thought-through" exercise, said the former BJP leader who has often flayed the Modi government's policies. "This is a strike not on black money but on legal tender of India, its currency. This is a strike on cash transactions," he told a news channel in an interview.⁵

Former Bharatiya Janata Party leader Arun Shourie on Tuesday called demonetisation "the largest money laundering scheme ever" that had given India an "idiotic jolt". He told NDTV that withdrawing the high-value currency notes last November was responsible for the economic slowdown in India.

"It was the largest money laundering scheme ever, conceived and implemented entirely by the government," Shourie said, adding that demonetisation had allowed black money hoarders to convert their cash into white. In its annual report released on August 30, the Reserve Bank of India had confirmed that Rs 15.28 lakh crore, or more than 99% of the value of currency that was scrapped, had returned to the banking system by June 30. This proved that demonetisation had not been successful in weeding out black money, one of the drive's primary goals. The economist and former Union minister also said that though introducing the Goods and Services Tax was an important reform, it was poorly implemented. He called the special midnight Parliament session to roll out the GST on June 30 "event management" and said a tax reform had been equated with the independence of India.⁶

A senior Bharatiya Janata Party leader and former Finance Minister Yashwant Sinha calls the controversial demonetisation decision taken in November 2016 by Modi as "an unmitigated economic disaster" and says the Goods and Services Tax (GST) is a "hurriedly-conceived and poorly-implemented" policy. Sinha, a respected economist and former IAS Administrative⁷

BJP MP Subramanian Swamy tweeted that the currency ban has caused 'huge collateral damage' He blamed the finance ministry for 'poor implementation' of demonetisation BJP MP Subramanian Swamy on Sunday criticised the finance ministry alleging "lack of preparedness" in dealing with the demonetisation of two high-value currencies and said the ministry not being in loop of decision-making is "no excuse". "I am appalled by the lack of preparation... We have been in power for nearly two and a half years. The finance ministry should have prepared for this from the very first day."⁸

The noted economist and the strong supporter of the present government have stoked fears about the Indian economy. The first was a talk by the famous economist and politician Dr Subramanian Swamy with renowned journalist Vir Sanghvi

Dr Swamy pointed out that the economy was in a tailspin and if corrective action was not taken quickly the economy could collapse. The second was a talk by the economic commentator Gurumurthy. Speaking in Chennai, he said that the economy has hit rock bottom and urgent steps are needed to arrest the downside

Even the Prime Minister Economic advisory Council Chairman admitted the slowdown of the economy, he said, "There is a consensus among us about the various reasons that have contributed to the slowdown in the growth rate," Chairman of PMEAC Bibek Debroy said. The PMEAC has been set up three years after the NDA government assumed power. The formation of a team of senior economists and former bureaucrats come at a time when the economy is growing at its slowest pace of 5.7 percent. In addition, private investment has been tepid and manufacturing sector is witnessing a slowdown.⁹

The economy grew at a healthy 9.1 percent in the first quarter of 2016 but started slowing down gradually through the four quarters of 2016 and more sharply in 2017 to 5.7 per cent at the end of the second quarter of 2017. It is imperative to analyse the causes and look at some suggestions. There are two types of problems the economy has faced in the last 18 months. Let us look at the abnormal problems caused by policy directed disruptions first. The first was demonetization due to which 86 per cent of cash was withdrawn in one go and new notes were introduced in a slow manner till about March 2017. That phase is over and there is little that can be done about it. The second disruption is the Goods and Services Tax (GST) which was introduced in July 2017 and is a work in

progress. What was the impact of these two factors on growth needs to be questioned. The GDP had dipped to 7.6 per cent just prior to the demonetisation and has fallen further to 5.7 per cent as of June. It is clear that the economy was slowing down and the disruptions may have accelerated the decline. The only possible remedy for the disruptions is to make the transition to GST simpler.¹⁰

GDP:

For the government, which is battling charges of increased violence against minorities, declining GDP is a matter of concern number. And please note that the methodology for calculation of the GDP was changed by the present government in 2015 as a result of which the growth rate recorded earlier increased statistically by over 200 basis points on an annual basis. So, according to the old method of calculation, the growth rate of 5.7 per cent is actually 3.7 per cent or less. Investment has shrunk as never before in two decades, industrial production has all but collapsed, agriculture is in distress, construction industry, a big employer of the work force, is in the doldrums, the rest of the service sector is also in the slow lane, exports have dwindled, sector after sector of the economy is in distress, demonetisation has proved to be an unmitigated economic disaster, a badly conceived and poorly implemented GST has played havoc with businesses and sunk many of them and countless millions have lost their jobs with hardly any new opportunities coming the way of the new entrants to the labour market. For quarter after quarter, the growth rate of the economy has been declining until it reached the low of 5.7 per cent in the first quarter of the current fiscal, the lowest in three years. The spokespersons of the government say that demonetisation is not responsible for this deceleration. They are right. The deceleration had started much earlier. Demonetisation only added fuel to fire. And please note that the methodology for calculation of the GDP was changed by the present government in 2015 as a result of which the growth rate recorded earlier increased statistically by over 200 basis points on an annual basis. So, according to the old method of calculation, the growth rate of 5.7 per cent is actually 3.7 per cent or less.¹¹

The prestigious International organization like World Bank and IMF and Asian Development Bank also expressed their concern on the economy of India. India's GDP may slow from 8.6 per cent in 2015 to 7.0 per cent in 2017 because of disruptions by demonetisation and the GST, the World Bank has forecast and warned that subdued private investment due to internal bottlenecks could put downside pressures on the country's potential growth. According to the bank, the GST is expected to disrupt economic activity.¹²

The International Monetary Fund also lowered India's growth projection to 6.7 per cent in 2017, 0.5 percentage points less than its previous two forecasts and slower than China's 6.8 per cent. India's economic momentum has been affected by disruptions from the withdrawal of banknotes and uncertainties around the Goods and Services Tax (GST), the World Bank said in its South Asia Economic Focus, a biannual economic update.¹³

The Asian Development Bank also made a downward revision of India's growth in its Asian Development Outlook 2017 released last month. ADB said in its report: "India's GDP growth is downgraded to 7 per cent in financial year 2017-18, a 0.4 percentage point drop from the April forecast. In financial year 2018-19, the forecast is adjusted down to 7.4 per cent, from 7.6 per cent."¹⁴

Social sector

Modi government's has been adopting diversionary tactic to divert their attention from real national concerns. The cow has always been an effective weapon for the BJP, not only to divide people communally but also to divert their attention from the real concerns of the masses. The Kashmir situation has significantly worsened. And dealing a big blow to the government, the much-hyped demonetisation experiment has fallen flat. Now that the Modi government has no words to explain its non-performance on vital parameters of governance, it is flaring up an extremely emotive issues —protection the mother cow, triple talaq, qabristan vs

shamsan changing name of universities, roads and towns etc. NITI Aayog remains the biggest failed experiment of this government, till date. Despite the fact that its members are experts and specialists in their respective fields, the commission has not done anything worth praising. As of now, it seems to be a rhetoric-driven body without an idea of the ground reality. Moreover, when it comes to curbing corruption, the government's stance is not yet clear. It had constituted a Special Investigation Team (SIT) to suggest ways to curb black money, after assuming charge. The Lokpal Act, on the other hand, is still pending. The reason behind this seems to be that this isn't the BJP's idea. If it had been the BJP's idea, the party would probably have passed it – just like it cleared the Aadhaar Bill by passing it as a money bill Agriculture.

By now, it has become almost clear that the current government doesn't really care about agriculture. The contribution of agriculture to India's GDP is significantly low and more than the adequate number of people are involved in agriculture. Therefore, the only way by which the government seemingly gets rid of this disguised unemployment is by forcing farmers callously to quit agriculture, migrate and become labourers in urban clusters. Promises of doubling the incomes of farmers have been made, but the practices employed to achieve this are yet to be seen. There is no discussion about rising cost of agricultural inputs. If government is so pro-farmer as it claims to be, why can't it cap the skyrocketing prices of fertilisers? Why is there no discussion on the national agriculture policy?

Internal Insurgencies

1. Jammu and Kashmir: The government, which unofficially follows 'Doval's doctrine, has mishandled the situation in Kashmir. The doctrine says – *"Do not over-react – it will pass off, as they can't sustain it beyond a point."* The government has sternly adopted the hard-line strategy as suggested by the doctrine and quit its policy of appeasement. However, the situation has worsened, indeed. For instance, the 2017 by-election in Kashmir observed the lowest turnout, till date. It seems that the doctrine being followed by the government is not working – for a reason. Doval had instructed to 'disaggregate' the problem, which the government didn't do. After all, various people take to the streets for different reasons. The BJP-PDP coalition government has not addressed the issues of unemployment, lack of development, poverty, etc. Instead, this was seen as a single political problem.

Having analyzed the 'Politics of Performance' in terms of different governance indicators and related socio-economic outcomes it was that the Bharatiya Janata Party's model of governance could not provide an effective, efficient, accountable, sustained growth and development, and kept itself engaged with controversial issues of communal nature as diversionary and divisive tactics. The deliberate attempt to engage media including TV channels in emotive issues of communal nature and not allowing them to project the burning national issues cannot be said to be helpful for the health democracy in India.

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