

Indian Elections 1991: Trends for the Future

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While much of the Third World has succumbed to military dictatorship, monarchic absolutism, one-party rule or theocratic fundamentalism, India has managed, despite spells of misgovernment or maladministration, to survive as an oasis of democracy. The Constitution, federal like the American but Parliamentary like the British, has by and large reigned supreme, but for a brief period of Indira Gandhi's Emergency rule in 1975-77. Fundamental rights are still widely respected and the Judiciary is fairly independent. The defence forces remain wholly apolitical. Elections have been held on time - the recent one being the tenth in the series - and the electorate has not hesitated at times to throw out discredited politicians and Governments. Money and muscle-power have indeed crept in, as in so many other countries, and electoral violence is causing some concern. Rigging and booth-capturing may be endemic in states like Bihar but their overall effect on free and fair polls has been limited, considering the size and population of the country. The Indian electorate is mature and despite widespread illiteracy politically-conscious to an exceptional degree. It is well-aware of its own interests and those of the nation.

Mercifully, the nation has been spared coups d'état and transfer of power has been smooth and orderly even at times of crises. The electorate punished a powerful Prime Minister, Indira Gandhi, whom the British Press had described as the Empress of India, for the excesses of the Emergency in 1977 and handsomely renewed her mandate in 1980 out of disgust with the antics and in-fighting of the Janata Party troika - Morarji Desai, Jagjivan Ram and Charan Singh. Her assassination, by her Sikh bodyguards, followed by wholly uncalled-for retaliatory massacre of Sikh civilians in Delhi and elsewhere, could have been an occasion for a political upheaval. But a sympathy vote of the electorate confirmed the dynastic succession of her son, Rajiv Gandhi, a handsome, progressive, affable young man but ill-equipped and inexperienced in statecraft and the ways of wily politicians or those of the coterie of ambitious sycophants who managed to surround him. Bofors and other scandals, the unsuccess of his various initiatives - like the Longowal Accord to end Sikh militancy in the Punjab, agreement with the Assam Gana Parishad to assuage a hostile community outraged by seeing Muslim immigrants illegally altering the very ethnic character of the state from what was now foreign territory, and despatch of the Indian Peace-keeping Force to Sri Lanka under the accord with Jayawardene ostensibly to protect Tamil rights while maintaining the integrity of the island republic but leading to violent suppression of the LTTE (Liberation Tigers of Tamil Eelam) and the ignominious withdrawal of the IPKF (Indian Peace Keeping Forces) - fiscal and financial profligacy and inability to eliminate power-brokers or democratise the Congress Party led an irate electorate to repudiate Rajiv Gandhi's mandate in 1989, reducing the representation in Parliament of the Congress (I) from 415 to a miserable 197. Vishwanath Pratap Singh of the National Front - mainly the Janata Dal with the support of a few regional parties - was the new Prime Minister of a minority Government with outside support of the Bharatiya Janata Party (BJP) and the Leftists, mainly the CPI(M) and the CPI. A coalition Government was ruled out as the BJP was anathema to the Communists. V.P.Singh

proved only too true to his own prophecy that he would be a disaster as Prime Minister. He could not persuade Chandra Shekhar to join the Cabinet and soon fell out with his Deputy Prime Minister whose sole interest was to cultivate the farmers' lobby with an urban-rural divide and the pursuit of his family interests. V.P.Singh directly encouraged minorityism and casteism as though linguistic and religious differences were not enough as a heavy cross for the nation to bear. He suddenly produced from under his hat the Mandal formula of 27% reservation of Government jobs, irrespective of merit, for the so-called Other Backward Classes (OBCs). Of the bloated Indian bureaucracy, estimated at 17.5 million, the Centre has about 5 million employees. With 200,000 jobs failing vacant in a year, OBCs, numbering more than half the population of 840 million, would have barely 54,000 reserved for them. Was it worthwhile introducing casteism of the worst type for such a pittance? Obviously, the intention was to build a vote-bank - matching that which the Congress Party had built up over the years of Scheduled Castes and Tribes, Muslims and other minorities and upper class Hindus - and fundamentally altering the Indian power equation. He also wooed the Muslims by supporting them in the controversy over the relocation of the mosque built by Babar to commemorate his conquest of India on a site sacred to the Hindus as the birthplace of Lord Rama. The charismatic BJP leader L.K.Advani thwarted him with his rath-yatra from Gujarat to Ayodhya. His arrest before he could enter Ayodhya and police firing on Hindu mobs congregating at the site of the Hindu temple demolished by Babar led to withdrawal of BJP support and the fall of the V.P.Singh Government. Too involved in domestic political issues, the economy was allowed to get out of hand.

Then followed what might be best described as a comic opera. 54 members of the former ruling party, under the leadership of Chandra Shekhar and Devi Lal, formed a new Samajwadi Janata Dal (SJD) and staked a claim to form the new Government with outside support of the Congress (I). The President should have been well-advised to dissolve Parliament but no party other than the BJP wanted an immediate election. The Congress (I), it is said, assured the President, R. Venkataraman, that it would allow Chandra Shekhar to function for at least a year. The new Government did not even have enough party-members to man all the portfolios. However, Chandra Shekhar, true to his inborn belief that he was fated to be India's Prime Minister, albeit for a short period, showed tremendous drive and personal energy. The Indian press lapped him up as true Prime Minister material. But, in reality, it was but a puppet show. Many crucial decisions - appointments like that of T.N. Seshan as Chief Election Commissioner, dismissal of the DMK Government in Tamil Nadu for collusion with LTTE and postponement of the national budget - were taken to suit Rajiv Gandhi's direct or implied wishes. The Chandra Shekhar Government came down crashing on the flimsy ground that two Haryana constables were found snooping on visitors outside Rajiv Gandhi's residence. Humiliated, Chandra Shekhar resigned even without a formal vote of no-confidence. The President ordered fresh elections and Chandra Shekhar continued as caretaker Prime Minister. Jammu and Kashmir State was excluded as no fair and free poll could be guaranteed in that disturbed part of the country while Punjab was to go to the polls later so that adequate security personnel could be diverted from other states. The Congress (I) chose to boycott participation in the Punjab poll and the BJP chose, despite initial opposition, to accept the Akali challenge.

The poll was held in two phases, separated by an unconscionably long period of three weeks. The first phase, involving about 40% of the electorate, was held on May 20 and might be deemed to represent the true mood of the electorate. The second phase was postponed, much to the chagrin of the BJP, from May 23 and 25 to June 12 and 15, due to the tragic assassination on May 21 of Rajiv Gandhi by a woman suicide-bomber, Thanu, of the LTTE at an election rally at Sriperumbudur in Tamil Nadu. Apparently, Prabhakaran, the Tamil Tiger supremo, had ordered Rajiv's elimination owing to the role of the IPKF in Sri Lanka. He feared that Rajiv would return as Prime Minister. The traditional opposition parties were discredited and in utter disarray while the mood of the Congress (I) was upbeat with Rajiv Gandhi mingling with crowds, shorn of security, aloofness and arrogance. The nation survived his assassination without any repetition of the tragic aftermath of Indira Gandhi's death. A big blow has, however, been struck at the Nehru-Gandhi dynasty which has dominated post-independence India. Rajiv did not live to groom his apolitical son Rahul, 20, or his politically-conscious and self-assured daughter Priyanka, 19, for the family heritage. The coterie made a serious attempt to rope in the widowed Sonia - blocking Narsima Rao or Sharad Pawar - but she was not interested and only too conscious of her limitations and Italian origin and much concerned about the security of her children. The growing middle class and many ambitious politicians within the Congress fold are dead-set against any attempt to revive the dynasty. Priyanka may, however, be persuaded to lead the Congress youth organisation before she can qualify for office on reaching the age of 25. It remains to be seen if Sonia Gandhi will be persuaded to contest the Parliamentary seat, Amethi, held by her late husband. Meanwhile, Narsimha Rao, a decent, well-educated, non-controversial old man without pretensions of charisma or personal following or even a seat in Parliament which he did not seek owing to illhealth, has been sworn in as Prime Minister. He has shown considerable finesse in downgrading the coterie but it remains to be seen if he will turn out to be a strong, decisive leader. The coterie of Rajiv loyalists would like to build an alternative power-centre around Sonia.

The electorate, in its verdict, has shown its disillusionment with the corruption, nepotism, inefficiency and rapacity of politicians in general and with the Congress and other parties which broke away from the old banyan tree from time to time but did not shed the Congress culture. After the failure of the two preceding Governments, Congress should have come back with a thumping majority, as in 1980, but it is no longer trusted. The electorate has thrown up a new Party, BJP, and shown its preference for the introduction of a two-party system. The present Congress Government will attempt to strengthen itself with defections, particularly from the rump of the Janata Dal and the SJD, but may not survive its own internal contradictions and ambitions of too many potential Prime Ministers. Sooner or later, the Congress will split - as in 1969 and 1978 - with a substantial right-wing joining the BJP, while leftist Congressmen, still wedded to Stone-Age Socialism, might coalesce with other parties with radical leanings.

The powerful middle class - now between 150 and 200 million - the older ones brought up in the traditions of the London School of Economics remain stoutly Fabian - and young entrepreneurs now coming up feel that India would do well if there was less government and more free enterprise. They are impressed by the spectacular rise of the Asian Tigers - South Korea, Taiwan, Hongkong and

Singapore - and lately of Thailand, Malaysia and Indonesia. The pressure of this new grouping is forcing the old-guard Narsimha Rao Government into unshackling the caged Indian Tiger. India has tremendous resources. She could be the Food Sheikh of the world. 54% of India is arable against 14% of China. Her perennial streams drain both sides of the Himalayas. She has vast mineral and energy resources. A quarter of the world's hydroelectric potential lies untapped in the 3000-metre drop in the 90km loop of the Brahmaputra in the eastern Himalayas.

But Indian policy was out of tune with her basic economic and military strength. India missed the opportunity of being built up like Japan or Germany. The debacle of the War with China in 1962 opened Nehru's eyes. India, he admitted, had been living in a world of her own, divorced from reality. He did not live long enough to change course and Indira Gandhi made Nehruvian Socialism more populist and State-oriented and Nehruvian Non-alignment more anti-American. Global interests of the United States did clash with India's regional interests but the three Wars with Pakistan might well have been avoided if India had minded her own business and played a role in world affairs commensurate with her basic strength. Now a change is being forced upon India, as was the case in China, with sweeping changes in the international environment and the emergence of a new world order. Those cast in the old mould accept the need for sweeping changes but continue to cite the gospels even when undermining Nehruvian Socialism and Non-alignment.

Apart from disillusionment with the ruling élite, the nation went to the polls in the shadow of a grim economic situation, resulting from long-continued financial and fiscal profligacy. In ten years of Congress rule in the 1980s the foreign debt had increased from \$ 21 billion to \$ 71 billion while the internal debt had mounted to the astronomical figure of Rs 2.5 trillion. Much of the foreign debt is commercial and servicing of loans has created a foreign exchange crunch. Inflation is now above 10% and shortages and high prices are hitting the common man. The nation has lived too long on borrowed funds and now faces retribution for past sins of the Government. Another major concern is the increasing failure of the establishment to maintain law and order. Nor has it been possible to contain militancy in the Punjab and Jammu and Kashmir, with Pakistan actively supporting the insurgents with training, funds, arms and sanctuary. The common man is now sick of the militants and offering greater support to the security forces.

Political analysts anticipated that the poll would result in a hung Parliament with no party having an absolute majority. The Congress (I) was given a minimum of 160 and a maximum of 200 seats, the BJP a minimum of 120 and a maximum of 160 seats, the Janata Dal a minimum of 90 and a maximum of 120 seats, the SJD a maximum of 30 seats while the two Communist parties were expected to retain their previous strength of about 50 seats. The remaining seats in Parliament would be taken by regional parties along with a few independents. Actually, the voter had a mind of his own. The major parties finally emerged with the following tally in Parliament:

	1989	1991
Congress (I)	197	225
BJP	86	119
Janata Dal	143	55
SJD		5

The electorate badly mauled V.P.Singh's Janata Dal and trounced Chandra Shekhar's Samajwadi Janata Dal.

Other significant results of the 1991 election were: CPI(M) 35; CPI 13; Telegu Desam 13; AIADMK 11; Shiv Sena 4 and Jharkhand Mukti Morcha 6. Other seats were won by small regional parties and only one independent was returned. The Congress lacked around 30 seats for an overall majority.

The Congress managed to get more seats than in 1989 despite the drop of its share of national vote from 39.53 to 37.57% since the other parties did not present a united front with seat adjustment among themselves. It lost much of the Muslim vote to the Janata Dal, the OBCs were divided, so were the Harijans, while the middle class, the upper castes, including the Brahmins, shifted to the BJP. "Ram" had an emotional attraction for women who turned to the BJP but many women retained their attachment to the Congress of the Nehru-Gandhi dynasty. Middle aged men and the elderly had inertia against change while the business community, students, the youth and much of the intelligentsia turned to the BJP.

The Congress (I) would have fared much worse but for the swing in its favour, a breeze in the North and a wave in the South, in the second phase of the General Election. Rajiv dead proved more valuable to the Congress than Rajiv alive would have done as the following figures clearly bear out:

	Congress (I)	BJP	Janata Dal
Pre-assassination (May 20)	32.90%	23.75%	12.21%
Post-assassination (June 12 & 15)	40.65%	19.09%	11.20%
Swing between two phases	+ 7.75%	- 4.66%	- 1.01%
Share of overall national vote 1991	37.57%	20.95%	11.60%
Share of overall national vote 1989	39.53%	11.49%	17.66%
Swing 1989-1991	- 1.96%	+ 9.46%	- 6.06%

The Congress would have lost at least 40 or 45 of the seats it won but for Rajiv's assassination bringing to it an overall swing of 9.71%. The BJP should have been the gainer as it was the second largest party in 130 constituencies, losing some by narrow margins. The BJP won, for instance, 10 seats in Rajasthan in the first and only 2 in the second phase. The BJP which had 2 seats in 1984 and 86 in 1989 set out to double its share of the national vote. It had made up its mind not to enter any coalition lest it should dilute its ideology or policies. Moreover, its eye was set on the next election - it may come much sooner than the normal life of 5 years of Parliament - when it hopes to outstrip the Congress and become the mainstream ruling party. In the first phase it more than doubled the national vote.

The pro-Congress swing was so pronounced in Tamil Nadu that the former ruling party, DMK, did not win a single Parliamentary seat and only the former Chief Minister, Karunanidhi, was returned to the State Assembly. In Andhra Pradesh the Telegu Desam was all set to recover but lost in the second phase. Chandra Shekhar helped Congress, with expectation of a tie-up in a coalition Government, in rousing nation-wide emotions. State mourning was ordered for

seven days. A special train carried VIPs and the bereaved family for the immersion ceremony at the Sangam, the confluence of the Ganga, Yamuna and the mythical Saraswati. Urns carried Rajiv's ashes to all corners of India while a special train took the ashes through Tamil Nadu, drawing massive crowds. The Chief Election Commissioner had done his bit with a three-week postponement of the poll.

In southern India, at both the national and the state level, V.P.Singh's Janata Dal has been wiped out. The CPI(M)-led Left Democratic Front has been humbled in Kerala, Karunanidhi's DMK has had a black-out in Tamil Nadu, while the real gainer has been the BJP which, by making a substantial dent in the voting-pattern, has established its claim as a national mainstream party. It supported the Congress (I)-led United Democratic Front informally in vulnerable State Assembly and national constituencies to keep the ruling CPI(I) out - a move that proved highly successful. In Tamil Nadu, where Rajiv was assassinated, no party other than the Congress (I) and its poll ally AIADMK, led by the charismatic Jayalalitha, had a chance. The BJP did exceptionally well in the other two states:

	BJP share of national Vote			Seats won
	1989	1991	Swing	
Karnataka	2.6%	28.8%	+ 26.2%	4 (21 seats went to Congress)
Andhra Pradesh	2.1%	8.8%	+ 6.7%	1 (24 seats to Congress/14 to TDP)

In Kerala BJP helped Congress (I) gain 13 seats against 3 for the CPI(M).

In Western India, the strong personality of the Chief Minister, Sharad Pawar, who has since moved to the Central Government as Defence Minister, kept the Congress (I) in full command with 37 Parliamentary seats while the BJP won 5 and its supporter Shiv Sena won 4 seats. In Gujarat the BJP made a tremendous show of strength against the ruling Chimanbhai Patel Janata Dal (G) - Congress (I) combine:

	1989	1991	Swing	Parliament seats won
BJP	29.6%	51.4%	+ 21.8%	20
Congress (I)	24.0%	28.4%	- 4.4%	4
JD(G)	-	13.5%	-	1

In North India, the traditional home of the Congress, it suffered severe setback at the national level. It lost control of Uttar Pradesh to the BJP while Bihar remained under Janata Dal domination, thanks mainly to its dynamic Chief Minister, Laloo Prasad Yadav, whose fiery oratory, it is alleged, was backed by widespread violence, rigging and booth-capturing, with the Election Commission ordering repoll in many areas. Since the electorate was mistrustful of politicians of whatever hue or party, its vote tended to be anti-establishment which helped the Congress to regain control of some State Governments.

Haryana had for several years been the fiefdom of Devi Lal and his family had strutted around with all manner of scandals, land-grab and violence against political foes. The electorate threw Devi Lal's SJD out, the former Deputy Prime Minister losing his own attempt to enter both Parliament and the State Assem-

bly. The Congress won 51 of the 90 State Assembly seats and the new Chief Minister, Bhajan Lal, is preoccupied with settling old scores with Devi Lal and his kinsmen with criminal and civil cases. All 9 Parliamentary seats went to Congress.

Himachal Pradesh: Congress and the BJP got 2 Parliamentary seats each. Since the State has a BJP Government. The electorate showed its anti-establishment sentiment by giving the Congress a swing in its favour of 4.2% to 46.2% and the BJP a negativ swing of 2.4% to 42.8%.

Delhi, the nerve-centre of the nation, remained in the firm grip of the BJP. It won 5 Parliamentary seats with a swing of 13.9% to 40.1% while Congress secured 2 seats with a negativ swing of 8.6% to 34.9% despite the valiant effort of a matinée idol, Rajesh Khanna, who gave L.K.Advani, BJP leader, a run for his money.

Rajasthan has a BJP Government. It did exceptionally well in the first phase but the sympathy vote was too pronounced in this backward, emotion-ridden state. The Congress won 13 seats with a swing of 7.1% to 44.1%. The BJP won 12 seats with 41% of the vote.

Madhya Pradesh, which has a BJP Government, was also affected by both the sympathy and the anti-establishment factors. Congress secured 27 and the BJP 12 seats.

In Bihar, ruled by the Janata Dal, Congress failed to win a single seat. Janata Dal secured 27 (31.7% with a negative swing of 4.2%), BJP 5 (17% with a swing of 4.8%) and the Jharkhand Mukti Morcha, a regional party seeking autonomy within the Union, 6 seats (4.8% with a swing of 1.7%).

Orissa has a dynamic Chief Minister, Biju Patnaik, but he has been at odds with V.P.Singh and the Janata Dal leadership since advocated coalescence with the Congress. The Janata Dal won only 6 seats (32.1% with a negative swing of 16.9%) while Congress secured 12 seats (43.7% with a swing of 5.3%).

Uttar Pradesh is traditionally the jewel in the crown of the Indian Union. It has 87 seats in Parliament and has not only been the traditional home of the Congress but also the backbone of the Nehru-Gandhi dynasty. All Prime Ministers of India, barring Morarji Desai and Narsimha Rao, hailed from this state. BJP has grabbed the crown at both the Central and the State level. It won 50 of the 87 Parliamentary seats (33% with a swing of 24.8%) while Janata Dal secured 22 seats (22.1% with a negative swing of 10.4%) and the Congress 5 seats (18.1% with a negative swing of 12.2%). Many Congress stalwarts - including a potential Prime Minister, N.D.Tiwari, and former External Affairs Minister, Dinesh Singh - were felled. In the State Assembly, BJP has an absolute majority of 211 against 91 for the Janata Dal, 46 for the Congress, 30 for the SJP and 26 for other parties and individuals. The road to power in Delhi traditionally leads from UP and BJP Government in the State will be very much on trial. From present indications the BJP leadership gives the highest priority to the maintenance of strict law and order, full protection of all communities and no communal or sectarian riots which had marred the previous administration. It has posted its most competent district and police officer to sensitive, riot-prone areas. Its next objective is to accelerate economic development with pressure on the central government for more funds and approach to Non-Resident Indians, who are generally well-disposed to the BJP, for direct investments. It wants to build the temple at Ramjanambhumi in Ayodhya but wishes to proceed cautious-

ly. It would try to win local Muslims to the idea of relocating the Babri Masjid - many Masjids have been relocated in Egypt and Pakistan to accommodate irrigation and other projects - and alternatively to get the High Court to hasten its judicial proceedings. Muslims have indicated that they would withdraw all objections if the High Court holds that the Mosque was built on the actual site of the Ram temple. Otherwise, the BJP may be compelled to acquire the disputed site - as the V.P. Singh Government did by ordinance and hastily withdrawing when its Muslim allies objected - and face the consequences.

In Assam the anti-establishment vote brought Congress to power in the State Assembly in place of the Assam Gana Parishad which had been superseded by Presidential rule to deal with ULFA militants and the Bodo demand for regional autonomy. The party position was Congress 65, AGP 19, BJP 10, Others 31. Congress gained 8 Parliamentary seats with 28.7% of the vote against 2 for the AGP with 17% of the vote. BJP made its maiden appearance in Assam winning 2 seats for Parliament with 8.6% of the vote.

In the 6 Eastern States the Congress monopoly for the Lok Sabha was broken. Though Congress secured 8 Parliamentary seats, two regional parties, the Manipur People's Party and the Nagaland People's Council, gained one seat each.

West Bengal remained Jyoti Basu's CPI(M) bastion. The BJP, which raised its tally from 1.7% to nearly 10% of the poll, played havoc with the Congress. CPI(M) gained 27 seats in Parliament (35.1% with swing of 0.2%) against 5 for the Congress (34.9% with negative swing of 4.9%). For the State Assembly, the BJP secured votes at the cost of both the CPI(M) and the Congress. The CPI(M) vote slumped from 52.95% to 46%, with 188 seats, while the Congress vote slumped from 41.8% to 35% with barely 43 seats.

The 1991 General Election is unique in many respects. While all previous elections dealt with immediate issues, many substantive ideological questions have come to the fore. India was partitioned in the name of religion; yet, it is a home for 100 million Muslims even though the world today has about 20 Islamic States, with two in India's immediate neighbourhood. Under Nehru's leadership, India chose to be a secular democracy with Socialism and Non-alignment as its creed. All four Nehruvian principles of Indian polity are being questioned.

Are we truly secular with our constitutional and other safeguards for the minorities and the build-up over the last 40 years of Muslim and other minority vote-banks for the Congress, the Janata Dal etc. and attempts to keep the majority community, the Hindus, divided so much so that it feels that it has been reduced to second class citizenship? The phenomenal rise of the Bharatiya Janata Party is an indication of deep dissatisfaction within the majority community which feels that its voice should prevail like that of the Muslim majority does in Pakistan or Bangladesh. Pampering of minorities, in the opinion of the BJP, is pseudo-secularism and impedes the growth of State-Nationalism in this multi-religious, multi-ethnic, multi-lingual society where every citizen must consider himself Indian, first and last, irrespective of caste or creed.

In Kerala a new Muslim majority district, Malappuram, was created solely to garner Muslim votes. Article 44 of the Indian Constitution directs the State to strive for a uniform civil code for all citizens. Yet, in the celebrated Shah Bano case, the Rajiv Gandhi Government nullified the Supreme Court's decision to make the husband responsible for maintenance of his divorced wife as authorised

under laws framed when Britain governed India. The main objection of Muslim leaders, like the Shahi Imam and Syed Shahabuddin, was that the Koranic law does not contemplate such maintenance grant. But the Indian Penal Code, which applies to all Indians, from the British days, is not based on the Shariat. The BJP is much concerned about India's burgeoning population but stiff control measures, as in China, have so far been ruled out as orthodox Indian Muslims object to any interference with the Islamic law permitting four wives. Bigamy is banned for all non-Muslims in India. The Hindus have begun to feel that they are discriminated against. The BJP feels that if majority communalism is bad, so is minority communalism. It demands equal treatment for all citizens with neither privilege nor disability for any individual, community or political party.

Quite a few politicians, several within the Congress, are beginning to feel that minorityism has not served either the national or their party interests. 6% of the superior administration and 12% of the Indian armed forces are Sikhs, who number less than 2% of the Indian population. The Punjab is India's granary and its per capita income is twice the Indian average. More than 6 million sikhs are flourishing in trade, industry, transport and agriculture outside the Punjab. Yet, the Punjab is facing Pakistan-backed militancy. Kashmir enjoys special status in the Indian Union under Article 370 and more central funds have been pumped into that state per capita than in other neighbouring states. Yet, terrorism and secessionism, fanned by fundamentalists and the Inter Services Intelligence of Pakistan, have raised their ugly heads. Disaffection and disorder in Assam are the result of long-continued infiltration of illegal Muslim immigrants. Minorityism is thus threatening the unity and integrity of the nation. The electorate has given a clear verdict against communalism, casteism and pseudo-secularism by returning the BJP as the second-largest party in Parliament with a footing in all parts of India.

The electorate, particularly the middle class, is now asking whether we are truly a Democracy. The founding-fathers have given India a noble Constitution but, over the years, democratic institutions and democratic ways of life have largely eroded at the hands of unscrupulous, self-seeking politicians. Nehru was a great parliamentarian, who respected the Opposition. He had warm, personal relations with many of its leaders. But as the old guard passed away, India has degenerated into Democracy by Demonstration and Government by Capitulation. A Government, hamstrung by the tradition of consensus, procrastination, nepotism, caste or sectional interests, submits to populist demands backed by demonstrations, bunds, strikes and gheraos. The sanctity of parliamentary debates is marred by noisy walkouts and occasional fist-fights. Problems are not faced squarely with the hope that they would solve themselves with the efflux of time. Personal or group loyalty and sycophancy prevail over merit and rectitude. Elections are highly expensive and have promoted a mafia-type politician-bureaucrat-industrialist nexus, with criminal elements not merely supporting but actually entering august Assembly chambers as members and Ministers.

Electoral reform is overdue and suitable pattern exists in the German Basic Law which rectified the failings of the ultra-democratic Weimar Constitution with its shortlived governments, shifting loyalties, rule by decree, and imposed Chancellors and Ministers. In India the need for electoral reform has been discussed ad nauseum but no progress has been made so far. However, the Narsimha Rao Government intends to process legislation to the effect that those who

advocate secession will be debarred from election - a provision to be first applied in the Punjab if and when the postponed elections take place.

The electorate has thrown out many professional politicians and given the signal for alignment into two parties - one right-and the other left-wing. If in a hung Parliament like-minded parties do not learn to form coalitions, the next mid-term election - which may well take place in 18 months or so - may bring into power a new grouping of the BJP and moderate Congressmen, the Opposition then comprising radical Congressmen and Leftist and other dissident groups. Any party that tries to remain in power by promoting dissidence and attracting defections will be suitably punished by the electorate. It wants strong, stable government which actually works.

The Indian economy is currently undergoing its severest crisis since Independence, the cumulative result of a decade of populist give-aways, wasteful expenditure, enormous trade and budget deficits, cost overruns of development projects, unproductive public sector, corruption and excessive borrowing, foreign and domestic. The nation has obviously been living beyond its means while keeping the ingenuity and initiative of its talented entrepreneurs curbed with all manner of controls. The foreign debt crunch was so serious that at one time the reserves were hardly adequate for two-week imports. For the first time, India faced the possibility of default in servicing of its debts. Inflation and high prices were major factors responsible for alienation of much of the electorate.

The BJP openly condemned Nehruvian economic policies - the commanding heights of the public sector and constraints on the private sector - and stood for rapid liberalisation, modernisation and globalisation of the Indian economy. It had much support from leading economists and the senior bureaucracy and, of course, the upcoming industrial and business community. The sheltered, high-cost inward-looking mixed economy suited the old industrial and commercial barons, hand in glove with venal politicians. Militant trade unions and the bloated middle- and lower-level bureaucracy would of course resist any U-turn from Nehruvian Socialism. For at least a couple of years belts would have to be tightened and unemployment which already stands at more than 20 million might go up by another 5 million, not taking account of sizeable underemployment. The crisis has indeed been so serious that in a sense it has turned out to be a blessing. Even the Congress - with its traditional inertia against change - has been compelled to embark on a breath-taking, rapid-fire perestroika in the Indian economy. India has all along had her glasnost and democracy and now faces the daunting task of radical socio-economic changes inherent in the global market economy. The Asian Tigers had development under dictatorial or semi-authoritarian regimes but India intends to prove that it is not necessary to scrap democratic institutions, to extinguish the spirit of freedom or to undermine the dignity of man, to bring economic prosperity, or social strength, to a nation.

Nehruvian Socialism is now so discredited, partly as a result of revolutionary changes in Eastern Europe and the citadel of State-planning, the Soviet Union, that, within a month of its installation, the new Indian minority Government, with a technocrat, Dr. Manmohan Singh, as Finance Minister has embarked on a policy of devaluation, deflation, de-regulation and de-nationalisation. A hefty 20% devaluation of the rupee has been combined with wholesale abolition of export subsidies. Exports will be encouraged with replenishment certificates up to 30% of actual exports for imports. These will be tradeable and transferable to

parties who need imports. Substantial changes have been announced in industrial policy. The budget has introduced policy changes that impinge on several areas. The sugar subsidy is gone altogether while fertiliser subsidy has been reduced with 40% increase in fertiliser issue prices. Customs duties have been rationalised and reduced but overall customs revenue will increase due to higher price of petrol, and higher excise on tobacco products and consumer durables. Income and wealth taxes remain unchanged but corporate taxation will go up from 40 to 45%. Companies will however benefit substantially from the abolition of license-permit-quota raj for all industries except 18 mainly strategic or defence-related industries of which only 8 will be in the public sector. Foreign equity holding will now be allowed up to 51% without restriction and up to even 100% for wholly exporting firms. The asset limit of MRTP companies has been abolished since Indian giants are pygmies by international standards. A special Board will be set up to woo MNCs and import of technology will be facilitated. 20% disinvestment is contemplated in certain State enterprises, netting Rs 2.5 trillion. The fiscal deficit will be reduced from the current 8.5 to 6.5% of GDP (Gross Domestic Product) as advised by IMF (International Monetary Fund). The IMF Chairman has applauded the sweeping changes made in Indian economic policy.

Dollar bonds will be issued by State Bank of India to encourage flow of foreign exchange, particularly from Non-Resident Indians. Foreign exchange remittances to India up to Nov. 30 will not attract gift tax. To mop up black money no questions will be asked for deposits with the National Housing Board (NHB). 40% will be locked in for an NHB-managed fund but the balance which is taxable can be withdrawn by the depositor. Interest has been raised as a deflationary measure. Industry has welcomed the new measures and share-values have shot up substantially. Dr. Manmohan Singh visualizes the emergence of India as the next Asian miracle Economy while the BJP Secretary-General has commented that "this Government has taken more radical steps in one month than past Governments have in 43 years".

Non-alignment could perhaps be justified in the early days of independence but it is now being questioned even by some elements within the Congress. The BJP tends to hold that Pakistan could not possibly have sustained its hostility towards India and embarked on three Wars if India had not made the mistake of spurning US overtures, beginning with Truman, repeated by Kennedy and continuing with Carter. Pakistan has all along benefited from its pro-US stand in the Cold War and particularly during the Afghan imbroglio to get enormous military and economic aid, getting away even with its nuclear-weapons ambitions and 70% of the world heroin trade. Even today India is facing Pakistan's proxy war in Punjab and the Kashmir Valley. A new world order is emerging. The US may be the sole superpower today but the unipolar world is unlikely to last more than 5 or 10 years, with the emergence of a united Europe, a resurgent Russia, an economically powerful East Asian Rimland, with Japan as its core, and an economically-viable China. India has served the cause of the Third World at much sacrifice of her vital interests but stands largely isolated in the world. There is particular disappointment with the Arabs who have been largely pro-Pakistan and imposed, without recompense, a \$ 2.5 billion burden on India through the Gulf War, triggering the present crisis. Quite a few pandits, well-versed in international affairs, want India to get closer to Japan, Germany and the United States and even mend fences with Israel.

India is poised for revolutionary changes in her domestic and foreign policies. The main question is whether the ruling Congress will stand united enough or succumb to internal squabbles and contradictions from powerful elements who suffer loss of influence and authority from the erosion of the fundamentals of Nehru's policies and the disappearance from the political scene of the dynasty which ruled India for nearly four decades. If the Congress cannot hold together - all Governments, like human beings, as they say, begin to die the day they are born - the electorate will be in a mood to entrust the nation's destinies to new, untried men of a new, dynamic Party.

New Delhi, August 4, 1991.