

ISAS Brief

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India's Politics in 2018:

Elections hold the Key to Government Policy¹

There will be eight Assembly elections in India in 2018, followed by the national elections in 2019. Much of what will transpire in 2018 in the areas of politics and governance will largely be dictated by the elections. Unlike the Uttar Pradesh Assembly election in 2017, where the Bharatiya Janata Party won a crushing victory, the elections in 2018 are all likely to be much closer. While Prime Minister Narendra Modi still enjoys high approval ratings, the opposition would be looking to exploit the rural discontent in large parts of the country.

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The election result in the Indian State of Gujarat in December 2017, where the Bharatiya Janata Party (BJP) won a relatively close contest against the Congress, was the precursor to a set of crucial Assembly polls in 2018. Eight States, including Karnataka, Rajasthan, Madhya Pradesh (MP), Chhattisgarh and four Northeastern States, will go to the polls in 2018.

¹ The Institute of South Asian Studies (ISAS) at the National University of Singapore (NUS) has undertaken a prognosis of the eight South Asian countries in 2018. This is both opportune and relevant, given significant developments in the region. Although it requires some crystal ball-gazing, such prognosis is important in providing an understanding of the outlook for each country. This paper is part of a series of nine papers on key development in the eight South Asian countries, namely, Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka, this year.

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Upcoming State Elections

The BJP had a convincing win in the Uttar Pradesh Assembly election in 2017. However, the polls in 2018 are likely to be fairly close. One of the reasons for this is that, in the four bigger States of Karnataka, Rajasthan, Madhya Pradesh and Chhattisgarh, the elections will be a straight contest between the BJP and the Congress. Only in Karnataka, which is also the only major state currently governed by the Congress, is there a significant third player – the Janata Dal (Secular) [JD(S)]. However, the JD(S) is a regional party which does not have state-wide influence and is strong only in certain pockets of Karnataka.

The BJP will also be looking to make inroads into the Northeast, where four states – Nagaland, Meghalaya, Tripura and Mizoram – will hold elections in 2018. While elections will be held in Nagaland, Meghalaya and Tripura in February 2018, the polls in Mizoram are scheduled for end-2018. The BJP is already in power in Assam, the largest Northeastern State, and is part of the ruling coalition in Nagaland. The party will be especially keen on toppling the Congress in Meghalaya and ending the Left Front's 25-year tenure in Tripura.

While predictions for Indian elections are always hazardous, anti-incumbency is likely to be a factor in both Karnataka and Rajasthan. In Karnataka, since the late-1980s, with the exception of the 2004 Assembly election where no party had a simple majority, incumbents have always been voted out. Similarly, in Rajasthan, no incumbent government since the 1990s has survived an election.

Madhya Pradesh and Chhattisgarh are two States where the government has bucked anti-incumbency for over a decade and the BJP has been continuously in power since 2003. This time around, the electoral contest in both states is likely to be close, especially in Chhattisgarh where, in the 2013 Assembly election, the difference in the vote share between the BJP and the Congress was under two per cent. Both Madhya Pradesh and Chhattisgarh will also be a challenge to the BJP's trusted method of winning state elections by projecting Modi as the face of the campaign. The three-term incumbent chief ministers of Madhya Pradesh and Chhattisgarh – Shivraj Chauhan and Raman Singh respectively – are strong leaders and it would be interesting to see how much space they will be willing to cede to the prime minister.

For the Congress, under its new president Rahul Gandhi, 2018 will be a crucial year. The challenge for Rahul would be to prove that Gujarat was not a one-off situation where the party, under his leadership, showed the capability of running the BJP close. Rahul would not only have to display the endurance to lead campaigns in state after state, but also ensure that the faction-ridden state units of the Congress are united during elections.

One of the takeaways of the Gujarat mandate was the importance of the issue of agrarian distress caused by a host of factors, including a crash in the price of some commodities, the impact of demonetisation and the implementation of the Goods and Services Tax (GST). In parts of Gujarat, rural voters turned their anger against the BJP. Rural distress could well come into play in Karnataka, Rajasthan, Madhya Pradesh and Chhattisgarh.

The Assembly election results of 2018 will also provide clues as to how the national elections in 2019 will turn out. One thing is for certain though – the BJP is likely to suffer losses in the national elections in at least three of the States – Rajasthan, Madhya Pradesh and Chhattisgarh – which go to the polls in 2018. In the 2014 national election, the BJP won 61 out of 64 seats in these three states, a performance that it is unlikely to improve on or even match. It would, thus, be looking to make up for this shortfall in other States such as Odisha, West Bengal and Tamil Nadu.

Institutions

Going beyond elections, 2018 will be a crucial year for India's democratic institutions. The most important news emanating out of India in the first few weeks of 2018 was the protest by four Supreme Court judges against the Chief Justice of India (CJI). In an unprecedented move, the four senior most judges of the Supreme Court held a press conference on 12 January 2018 to warn that the CJI Dipak Misra was ignoring rules in assigning cases. They have even hinted that the CJI might have shown bias in allocating cases. In an open letter, the judges said, "There have been instances where cases having far-reaching consequences for

the nation and the institution have been assigned by the Chief Justice of this Court selectively to the benches ‘of their preference’ without any rational basis.”³

Both the public airing of concerns by the Supreme Court judges and the levelling of serious charges by serving judges against the CJI were a first in independent India. It has the potential of undermining the higher judiciary, which is one of the few institutions that commands trust in India. At the time of writing, the CJI had engaged his colleagues in a dialogue but the issue is far from being sorted out. Restoring faith in the higher judiciary will be one of the most urgent tasks of 2018.

Government Policy

Given the nature of the Gujarat results and the prospect of rural discontent damaging the BJP’s prospects in the national elections in 2019, the government is likely to focus on rural stimulus. Several States, including Uttar Pradesh and Maharashtra, which are run by the BJP, have announced in 2017, huge farm loan waivers to help out indebted farmers. However, this might not impact small and marginal farmers who do not have access to institutional credit. This is also the same group which is largely left out of crop insurance coverage, an initiative rolled out by the Modi government. A policy tweak that the government might consider is to follow the scheme offered by the Madhya Pradesh government with regard to a minimum support price (MSP) for crops. Under the Madhya Pradesh scheme, farmers are paid the difference between the government’s MSP for a crop and its corresponding modal rate during a particular month of sale. The price difference is credited directly into the bank accounts of the farmers.

One might also expect the 2018 Union Budget – the last full Budget before the 2019 elections – to spend more on agriculture-related schemes. Finance Minister Arun Jaitley has already indicated that the falling prices of agricultural commodities are a concern. It is also a practice for the Budget before an election year to see an upturn in spending. The government will

³ “‘Chief Justice First Among Equals, Nothing More, Nothing Less:’ Judges’ Letter” *NDTV*, 12 January 2018. <https://www.ndtv.com/india-news/chief-justice-only-first-among-equals-5-top-quotes-from-judges-letter-1799228> Accessed on 18 January 2018.

continually fine-tune the GST so as to soften the blow on traders, many of whom are unhappy with its implementation.

Leaving aside economics, another issue to watch out for will be the government's policy towards the minorities and its handling of acts of intolerance. One of the last legislations that the government wanted to pass in 2017 was a Bill criminalising the practice of instant triple *talaq* or divorce. While the Lok Sabha (Lower House of Parliament) passed the Muslim Women (Protection of Rights on Marriage) Bill, the opposition stalled it in the Rajya Sabha (Upper House). The government has pitched the legislation as a move to empower Muslim women. However, on the question of reaching out to the minorities in general, and curbing acts of intolerance and violence by fringe Hindu groups, the government has dragged its feet. Indeed, one of the first major judgements by the Supreme Court in 2018 was overturning a ban by four BJP-ruled states on the screening of a film, which has been opposed by certain Hindu-caste organisations.

Conclusion

Much of what will transpire in 2018 in India will largely be dictated by the several Assembly elections and, more importantly, the national elections in 2019. Foreign policy, with the exception of relations with Pakistan, is largely peripheral to the elections. Not much though can be expected by way of big-ticket announcements on India-Pakistan ties. Rather what one might see are strong responses by India to any cross-border transgressions by Pakistan or terror incidents perpetrated by infiltrators from Pakistan.

Looking ahead to 2019, the BJP will be heartened by the high approval ratings for Modi despite having occupied the prime minister's chair for over three years. The opposition would, however, be looking to exploit the rural discontent in large parts of the country. What one can say with some certainty is that political temperatures will soar as 2018 goes on, and both the government's and the opposition's strategies will be planned with an eye on the national elections in 2019.

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