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Atal Bihari Vajpayee:

A Gentleman Politician and Statesman

Three-term prime minister of India, Atal Bihari Vajpayee, was a politician who believed in building consensus across parties to carry forward his policies. During his tenure, apart from initiatives on foreign policy, significant economic reforms and infrastructure development took place. The golden quadrilateral of developing national highways, linking the length and breadth of the country, was his idea. Vajpayee was a statesman and he will be sorely missed.

S Narayan¹

India's former Prime Minister, Atal Bihari Vajpayee, had been ailing for several years, but when the end came on 16 August 2018, it was still a loss that the nation found difficult to accept. The media, newspapers, columnists and people from all walks of life mourned the passing away of a political figure who believed in being a gentleman in politics and was always inclusive of ideas from all parties and well respected by political friends and adversaries alike.

Much has been written about the efforts Vajpayee made to reach out to Pakistan through a series of initiatives, his resolve in going through with the nuclear test in 1998, the response to

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the Parliament attack and the strong action he took during the Kargil conflict in 1999. He had already been Foreign Minister in the short-lived Morarji Desai government of 1977-1979, and even in that short tenure, he had endured himself to diplomats, both foreign and Indian, as well as to the leaders that he had met. Vajpayee had a feel for foreign policy, and with his able principal secretary, Brajesh Misra, made it a mission to reach out to Pakistan and, indeed, to all of India's neighbours. The discussions with China on Tibet and Sikkim took place during his tenure and he ended a dispute amicably for both parties.

What is less known are the steps Vajpayee took in economic liberalisation. The author was fortunate to witness several of these actions. One of the earliest that the author was part of were issues at the World Trade Organization (WTO), particularly in dealing with intellectual property rights. India, by an amendment to the Patents Act in 1970, at the behest of then-Indian Prime Minister, Indira Gandhi, had removed the granting of product patents, thus allowing for a large-scale growth in pharmaceutical formulations, which were chemically under patent elsewhere. The WTO agreement mandated that India agree to product patents. Otherwise, it would be in default. If it did not agree to the products patents by April 1999, India would face sanctions from the developed countries. By that time, Vajpayee was the Prime Minister and the Bharatiya Janata Party (BJP) was in power. The Rashtriya Swayamsevak Sangh (RSS) and the BJP were totally opposed to the Trade-Related Aspects of Intellectual Property Rights agreement and, indeed, to the WTO in general. As such, it was going to be difficult to get this amendment to the Patents Act through the India Parliament. It was the author's remit, as Secretary to the Government of India, Industrial Development Department, to prepare the amendment and take it to the Cabinet to get it cleared before sending it to the Parliament. Every minister opposed it. The Prime Minister did not intervene at this stage. A second attempt was equally fruitless. The author briefed the Principal Secretary on the importance of this matter. Vajpayee then intervened and said: "Let us go ahead". Such was his stature that everyone fell in line, and the Bill was passed. This was a time when the United States was very upset with India over its nuclear tests and was in a mood to retaliate on trade. The crisis passed.

There were several such occasions, where Vajpayee's one-liners took the country forward on great leaps to economic liberalisation. The major initiative to expand the road network and link the country through the grand quadrilateral of the east-west and north-south corridors came from an idea in a short poem that he composed. The telecommunication revolution

started with a fundamental change in policy that Vajpayee acceded to. The fixed-licence fee model, which was becoming a burden for telecommunication operators, was changed to a revenue-sharing model. Changes in the Securities and Exchange Board of India (SEBI) rules made the financial markets more transparent and introduced transaction speeds comparable with the best global exchanges. These included changes in the SEBI Act to give greater powers over delinquencies as well as the introduction of global practices in trading and settlement. The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act enabled banks to pursue delinquent borrowers more vigorously and brought in transparency to credit operations. The liberalisation of foreign investment rules enabled easy clearances of foreign investment proposals. The disinvestment of several poorly performing public sector enterprises took place during Vajpayee's leadership. Oil exploration was thrown open to the world through a transparent mechanism and a large number of investments happened. Customs duties were reduced from a peak of 40 per cent to 20 per cent. There were reductions in income tax rates to make them more citizen friendly. Subsequent governments have removed most of these measures but, during this time, it led to an improvement of investor sentiment and capital formation. The succeeding National Democratic Alliance (NDA) government benefitted, to a substantial extent, from the liberalisation steps taken between 2000 and 2003 which saw the gross domestic growth increase between 2004 and 2008, with the country achieving double-digit figures in 2006 and 2007.

Vajpayee was also astute in foreign relations. He would listen to issues and there would then be silence, waiting for his response, which would be slow in coming, but definitive and clear. He briefed the ministers who were attending the Doha Round of negotiations on the WTO and was very clear that India should not yield on the matter relating to agricultural tariffs.

Vajpayee was a firm believer in parliamentary democracy. He was always open to suggestions from the opposition, and always ready to have the requests from the opposition taken up for discussion. In 2003, when there was a furor in the parliament over some misdeeds by a stock-broker called Ketan Parekh² in the stock markets, Vajpayee readily

² Ketan Parekh, a former stock broker and a Director of the Madhavpura Mercantile Co-operative Bank, was convicted in 2008 for his alleged involvement in stock market manipulation scam between 1999 and 2001. He was accused of engaging in circular trading in stocks of a number of companies by artificially rigging the prices of certain chosen securities, using large sums of money borrowed from banks. See "SC orders Ketan Parekh to pay up Rs 50 cr in 2 months or face detention", Anup Roy and Abhijit Lele, Business Standard, 31

agreed for a joint parliamentary committee of all parties to investigate the situation, much against the wishes of his own colleagues, who felt that it would bring disrepute to the regulators and expose weaknesses in the exchange settlement systems. However, true to Vajpayee's expectations, the committee was quite satisfied with the working of the stock exchanges and the regulators, and the matter closed.

Vajpayee was close to the RSS and, indeed, a member, but kept his own counsel, and there were several occasions that he differed from their views, albeit politely and without being aggressive. On one occasion, when there was a difference between what the government wanted to do and what the RSS wanted on a highly confidential and sensitive matter, he sent a few of his officers, including the author, to the RSS headquarters to explain the government's stand to them. And such was the regard that the RSS had for him, they listened and did not protest further.

This ability of finding a consensus among differing perceptions was Vajpayee's great strength and helped him manage a large group of allies in his NDA between 1999 and 2004. One of the major reasons for the defeat of the alliance in 2004 was the poor showing by two of his allies, the All India Anna Dravida Munnetra Kazhagam in Tamil Nadu and the Telugu Desam Party in Andhra Pradesh.

Vajpayee was a gentleman politician and statesman. He will be sorely missed.

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July 2018. https://www.business-standard.com/article/companies/sc-orders-ketan-parekh-to-pay-up-rs-50-cr-in-2-months-or-face-detention-117073000089_1.html. Accessed on 20 August 2018.