

ISAS Brief

No. 512 – 12 September 2017

Institute of South Asian Studies
National University of Singapore
29 Heng Mui Keng Terrace
#08-06 (Block B)
Singapore 119620
Tel: (65) 6516 4239 Fax: (65) 6776 7505
www.isas.nus.edu.sg
<http://southasiandiaspora.org>



India's Cabinet Reshuffle: Modi Looks Ahead to the 2019 Elections

India's latest Cabinet reshuffle had two significant features. The first was the elevation of four younger ministers, including Nirmala Sitharaman, to Cabinet rank. The second was the induction of four former bureaucrats into the Union ministry. India's Prime Minister Narendra Modi will be hoping that these changes might improve governance and help him reap dividends in the 2019 national elections.

Ronojoy Sen¹

A Cabinet reshuffle had been on the cards for a while in India. However, with India's growth rate having fallen below six per cent in the April to June quarter of 2017, the lowest since March 2014, and elections less than two years away, the reshuffle on 3 September 2017 was being watched with greater interest than usual. Apart from the fall in the growth rate, there were several other immediate governance failures that would have had Prime Minister Narendra Modi worried. The two most prominent of these were the deaths of nearly 300 children at a government hospital in Gorakhpur in eastern Uttar Pradesh. The other was a breakdown of law and order in the northern state of Haryana where the supporters of a godman, who was being tried for criminal offences, went on the rampage, resulting in 30 deaths and 250

¹ Dr Ronojoy Sen is Senior Research Fellow and Research Lead (Politics and Governance) at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore (NUS). He can be contacted at isasrs@nus.edu.sg. The author bears full responsibility for the facts cited and opinions expressed in this paper.

injured. Both these states are currently ruled by the Bharatiya Janata Party (BJP), the main governing party at the Centre. Finally, the latest figures released by the Reserve Bank of India showed that the government's radical move in end-2016 to demonetise much of India's currency notes did not achieve its professed goal of flushing out black money.

BJP's Generation Next?

Though the current rejig, where nine new ministers were inducted, was not too dramatic, it was significant for two reasons.

The first was the elevation of four of the BJP's younger ministers – Nirmala Sitharaman, Piyush Goyal, Dharmendra Pradhan and Mukhtar Abbas Naqvi – to Cabinet rank. Each of the promotions was important in its own way. Nirmala, who was moved from commerce to the defence ministry, is the first woman to hold full-time charge of the defence portfolio. Besides the symbolism of a woman heading the defence ministry, her promotion was the result of Modi's and BJP President Amit Shah's belief that she had performed well as the Commerce Minister. Her negotiating skills, as well her ability to clearly articulate the government's policies, made her stand out among her peers. The appointment of a full-time defence minister also meant that the burden of Arun Jaitley, who was handling the two critical portfolios of finance and defence, was eased. How much elbow room the new defence minister will have and how she will handle the vital area of defence procurement, though, remain to be seen.

Goyal's appointment as Railway Minister was a recognition of the work that he had done in both power and coal, the portfolios that he had held earlier. Over the past three years, there have been significant additions to India's power capacity. The successful auction of coal mines has also benefitted the public exchequer and increased coal output. A change at the helm of railway ministry also had become imperative since there had been several train accidents in the recent past. While the ageing railway infrastructure was the reason rather than any incompetence on the part of the earlier railway minister, Modi wanted to send out a signal that he was serious about improving the railways. Goyal will have his work cut out since the Railways is a large and complex organisation, which is hobbled by huge losses and poor infrastructure.

The promotion of Pradhan and Naqvi had to do more with politics rather than performance. Pradhan, who now holds the petroleum and skills development portfolios, is a prominent BJP face in Odisha State, where elections are due in 2019. It might be noted that Pradhan won Modi's attention by successfully implementing the distribution of free liquefied petroleum gas cylinders to poor families, a pet scheme of the prime minister. Though Odisha is currently ruled by a regional party, the Biju Janata Dal, the BJP sees an opportunity to make electoral inroads in that state and even unseat the incumbent. Towards these efforts, Pradhan has already been playing a major role and is a likely chief ministerial candidate in Odisha. The elevation of Naqvi is more symbolic since he is one of the few prominent Muslim members in the BJP. Naqvi continues to remain in charge of minority affairs. His promotion will bolster his position within the government and possibly send a reassuring signal to the country's beleaguered Muslim minority.

Induction of Bureaucrats

The second important aspect of the reshuffle was that, of the nine new Union ministers, four are former bureaucrats. Of these, two – R K Singh and Satya Pal Singh – were already elected as BJP Members of Parliament. Two others, Hardeep Puri and Alphons Kannanthanam, will have to be inducted into the Parliament.

The selection of former bureaucrats signals three things. First, the prime minister believes that bureaucrats such as Puri, who is in charge of housing and urban affairs, will help the government achieve its targets before the 2019 national elections. Second, it confirms the impression that Modi is more comfortable working with technocrats than career politicians. Third, the turn to former bureaucrats shows the paucity of talent within the BJP's ranks.

Conclusion

The BJP seems very well-placed to return to power, without the help of allies, in 2019. Indeed, no one from any of the BJP's allies was inducted into the Cabinet in the current reshuffle. This included the BJP's most recent ally, the Janata Dal (United) [JD(U)], in Bihar. There is,

however, the possibility of a smaller reshuffle before 2019 to accommodate one or two ministers from the JD(U) and other allies.

In spite of a governance deficit and failure in areas such as employment generation, Modi still has high approval ratings. The cabinet reshuffle is intended to inject vigour into the government and, at least, give the impression that the prime minister is serious about addressing the gap between electoral promises and performance. This, the BJP high command believes, might help the party better its performance over its showing in the 2014 national elections.

.