

Wallah loada hot air

India's rags-to-riches PM Narendra Modi preaches reform, but his grandiose rhetoric is overblown

No politician has shaken up Indian politics in recent decades so much as Prime Minister Narendra Modi of the Hindu nationalist BJP party, the son of a chai wallah whose landslide victory swept him to power in May 2014. Some see him as a saviour: someone prepared to shake up India's ossified, scandal-ridden politics and stir the country's corrupt bureaucracy into action. Others say announcements of gargantuan projects – "Make in India", "Digital India", "Smart Cities", "Clean Ganga" – are just hot air.

Having witnessed previous government become increasingly bogged down in red tape, nepotism and corruption scandals that undermined its ability to govern, Modi put forward a wide-ranging political reform agenda in 2014. It encompasses macroeconomic stability, infrastructure and energy supply, foreign investment, the tax system, agriculture and urban development, India's federal structure, the social security system and, last but not least, anti-corruption measures. In short, Modi promised new dynamism and better governance at all levels.

Riding high

How does Modi's record look after three years in office? The government is trumpeting recent polls showing 61 percent of the population support its policies. Unsurprisingly, the opposition takes a different view. In a series of tweets, Rahul Gandhi, vice-president of the opposition Congress party, described the government's record as "3 years of broken promises, non-performance and betrayal of a mandate [...] Youth are struggling to find jobs, farmers are committing suicide and soldiers are dying at the border". Respondents to the survey quoted by the government were far less positive when asked their views on specific issues such as healthcare provision, safety and security in the cities, crime and rising food prices.

According to IMF figures, India has the world's fourth-largest economy and is growing at a rate of seven percent per year – a figure Europe can only dream of. But the previous government clocked up equally

impressive growth rates. Inflation is going down, but job creation has fallen far short of expectations. Every year 10 million more young Indians enter the crowded labour market. Even India's impressive seven percent growth rate isn't enough to accommodate so many new workers. To lessen the impact of unemployment, Modi's government is considering a universal basic income which would represent a radical act of redistribution in the face of India's chronic poverty.

The government proved itself capable of taking drastic measures last November, when, overnight, it declared all 500 and 1,000 rupee banknotes (worth approximately seven and 14 euros respectively) invalid. This meant [link regions asia article show from-rags-to-rupees-1898](#) 80 percent of cash in circulation ceased to be legal tender overnight. The main aim was to undermine India's thriving black market, and the resulting economic turmoil was a price the government was prepared to pay. Today, half the population believe the move was effective in tackling corruption, despite the fact Modi did not touch the foreign bank accounts where wealthy Indians store their ill-gotten gains. Meanwhile, a new goods and services tax (GST) is supposed to replace a raft of taxes, duties and regulations that differ from state to state and hamper economic development.

Dirty water

Other attempts to tackle major environmental issues have fallen flat. Modi's programme to clean up the polluted 2,500 km long River Ganges by 2018 is supported by a dedicated government ministry, but little progress has been made in building up the capacities required to clean waste water from cities on the riverbank.

Modi remains worryingly silent when Hindu chauvinists in his party promote anti-Muslim hatred, incite violence or condone absurd and aggressive "cow protection" politics which have led to the murder of beef exporters.

Overseas Indians in countries like the US and US have greeted Modi like a rock star. While India under Modi has forged closer relations with the USA, Japan, Australia and Europe, and improved its (not always positive) image among states in the unsettled neighbouring region such as Sri Lanka, Nepal and Bangladesh, he has failed to achieve the same with two critical neighbours: Pakistan and China. The dispute over Kashmir has led to repeated military conflicts on the country's border. Meanwhile, India sees China as a dangerous rival. China's maritime activities in the Indian Ocean, its huge investment in the "New Silk Road" as well as a decades-long dispute over the two countries' Himalayan border, stand in

the way of closer cooperation between the world's two largest countries.

There are major flaws and gaps in the government's record. *The Telegraph* takes a cautiously optimistic view of the government's financial policies and praises Modi's foreign policy, but says that "when it comes to questions of individual rights and institutional integrity, the Modi *sarkar* [government] is no better, and in some respects worse, than the government (or governments) that preceded it". For although Modi sees himself as being on the side of ordinary people, he largely ignores the fate of India's poorest and religious minorities, takes a retrogressive view of women and uses bullying tactics on the press. But thanks to his image as a "doer" from a humble background, he continues to poll highly.



Herbert Wulf

Duisburg

Herbert Wulf was Director of the Bonn International Center for Conversion (BICC) from its foundation in 1994 until 2001. He is currently a Senior Fellow at BICC and an Adjunct Senior Researcher at the Institute for Development and Peace, University of Duisburg/Essen where he was previously a Deputy Director.