

# Years of Instability Now Haunting India

by Ramtanu Maitra

India will most likely undergo midterm elections in the Lok Sabha, the Lower House of Parliament, sometime in 2008, almost a year before the present Congress Party-led minority coalition government, the United Progressive Alliance, completes its five-year term. The Indian Communists, with 61 parliamentary seats, have made clear that they are no longer willing to support the UPA government, and, as a result, the Manmohan Singh-led UPA will have to step down, yielding to the call for an early election.

It is almost a certainty, however, that the coming elections will fragment the Indian political scene even further. Both national parties—the Congress Party and the Bharatiya Janata Party (BJP), which together hold 250-odd seats in the present 540-seat Parliament—may further lose their grip in the next Parliament. Neither national party is offering solutions to the dire economic problems, which is why they are in so much political trouble. Their fragmentation would enable a mishmash of regional parties, each with 40-50 seats, and no national program or national vision, to emerge together as winners of a large majority of parliamentary seats.

It is a foregone conclusion that any government that comes to power under those circumstances cannot have a lifespan of more than two years.

Despite the danger, the likelihood of an early election is very real, and most of the political parties—small and large—have already begun preparing for it.

With the intent of rejuvenating the party by inducting new leaders, the Congress Party, a shadow of its past under the organizational leadership of Mrs. Sonia Gandhi, has asked all eight party general-secretaries to resign—a signal that elections are around the corner.

The second largest party, the BJP, during its three-day National Executive session in Bhopal, Madhya Pradesh, Sept. 21-23, called upon party members to “re-dedicate” themselves to wrest power from the “divided” ruling coalition at the Center.

The issue on which the government will be brought down has not fully emerged, although the Indian Left’s opposition to the India-U.S. nuclear deal is often cited as the likely issue. The Left has urged Premier Manmohan Singh to delay implementation of the controversial nuclear deal by six months, raising apprehensions that during that period, the Left expects that India will have a new government, which would re-evaluate the entire nuclear deal.



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*India's Prime Minister Manmohan Singh may face new elections very soon, because of the government's failure to develop infrastructure and improve conditions for the rural poor. The problem is that none of the opposition forces has a national vision or program for moving the country forward.*

## The Left's Powerplay

General Secretary Prakash Karat of the Communist Party of India-Marxist (CPI-M) told the government that the nuclear deal should be put on ice until it resolves differences with leftist parties which oppose the India-U.S. agreement. Indian leftists allege that the nuclear deal would bring India too close to the United States and undermine New Delhi's independent foreign policy.

So far, on paper, the Manmohan Singh government has not yielded to the Left's demands. Nonetheless, it is reported that the Indian Atomic Energy Commission chairman, Anil Kakodkar, who attended the Sept. 16 annual meeting of the International Atomic Energy Agency in Vienna, did not negotiate with the IAEA authorities a safeguards agreement necessary to make the India-U.S. deal operational.

Finalizing an India-specific safeguards agreement is one of the key steps to move the deal forward. Now it is mired in political controversy, with the Left parties threatening to withdraw support from the government if it goes ahead with the IAEA negotiations on safeguards.

The nuclear pact would give India access to American and other Nuclear Non-Proliferation Treaty (NPT) signers' nuclear fuel and equipment, even though India has tested nuclear weapons and has not signed the NPT.

Despite the ruckus created by the Left over the nuclear issue, many Indian analysts claim that the Left will pull the rug out from under the UPA government only over an economic issue, such as, the government's deviation from the Common Minimum Program adopted in 2004. India's Left parties did not join the United Progressive Alliance, but gave their support from the outside, in essence endorsing the Common Min-

imum Program as a way of providing to their own constituents a rationale for such an odd arrangement. Although the Common Minimum Program was part of the arrangement of parties to form the government, it was formulated after the 2004 elections and was not endorsed by the people.

The main points covered in the Minimum Program are:

- The scrapping of key elements of the previous BJP government's privatization program. The new government will not sell off profitable state-run firms, and the privatization of loss-making firms will be decided "case-by-case."
- A pledge to raise spending on education to 6% of Gross Domestic Product and to encourage more foreign investment in the oil and energy sector;
- A promise to "fully empower" women;
- Equal treatment in education and work for religious and caste members;
- Giving a "fresh thrust" to relations with the Arabic world of West Asia. The government also said it stood by India's commitment to an independent Palestinian homeland.

In recent months, CPI-M, the main component in India's parliamentary Left, has claimed that the UPA government has reneged on its promise to adhere to the Common Minimum Program.

## Failed Economic Agenda

Be that as it may, it seems that India's Left finds no reason to attach itself any longer to the UPA government, because its observations suggest that the government-in-power has become highly unpopular and politically weaker. There is no doubt that in this observation the Left is not off the mark.

One does not have to travel the length and breadth of India to see that the UPA government has done precious little for hundreds of millions of Indians, and it did even less in developing the physical infrastructure of the country. The country's power situation is in total shambles and a vast majority of India's rural poor have no access to safe drinking water.

Education is no longer a concern of the government and it has been handed over, lock, stock, and barrel, to private investors who have seized upon it as yet another money-making opportunity. As a result, the cost of education has reached a level that neither the poor, who never really had an opportunity, nor a vast segment of the middle class, who earlier had the capability, can afford it any longer. Subsequently, the UPA government's further dilution of its commitment to the already inadequate comprehensive employment-guarantee program for the country's rural poor, suggests that the issue of joblessness was not a matter of serious concern at the highest levels.

To begin with, the reason the previous BJP government was summarily thrown into the dustbin by the Indian electorate in 2004, was its inability to bring about a change on the employment front. The BJP suffered from a lack of vision and did very little in the way of developing India's basic physical infrastructure. It is astonishing that Manmohan Singh and his coterie failed to realize that a country with a billion-plus pop-

ulation and without an adequate level of physical infrastructure—power, water, faster railroads, health, education, and so on—can pursue an economic policy which focusses entirely on a higher GDP growth rate.

## **Despair in India's Farmland**

In addition, the deepening crisis facing India's vast multitude of farmers threatens to spoil the party in Mumbai, where India's main stock exchange seems to be on steroids, and in Bangalore and Hyderabad, the two major IT centers. Because thousands of farmers' suicides could not be kept under wraps any longer, India's Minister of Finance (and darling of Wall Street) Palaniappan Chidambaram put agriculture at the center of India's last budget. But, these have turned out to be mere empty words.

A cynic may point out that Chidambaram's shedding of crocodile tears, over the farmland destruction presided over by the last two administrations in India, was centered on the fact that one of the ironies of democratic India is that it is the poor who vote. And, this could well be the current government's principal reason for placing agriculture at the center of the last budget.

With annual growth in manufacturing and in services each topping 11%, agriculture's 2.3% growth rate not only pulls down the overall growth rate—the object of worship of the Manmohan Singh government—but explains the despair that haunts India's millions of rural poor.

India, which has the potential to feed the world, could not meet its basic need for food grains during the early years of the nation's independence. The Green Revolution of the 1960s and 1970s dramatically improved yields in the country. By the end of 1980s, India boasted that it had achieved not only self-sufficiency in food grains, but had become a grain-exporting nation. In 2006, however, for the first time since the Green Revolution—and in part because of changes in agricultural policy—India had to import wheat. India will again have to import food grains in 2007.

The Congress Party-led government-in-power has taken yet a further step downward. While farmers struggle to stay alive, agricultural production cannot meet demand. Rising food prices are fueling inflation, causing further suffering among at least 500 million Indians who struggle to live on less than \$2 per day. In addition, there is a mini-housing bubble, triggered by foreign investors pouring in to convert water-starved, low-profit agricultural lands into residential areas in and around India's metropolises, and easy housing loans made available by the government to the beneficiaries of India's present distorted economic policy.

In this context, the rise of the Maoists in the vast economically underprivileged belt of India is not simply a phenomenon of bad governance: The root cause is the feeling of hopelessness among a large number of rural poor. No doubt, there are other ingredients involved in making the Maoists so powerful that they seem to pose a threat to the security of the nation.

To begin with, the strengthening of the Maoists in Nepal in the north played a crucial role in rejuvenating the Maoist movement in India. That rejuvenation is not based upon the re-emergence in a different form of the tested and failed ideologies, but the successful development of a smooth conduit of arms and drug money.

The Maoist insurgency in Nepal has been waging a "People's War" since early 1996, with the purpose of overthrowing the state and replacing it with a New People's Democracy under its control. Over the years, the Nepali Maoists (CPN-M) have not only strengthened their position inside the country, but have established links with Maoist groups across the border, in particular, with the People's War Group (PWG) and the Maoist Communist Centre of India (MCCI), based in the Indian states of Andhra Pradesh and Bihar. There have been reports that the PWG, the MCCI, and the CPN-M have virtually set up a Compact Revolutionary Zone stretching from Nepal, across Bihar, Jharkhand, Chattisgarh, Orissa, and Madhya Pradesh to Andhra Pradesh and Karnataka in India. If this zone is fully established, it will facilitate the Maoist groups in India and Nepal procuring weapons without interruption, and facilitate the exchange of goods.

## **Real Leadership Is Lacking**

There is every reason to believe that a mere fresh set of parliamentary elections will not undo the damage that has already been done. Both the national political parties of India—Congress and the BJP—have leaders who have no vision and have been largely marginalized in such large states as Uttar Pradesh, Bihar, West Bengal, and Tamil Nadu. Their administrative performances during the last eight years, briefly described here, have alienated them from the vast majority of the Indian population. State-level elections during the period speak clearly of their utter organizational and administrative failures. In most of the Indian states, these two parties are no longer trusted.

As a result, regional parties like Telegu Desam (TD) in Andhra Pradesh, the Samajwadi Party (SP) and the Bahujan Samaj Party (BSP) in Uttar Pradesh, Janata Dal (U) in Bihar, DMK and AIADMK in Tamil Nadu, National Congress Party (NCP) in Maharashtra, and the Left in West Bengal and Kerala, have elevated their position from kingmakers to potential kings. Most of these parties have a single-state presence and would not garner more than 40 seats. (The Left is an exception, having the potential to win as many as 60 parliamentary seats.)

Although some of the leaders of these regional parties have done well in administering their respective states, they have no national program and no real understanding of the country as a whole. Despite all these shortcomings, the 1 billion-plus Indians will still have to depend on them for leadership in the coming years. It is a tragedy which can cause serious damage not only to the Indian nation, but also to the increasingly volatile and unsettled populous South Asian region.