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The World's Largest Democracy Votes: India's 2014 Elections

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On May 16 the results of India's 18th national elections will be announced. In this edition of Canada-Asia Agenda, Anjali Thomas Bohlken provides an overview of the key election issues, the candidates, the electoral process and its challenges, and the implications for Canada and the world.

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Introduction

Between April 7 and May 12 this year, Indian voters will elect a new national government, with the result to be announced on May 16. These elections will mark India's 18th national elections since independence from British rule in 1947. Indeed, with the exception of one two-year period of Emergency rule (1975-77), India has had regular competitive elections, earning it the distinction of being the world's largest democracy. This year's election – with over 800 million people eligible to vote – represents one of the largest ever democratic exercises in history.

Yet, despite this accomplishment, Indian democracy suffers from governance problems: largescale corruption, widespread dynastic politics, low levels of intra-party democracy and a mode of politics that relies heavily on the distribution of patronage. Many of these issues dominate the current political debate and have gained increasing salience amongst voters as well. While the economy always plays an important role in most Indian elections, this election is particularly significant in its emphasis on these issues of governance. In fact, one <u>recent poll</u> shows that Indian voters ranked corruption as the most important issue after the economy and inflation.

While hundreds of parties are competing in these elections, the main contest at the national level is between the incumbent Congress Party and the Bharatiya Janata Party (BJP). The Congress Party, which has been India's ruling party for over 80% of the country's post-independence history, has headed a two-term coalition government since 2004 under Prime Minister Manmohan Singh. The Congress's main challenger, the BJP, is a Hindu nationalist party that has gained national-level prominence since the mid-1980s.

In addition, the newly formed party Aam Aadmi Party (AAP), which is running on an anticorruption platform, is also making significant inroads with some sections of the population. While it is unlikely that the AAP will gain more seats than either the Congress or the BJP, it could certainly act as an unpredictable spoiler in several important constituencies.

The Issues

Economic growth and inflation: While India has experienced an average annual rate of GDP growth of 6.7% over the past five years, growth in the past two years under the Congress Party's leadership has dropped to under 5%,¹ and inflation has skyrocketed. According to a <u>recent pre-</u><u>election survey</u>, economic growth and inflation were cited as Indian voters' two top concerns.

Poverty reduction: Although the Congress government has introduced a number of large-scale welfare measures, including a Food Security Bill and a job guarantee scheme for rural dwellers called NREGA, there have been significant problems with the implementation of these measures at the local level.

Corruption: The most famous of high-profile corruption scandals embroiling the Indian government is the so-called <u>2G Scam</u> in which government officials were found to be undercharging mobile telephone companies for frequency allocation licenses. One of the major accused was a minister, who resigned in the wake of the scandal, from Manmohan Singh's government.

Although the Congress government has introduced certain measures to improve governance such as the Right to Information (RTI) act, these scandals have significantly tarnished the Congress government's reputation and have brought corruption to the forefront of the election campaign. Indeed, a recent poll shows that Indian voters rate corruption as the third most important issue after economic growth and inflation.

The Candidates

Narendra Modi and the spectre of Hindu nationalism

Despite its flaws, the Congress Party is at least in name a secular party. The BJP, in contrast, has strong links with a family of Hindu militant organizations known as the *Sangh Parivar*. Between 1989-1991, BJP leaders played an active role in instigating large-scale anti-Muslim violence by advocating the demolition of the Babri Mosque, which they claim was built at the birthplace of the Hindu god Ram, in the city of Ayodhya.

But since then, the BJP's major national leaders have generally tried to distance themselves from this divisive rhetoric, choosing instead to emphasize economic issues, including during the current election campaign. What has made this strategy difficult, especially in an election that is as much a contest between individuals as it is between parties, is the BJP's choice of prime ministerial candidate – Narendra Modi.

As chief minister of Gujarat since 2001, Narendra Modi presided over large-scale anti-Muslim violence that took place in the state in 2002 in the aftermath of a burning of a train full of Hindu pilgrims. Although a Supreme Court investigation cleared him of all charges relating to his involvement in the riots, doubts remain about the validity of the investigation, and Modi has been widely criticized for his role.

¹ Source: Reserve Bank of India. GDP calculated at Constant Prices with a Base Year of 2004-2005.

Moreover, Modi <u>continues to maintain strong links with the RSS</u>, a Hindu militant organization that forms the organizational backbone of the BJP, and Hindu nationalism continues to inform the BJP's stance on various issues including its policy on the potentially volatile subject of Kashmir's autonomy.²

Modi supporters emphasize that during his tenure as chief minister, Gujarat grew faster than most other states in India, an accomplishment for which many observers credit Modi's leadership. However, a <u>recent analysis</u> provides evidence that the growth acceleration in Gujarat was prior to Modi's tenure as chief minister and that the state did not experience any further acceleration under Modi.

Congress Party and India's dynastic politics

On the Congress Party front, Prime Minister Manmohan Singh has announced that he will step down at the end of the current term. Although the Congress leadership has not officially declared its prime ministerial candidate, all bets are on Rahul Gandhi, heir to India's Nehru-Gandhi political dynasty. His mother, Sonia Gandhi, is the current president of and wields significant influence within the party. Rahul Gandhi's father, grandmother and great-grandfather have all served as prime minister, and collectively, have ruled India for over 37 years.

Rahul Gandhi is seen by many as a symbol of dynastic politics that undermines the working of Indian democracy and allows family connections to substitute for hard-won political knowledge and experience. Yet, while the Congress represents the most visible form of dynastic politics and has the highest proportion of them, dynasts are well-represented in almost all major parties, including the BJP. In the current parliament, approximately 41% of Congress MPs have family ties in politics, while the relevant proportion for the BJP is 24%.³

Aam Aadmi in the wild card role

The newly formed Aam Aadmi Party (AAP) adds an interesting dynamic to this contest between the BJP and Congress. The AAP was launched in late 2012 and grew out of a series of nationwide anti-corruption protests led by Anna Hazare, one of India's most well known social activists. The party's anti-corruption message struck a chord with many sections of the population and the party took a stand against the establishment parties by nominating many candidates with no prior experience in politics, and by embracing various forms of participatory democracy.

These efforts seemed to pay off initially. The AAP pulled off a surprising victory in the recent Delhi state assembly elections by ousting the long-standing incumbent Congress government. However, the AAP government resigned after only 49 days to protest an anti-corruption bill that was blocked by the Congress and the BJP.

The AAP's leader, Arvind Kejriwal, has earned himself the nickname AK-49, a term the opposition has used to remind voters of what they often refer to as the 49 days of `misrule' in

² See BJP Manifesto 2014, p. 8, available at <u>http://bjpelectionmanifesto.com/pdf/manifesto2014.pdf</u>.

³ Chandra, Kanchan and Wamiq Umaira. "India's Democratic Dynasties." *Seminar_*622 (Special issue on Dynasties in South Asia), May 2011, <u>http://india-seminar.com/2011/622/622 kanchan & wamiq.htm</u>.

Delhi. Thus, while the party is spreading a message that is attractive to voters, its performance in Delhi has raised questions about its ability govern at the national level.

Given the difficult choice facing Indian voters, it is fitting that this election marks the first time that Indian voters who do not wish to express support for any party in a national election will able to choose the None of the Above (NOTA) option. Advocates of this change have expressed the hope that this will allow voters to signal to parties their dissatisfaction with the existing choice of candidates.

Another outcome of the current election will be that many of the smaller regionally-based parties are expected to gain significant bargaining power over key issues. Most of these 1,600 parties (of which 29 are officially recognized⁴) have their main support base within a single state, and many are formed around the persona of leaders and engage in identity politics on the basis of caste or linguistic identities.

While none of these parties is likely to gain a majority, they often play a significant role in shaping governments through their alliances with either the BJP or Congress. Indeed, ever since 1989, Indian national politics has been in an era of coalition politics, in which no party has been able to obtain a clear majority at the national level. <u>Recent polls</u> indicate that the current election will be no different.

The Electoral Process and Its Challenges

Holding elections in a country like India is no easy task. There are a total of 543 electoral constituencies, each electing one member of the lower house of parliament, called the Lok Sabha. The challenges stem not only from the sheer number of people involved, but also from weak infrastructure and a lack of bureaucratic capacity in many parts of the country. To encourage the successful organization of the elections in the midst of these challenges, the elections are a drawn-out process with polling taking place in nine phases between April 7 and May 12.

Literacy levels: The electoral process in India is complicated not only by the scale of the exercise, but also by the challenges associated with ensuring free and fair elections in a country where 25% of the population remains illiterate⁵ and some districts have illiteracy rates over 50%.

Given the extent of illiteracy, coupled with India's tremendous linguistic diversity, drawing up ballots that are intelligible to voters all across the country is a significant practical challenge. Election officials have dealt with this issue by using symbols rather than party names on the ballot. (For example, the Congress's symbol is the hand, while the BJP's symbol is the lotus. The AAP's symbol is a broom signifying the party's commitment to cleaning up corruption.)

Vote buying: On a more substantive level, illiteracy affects the actual choices that voters make. The illiterate sections of the population often lack information about the parties' key policy issues and thus are often not equipped to choose on the basis of policy differences. One

⁴ Election Commission of India, available at <u>http://eci.nic.in/eci/eci.html</u>.

⁵ See Census of India, 2011, available at <u>http://censusindia.gov.in/</u>.

consequence is that <u>vote-buying</u>, in which parties attempt to secure votes using cash as well as various enticements from bags of rice to liquor, <u>becomes a widespread</u> substitute for policy issues.

Criminal candidates and voter intimidation: A further consequence, as research shows, is that areas with high illiteracy are more likely to vote for criminal candidates. In the current election, 16% of the 5,432 candidates for whom information is available have criminal cases pending against them, and 10% have cases involving serious offenses ranging from kidnapping to robbery to murder. In total, India's current parliament has <u>30% of MPs with criminal cases</u> pending against them.

One reason for this high prevalence of criminal politicians, particularly in areas where illiteracy is high, is because of the ability of these politicians to engage in voter intimidation. In fact, research shows that the presence of criminal candidates is significantly associated with lower voter turnout.⁶ However, research also suggests that criminal candidates are valued because of their ability to provide extra-legal protection to voters.⁷

India's Election Commission (EC) has taken several measures to address irregularities in the electoral process and the 'criminalization of politics.' This election will witness the most widespread use of electronic voting machines to date in India, which commission officials view as a means of helping to curb some types of electoral fraud.

In addition, to tackle the problems of vote-buying and illegal use of funds or "black money," the EC requires candidates to issue detailed reports of election expenses. In view of the natural incentives for candidates to grossly underreport their expenditures, the EC has also taken active measures to monitor the election expenditures of candidates. Its observers <u>have seized large amounts of cash</u> that they suspect were being used for fraudulent election-related purposes. In an attempt to curb the prevalence of criminals in politics, the EC also requires candidates to file public affidavits declaring their wealth, as well as criminal records.

Implications for Canada and the World

The results of this election will be significant not only for India's domestic population but also for observers worldwide. Indeed, India has been identified as one of Canada's 13 priority markets, "where Canadian opportunities and interests have the greatest potential for growth."

Economic Implications: The election outcome could significantly shape the path of India's economy. The BJP – projected as the likely winner – has a reputation of being friendlier to investors, and the Indian stock market has rallied in the run-up to the elections in response to expectations of a BJP victory. Moreover, India is one of the world's fastest-growing economies

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1899847##).

⁶ See Aidt, Toke, Miriam Golden and Devesh Tiwari. 2011. "Incumbents and Criminals in the Indian National Legislature". <u>Cambridge Working Papers in Economics</u> 1157, https://www.repository.cam.ac.uk/bitstream/handle/1810/242058/cwpe1157.pdf?sequence=1.

⁷ See Vaishnav, Milan. "Caste Politics, Credibility and Criminality: Political Selection in India." *APSA 2011 Annual Meeting Paper* (abstract available at

and represents <u>one of the world's largest consumer markets</u>. Thus, events that affect the Indian economy will undoubtedly have ripple effects for the global economy.

Importantly for Canada and for the rest of the world, the election could also shape the degree to which India will be open to foreign investment. The current Congress government has been engaged in tax disputes with some high-profile foreign companies, causing <u>unease amongst</u> <u>some investors</u> about the government's friendliness to foreign businesses. Meanwhile, the BJP has pledged in its manifesto to simplify the existing tax regime.

However, in some respects, the BJP has shown itself to be less open than the Congress to foreign investment. The BJP has declared in its manifesto that it will encourage foreign investment in sectors aside from multi-brand retail.⁸ The exclusion of investment in multi-brand retail is a reversal of the current Congress government's decision on this issue.

Geopolitical Implications: Even beyond its economic significance, India is also a key player in the region's geopolitics, and the election may shape the role it plays in this regard. For example, the BJP has declared that it will follow a "two-pronged independent nuclear program, unencumbered by foreign pressure and influence, for civilian and military purposes" and that it will "revise and update" India's nuclear doctrine "to make it relevant to challenges of current times."⁹

While it is not clear how this would shape the BJP's nuclear policy, the party has displayed tendencies toward an aggressive nuclear policy in the past. In 1998, the BJP-led national government initiated a series of nuclear tests shortly after coming into office. These tests provoked Pakistan to respond with its own nuclear tests.

Regardless of the outcome, the election itself demonstrates how democracy can work even in a country of India's size, level of development and degree of ethnic diversity. In fact, few countries that share similar characteristics have managed to sustain a democratic regime as long as India has. Despite its flaws, the success of India's democracy can provide lessons to other nations on how to combat the excessive electoral fraud and violence that has <u>undermined democracy in many other countries</u> in the developing world.

⁸ See BJP Manifesto 2014, p. 27, available at <u>http://bjpelectionmanifesto.com/</u>.

⁹ See BJP Manifesto 2014, p. 39, available at <u>http://bjpelectionmanifesto.com/</u>.