



## **India: The Minority Government of Dr Manmohan Singh**

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The Indian parliamentary elections 2004 surprised even seasoned observers. The main features are:

- Congress as well as the Bharatiya Janata Party (BJP) lost in their overall share of votes and are not anymore parties with a truly national presence. Therefore, they require coalition partners for the formation of a government.
- Regional parties are firmly established and well-organised. Yet they are not in a position to form a government on their own or in coalition with either Congress or BJP - this is also an indirect result of the relatively strong presence of the Communist Left.
- The victorious Congress Party, although in alliance with various regional parties before the polls, heads the newly formed "United Progressive Alliance" (UPA) as a minority government. The Communists, for tactical reasons, do lend only outside support. Besides, Congress decided to ignore letters of support by two major regional parties from Uttar Pradesh, the Samajvadi Party with 35 seats and the Bahujan Samaj Party with 19 seats, and did not invite any of them to join the government because SP and BSP are at loggerheads in Uttar Pradesh.

It will not be an easy task for the new Prime Minister Dr Manmohan Singh, to co-ordinate the various, sometimes divergent and primarily state-based and often „populist“ interests of the coalition partners, a process which has begun with the allocation of portfolios. Observers fear a duality of power centres between the Prime Minister's Office (PMO) and the office of the powerful Congress President Sonia Gandhi. On the other hand, there might also be undue interference and disproportional influence by the Communist Party of India/Marxist (CPI/M) and the other left parties. They hold the "Damocles Sword", since without their outside support, the minority government will find it very difficult to govern and to survive any motion of no-confidence.

## **1. Broad policy trends of the new government**

The "Common Minimum Programme" (CMP) forms the basis of the new government. Some features are:

- A broad continuation of India's foreign and security policy, stressing the national interests and supporting multilateralism, although a prominent relationship with the United States will continue, irrespective of the classification of its policies as "imperialism" by the Left. High on the list of priorities are China with issues such as border talks and trade, as well as Pakistan, in the context of the peace and normalisation process but also with regard to regional co-operation. The prominence of Israel will be reduced, although not in the field of critical weapon supplies, and a more balanced approach vis-à-vis the Islamic world and the Palestine question can be expected. Europe, Russia, Japan, and ASEAN will receive added attention.
- Economic liberalisation policy will continue (though profitable public sector enterprises will not be dismantled) and foreign investment will be welcome. Changes in the labour laws will be slowed down, as will be the privatisation of banks because of the strong presence of trade unions there that are mainly affiliated to the Communist "All India Trade Union Congress." The implementation of a national employment guarantee scheme would be a decisive step to reduce mass unemployment.
- Agriculture will get more prominence as concerns investment in infrastructure. The "Public Distribution System" (PDS), until now a rather partisan body, will be made more efficient. The aim is to reach out to the 260 million hungry and undernourished Indians.
- Primary education and health are expected to get higher allocations.
- The coalition partners from Tamil Nadu have achieved a commitment to abolish the often misused "Prevention of Terrorism Act" (POTA).

## **2. The Council of Ministers headed by Dr Manmohan Singh.**

Sonia Gandhi's decision not to become Prime Minister of India lead to the nomination of Dr Manmohan Singh, a former Finance Minister (1991-96), who is considered as the main architect of India's economic liberalisation policy in the early 1990s. As a member of the Upper House (Rajya Sabha), the new Prime Minister (see his profile and those of major ministers below), is perceived as a personality of a high integrity, yet he lacks a power base within his own party.

Congress, the strongest among the 19 partners in government, dominates the three-layered Council of Ministers. The party has retained the key portfolios such as foreign affairs, home office, and the finance and defence ministries.

Observers criticise the "over-representation of the old faded brigade" (The Hindu, May 24, 2004, p 1), implying, that none of the younger Congress MPs has made it into the Council of Ministers. It seems that Sonia Gandhi, who has gained a lot in stature and public esteem through her decision not to take up the post of Prime Minister, is intending to induct the younger MPs into party affairs, in order to strengthen Congress particularly in those states, where it is in a bad shape - particularly Uttar Pradesh, Bihar, West Bengal, and Madhya Pradesh.

### **3.Short profiles of major members of the new government:**

#### **Dr Manmohan Singh, Prime Minister**

Dr Manmohan Singh, who will be 72 on September 26, 2004, is in terms of economic expertise the most competent Prime Minister in the history of independent India. But Dr Singh is not the typical "thoroughbred" Indian politician. Only once, in 1999, did the economic expert stand for a mandate in the Lok Sabha ("Lower House") - and lost.

Born the son of a trader in dry-fruits in the village of Gah in western Punjab, nowadays Pakistan, Manmohan Singh early on showed academic interests. After an MBA at the Government College in Hoshiarpur/Punjab, he studied, with the support of a student loan, in Cambridge where, in 1956, he was presented with the "Adam Smith Award." After his marriage to Gursharan Kaur, he returned to the Nuffield College of Oxford University for his Ph.D. on the "Competitiveness of Indian exports." Afterwards he taught at the University of Punjab, where, aged 32, he was the youngest professor.

In his bureaucratic career, Dr Singh served during the period of the "Licence Raj," which aimed at industrial and economic "self-reliance," until 1991 under five Prime Ministers in various advisory functions in the ministries of commerce and finance. He headed the Ministry of Finance as Secretary from 1976-80. His other positions were: Governor of the "Reserve Bank of India" (RBI), 1982-85; as member of the economic advisory council of Prime Minister Indira Gandhi ("Garibi Hatao"/Removal of Poverty); Deputy Chairman of the Planning Commission, 1985-87; Secretary-General of the UN's "South-South Commission," 1987-90); economic advisor to Prime Ministers V. P. Singh and Chandra Shekhar. During the latter period, in 1991, he had to negotiate the crisis when India was on the brink of bankruptcy.

At the time, P.V. Narasimha Rao appointed the economic expert - a Congress nominee for Assam, elected to the Upper House (Rajya Sabha) in 1991 - as his finance minister. After a drastic devaluation of the Indian Rupee, Dr Singh became the symbol of the country's opening to the world market in what was a first phase of economic liberalisation. Together with P. Chidambaran, the then Commerce Minister and now appointed by Dr Singh as the new finance minister, he continued this policy with the backing of Prime Minister Rao against resistance from within Congress and against the parliamentary opposition of the Communists, the BJP, and the Janata Dal.

Particularly after his defeat in the 1999 Lok Sabha election many observers had already written off Dr Manmohan Singh, though he was regarded as a man of absolute integrity, "a honourable man amongst thieves," according to one commentary. For the last few years Dr. Singh headed the economic department of the Congress Party and had been, since 1998, the opposition leader in the Upper House. The new Prime Minister always led a simple life - he used to drive his small Maruti 800 to Parliament.

His close associate Dr Jairam Ramesh characterised the new Prime Minister, known for his soft-spokenness, thus: "With regard to principles and ethical questions he is a tough gentleman." Top bureaucrats praise his very personal and humane style. During a podium discussion in the late nineties, I mentioned to him India's manipulated labour statistics (officially India's rate of unemployment is lower than Germany's), the high amount of illiterate people, and the dreadful amount of child labour. Dr Manmohan Singh replied: "I have come to the conclusion, that the high amount of illiteracy in this country is a conspiracy of the elite."

It has to be seen if the new Prime Minister, as head of a minority government, possesses enough moral and political authority to continue and perhaps even intensify economic reforms - "with a human face" (Dr Singh) - in a way that will not disappoint large sections of the electorate.

#### **Prithviraj Chavan, Minister of State, Prime Minister's Office**

The Prime Minister gave this important position to Prithviraj Chavan, a Member of the Upper House from Maharashtra and a member of the Standing Committee on Finance. Chavan, who studied engineering in America, is a very pragmatic and rational personality, hailing from an established political family. His position is also important with regard to the co-ordination with Congress headquarters.

**J.N. Dixit, National Security Advisor to the Prime Minister,  
Minister of State**

The 78-year old J.N. Dixit is one of India's leading foreign policy and security analysts. The former Foreign Secretary was part of the reorientation of India's foreign policy after the end of the Soviet Union. He also developed good relations with Iran and establishing diplomatic relations with Israel. Dixit has been India's High Commissioner in Dhaka, Colombo, and Islamabad. For long, J.N. Dixit has been propagating a very realistic and pragmatic approach towards Pakistan. Most likely Dixit will become the new special representative for border talks with China. He led the Indian delegation in the first Track II negotiations with China. He is the author of several books on India's foreign policy and co-author with Foreign Minister Natwar Singh of "Security, Defence and Foreign Policy. The Congress Agenda" published prior to the elections.

**M.K. Narayanan, Special Adviser on Internal Security to the Prime Minister, Minister of State**

The 70-year old M.K. Narayanan was already a senior adviser on national security affairs to Prime Ministers Rajiv Gandhi, V. P. Singh, Chandhra Shekhar, and P.V. Narasimha Rao. He is currently a member of the Expert Group on Counter-Terrorism. The Vice-President of the Chennai-based "Centre for Security Analysis" has been chief of the Intelligence Bureau (IB) in 1989/90, then chairman of the "Joint Intelligence Command" and, in 1991/92, once more in charge of the IB. M.K. Narayanan dealt with the social-revolutionary Naxalite Movement from the mid-1960s, with militancy in the North East and Punjab, Jammu & Kashmir, and in 1984 with the "Operation Blue Star" against Sikh fundamentalists in Amritsar/Punjab. "I have dealt with 140 major communal incidents in the course of my career." (The Hindustan Times, May 30, 2004, p 10).

The soft-spoken M. K. Narayanan analysed in articles, published particularly in "The Asian Age," and in lectures the various root-causes of internal insecurity within India and the new challenges posed by a changing international, regional, and internal security environment.

**Cabinet Ministers**

This presentation cannot cover all the cabinet ministers and ministers with independent departments but it presents some of the major personalities of the new government.

**P.C. Chidambaran: Finance Minister**

P.C. Chidambaran, trained at Harvard/USA, was lawyer at the High Court of Chennai (Madras) and the Supreme Court in New Delhi. He

belonged to the inner circle of former Prime Minister Rajiv Gandhi and then served as Minister of State for Home Affairs. Under Narasimha Rao, he headed the Commerce Ministry and supported the policies of then finance minister Dr Manmohan Singh. Later, as a Congress dissident, he became finance minister during the minority governments of the "United Front" in 1996/97. In 1997 he presented a budget that favoured entrepreneurs and the middle classes. His current nomination is a clear message to local and foreign entrepreneurs as well as to the stock market, which, after the elections, went into sharp decline due to the Communists influence on the new government. His nomination signals that the policy of economic liberalisation will be continued.

#### **Shivraj Patil: Home Minister**

Shivraj Patil, 69 years old and from Maharashtra, lost his mandate in the elections. He had been Sonia Gandhi's deputy in the Congress Parliamentary Party (CPP) in the 13<sup>th</sup> Lok Sabha. He was nominated Home Minister (and therefore de facto the no 2 in the cabinet) in order to strengthen Prime Minister Dr Manmohan Singh against other aspirants of the "old guard." Shivraj Patil has been Speaker of the Lok Sabha between 1991 and 1996. He is also well-versed in questions of defence and security.

#### **Natwar Singh: Minister for External Affairs**

Natwar Singh, born in 1931, studied at St. Stephen's College in Delhi and Corpus Christi College, Cambridge. Natwar Singh, a member of the agricultural Jat caste, is a former member of the Indian Foreign Service (IFS). He served as High Commissioner in Islamabad and Warsaw and between 1986-89 as Minister of State, External Affairs, under Rajiv Gandhi. For many years he headed the Foreign Committee of the Congress Party. He is Deputy Chairman of the Indira Gandhi Memorial Trust. Natwar Singh, earlier a never-tiring advocate of the now defunct "Non-Aligned Movement" (NAM), sometimes shows a tendency of lecturing others. As a keen reader and reviewer of books he has followed major trends in international affairs in recent years.

#### **Pranab Mukherjee: Defence Minister**

Pranab Mukherjee, 69 years old, has been, since the times of Indira Gandhi, a member of various Congress governments. After the assassination of Indira Gandhi he, as the most senior minister, facilitated the transfer of power to the young and politically inexperienced Rajiv Gandhi, a former pilot of Indian Airlines and then General Secretary of the Youth Congress.

Earlier the Gandhi loyalist held the foreign and the finance ministries. In this election he won, rather surprisingly, for the first time a Lok Sabha mandate in his home state of West Bengal.

He had been a strong contender for the home or finance ministries but had to settle, as successor to George Fernandes, for the defence ministry.

#### **Arjun Singh: Ministry for Human Resource Development**

Arjun Singh, twice chief minister of Madhya Pradesh and several times a federal minister, has for two decades now been the "grey eminence" of Congress. He was Vice-President of Congress under Rajiv Gandhi (a position that has since been abolished). In the 1980s, at the peak of the Sikh secession movement in the Punjab ("Khalistan Movement"), he negotiated an agreement with the then chief minister Sant Longowal.

The 73 years old Arjun Singh returns to the ministry of Human Resource Development, which he headed between 1991 and 1996. He will have to review the changes to school curricula ("saffronisation"), introduced by his Hindu-nationalist predecessor D. Murli Manohar Joshi, and the systematic infiltration of RSS (Rashtriya Swayamsevak Sangh - a Hindu nationalist movement) and BJP sympathisers into leading academic institutions.

#### **Jaipal Reddy: Information & Broadcasting, Culture**

Jaipal Reddy, a former Congress politician from Andhra Pradesh, left the party because of Indira Gandhi's "emergency" (1975-77) and joined the camp of India's "socialists." He has been spokesman for the governments of the "National Front" (1989/90) and the "United Front" (1996/97).

In 1998, he returned to the Congress Party in order to put "my whole political capital into the battle against the fascist forces." Soon, the well-read and intellectual Jaipal Reddy, who studied in England and, as a big farmer, belongs to the influential Reddy caste of farmers, became the main English language spokesman for the party.

As minister for "Information & Broadcasting, Culture", Reddy, a friend of Germany and in his own assessment a "liberal social-democrat and the only rationalist in the Congress" (a reference to the influence of astrology etc. on senior politicians) returns to the ministry he already headed during the United Front government.

#### **Mani Shankar Aiyar: Petroleum & Gas, Panchayati Raj**

The intellectual and humorous former career diplomat (he was General Consul in Karachi) belonged to Rajiv Gandhi's inner circle. After several years without a parliamentary mandate he made a return to the Lok Sabha in 1999 and 2004. He contributed

to the successful alliance of Congress with the Dravidian parties in Tamil Nadu.

His ministry "Petroleum & Gas" is important for India's long-term energy policy and with regard to the clearly stated position of the new government not to privatise any profitable public sector enterprises.

Additionally, Mani Shankar Aiyar is in charge for "Panchayati Raj" ("village democracy and administration"). Aiyar: "For many decades, internationally, we have been taking pride to be the largest democracy in the world, without adding, that till the introduction of the Panchayati Raj under Rajiv Gandhi, only a few thousand people have been elected to the Lok Sabha and to the parliaments in the various states by the people."

#### **Meira Kumar: Social Justice and Empowerment**

Meira Kumar, daughter of the former Deputy Prime Minister Jagjivan Ram, a "Dalit icon" of the old Congress Party, is the only woman in the cabinet. She is in charge of "Social Justice & Empowerment," hitherto a not too important post in the ministerial hierarchy.

The former member of the "Indian Foreign Service" should, after a roller coaster career, contribute to win back large sections of Dalits for Congress. One of her main tasks will be to further the empowerment of women - among other things by means of quota regulations for parliaments.

#### **Shankarsinh Vaghela: Textile**

Shankarsinh Vaghela, a former RSS cadre and BJP politician, successfully challenged the BJP in Gujarat where he ruled with an absolute majority under Narendra Modi (who was the person mainly responsible for the genocidal massacres against Muslims in 2002). Other than expected the BJP did not increase its tally in Gujarat but lost four seats winning only 12.

Shortly before the elections, S. Vaghela made the headlines when he organised unemployed youths into SA-style brigades with light weapons. This led to his removal as president of the Gujarat Congress Party. As minister for textile, S. Vaghela is expected to steer the textile industry particularly in Gujarat and Maharashtra, which has been in crisis for about two decades.

#### **Laloo Prasad Yadav: Railways**

The charismatic Laloo Prasad Yadav, a former chief minister of Bihar, India's least developed state, lost his position in 1997 in an "animal fodder scandal" - only for his wife Babri Yadav to succeed him. Although his "Rashtriya Janata Dal" (RJD) lost votes



in the elections, it succeeded through clever electoral arithmetics and seat adjustments, to increase its number of seats from six to 20 (one in Bihar and Jharkhand). The RJD is the strongest among the coalition partners. Laloo Prasad Yadav, who comes from the Indian socialist tradition of Dr Ram Manohar Lohia, will head the Ministry of Railways, the biggest single employer in India with a high potential for patronage and enrichment.

#### **Sharad Pawar: Agriculture, Food & Civil Supplies, Consumer Affairs**

Sharad Pawar has been several times chief minister of Maharashtra, defence minister under P. V. Narasimha Rao (1991-96). He challenged Rao for the offices of Party President and Prime Minister, and split the Congress Party prior to the elections in 1999 because of Sonia Gandhi's foreign origin and her alleged prime ministerial ambitions. He founded the "Nationalist Congress Party" (NCP) that, in spite of considerable financial resources, did not succeed to gain much influence outside Maharashtra. Facing the challenge of the BJP and the semi-fascist Shiv Sena, the NCP went for an alliance as junior partner in the government of Maharashtra and also made a deal with Congress on seat adjustments in the Lok Sabha elections (although Pawar had previously negotiated seat adjustments with the BJP/NDA for 2004 elections).

Sharad Pawar, a "Sugar Baron" from Maharashtra, is in charge for "Agriculture, Food & Civil Supplies, Consumer Affairs." His ministry is essential to tackle agricultural growth and to reduce via the hitherto ineffective and highly corrupt Public Distribution System (PDS) the number of the presently 260 million hungry and undernourished citizens.

#### **Ram Vilas Paswan: Chemicals, Fertilisers, Steel**

The "Dalit" Ram Vilas Paswan heads the Lok Janshakti Party (LJP) that holds four seats in Bihar. Paswan, 54, a former minister, among others for Labour and Telecommunication, in the governments of V.P. Singh, Deve Gowda, Inder Kumar Gujral as well as Atal Bihari Vajpayee, aspired for the influential Ministry of Railways and had finally to settle for the ministry of Chemicals, Fertilisers, Steel.

Paswan, a typical populist, beliefs in spending, not in austerity. There are evident frictions between him and Laloo Prasad Yadav. Some observers think that the BJP and George Fernandes' Janata Dal United (JDU) could try to form an alliance with the Lok Janshakti Party in next year's state election in Bihar, offering the ambitious Ram Vilas Paswan the Chief Ministership.

**Dr. Anbumani Ramadoss, Minister for Health and Family Welfare**

With 35 years the youngest in the cabinet, Dr Anbumani Ramadoss, from the small PMK from Tamil Nadu, heads a very important portfolio, given the often abysmal health conditions particularly in the countryside. A former medical doctor with practical experience in rural areas of South Chennai, the young Ramadoss, (whose father Dr S. Ramadoss built the party of the "backward" community of Vanniyars in northern parts of Tamil Nadu) wants young doctors to serve a compulsory term of tenure in rural areas: "This is important for the government's health for all and poverty alleviation programmes." (Ramadoss Takes Charge, Pins Hope on his Degree. The Indian Express, May 26, 2004, p 3)