

MODI HITS CAMPAIGN TRAIL WITH POPULIST CAMPAIGN TO WOO INDIA ANEW

James Crabtree in Mumbai

Prime Minister Narendra Modi struck a conciliatory note at the end of a hectic day of rallies in Mumbai this weekend. “I admit there is a long way to go before tackling [India’s] big problems,” he told a huge crowd in the financial capital. “But after the Modi government came in, the country is moving in the right direction.”

Having won an overwhelming victory in May’s elections, Mr Modi has hit the campaign trail again. He hopes for another triumph in state elections that mark the first big test of his popularity, and could provide renewed momentum for his early economic reforms.

Polls open on Wednesday in the western state of Maharashtra, which has Mumbai as its capital and is India’s largest by economic output. Voting also takes place in Haryana, which lies close to the capital New Delhi, and includes its vibrant satellite city of Gurgaon.

Since returning from a high profile trip to the US last month, Mr Modi has eagerly reprised his role as campaigner in chief. He is talking up his early achievements in a push to win majorities in both state assemblies, which control issues ranging from land allocation to police and public order.



That record has won mixed reviews from business observers, many of whom were enthused by Mr Modi’s national victory, but subsequently underwhelmed by his failure to introduce rapid economic reforms.

Instead, Mr Modi’s style has been slow and steady, with a focus on populist campaigns to provide bank accounts to poorer Indians or clean up squalid urban centres – although these measures appear to have helped his centre-right Bharatiya Janata party maintain the popularity that swept it to power.



“There is definitely still a Modi effect,” says Rajeeva Karandikar, a pollster. “The support we are seeing in states like Maharashtra is unprecedented.”

On Wednesday, Mr Modi aims to throw out state governments led by the opposition Congress party, which remains deeply unpopular. In the run-up to polling, the BJP also scrapped longstanding alliances with local parties in the two states – a measure of its confidence about winning outright.

Voter surveys suggest that confidence is well grounded, with the BJP likely at least to emerge as the largest party in both areas. “But most polls were taken before Modi started really campaigning,” Mr Karandikar adds. “So I wouldn't be surprised if that pushed him to overall majorities, which would be an amazing performance.”

Poll victories would give a boost to the BJP leader, who stares down sternly from billboards across Mumbai, adorned with the simple slogan “let's move forward with Modi”.

They could also provide the BJP with valuable extra representatives in India's upper-house, whose composition is based on party strength in regional assemblies. At present, the BJP and its allies control barely a quarter of seats, allowing opponents to block controversial legislation.

Having two more regions under BJP control could aid Mr Modi's reforms indirectly too, especially in areas requiring state-level co-operation, such as taxation. "The implementation of so many policies is dependent on the states, so it would clearly help him," says Gilles Verniers, a Delhi-based political analyst.

Some business observers hope victory on Wednesday might have a more dramatic effect, emboldening Mr Modi to introduce unpopular measures in areas such as labour market reforms. But that is rejected by Rajiv Kumar, former director-general of the Federation of Indian Chambers of Commerce and Industry.

Mr Kumar believes a strong showing would see Mr Modi press on only gradually with plans to sell off stakes in state-owned businesses, reduce fuel subsidies or introduce a nationwide sales tax. "If they do well, they will have a more productive next session in parliament," Mr Kumar says. "But in my mind I have ruled out big bang reforms from this government, I don't think that is their style."