

While the next Indian general election is some ten months away (April/May 2019), it does not appear far from the minds of Prime Minister Narendra Modi nor his party the Bharatiya Janata Party (BJP).

In 2017, the BJP did well in state elections, forming a government in six out of seven states. Early this year, it won two small states in the predominantly Christian Northeast where Modi's Hindu Nationalist credentials do not have much appeal. However, the BJP's failure to win the important southern state of Karnataka (Bengaluru/Bangalore is the capital) in May 2018 was a setback. It had put a lot of its political capital into the race which it lost, after court challenges, to a coalition put together by the main opposition party, the Indian National Congress (INC or Congress). Since 2014, the BJP had not lost any state to Congress and had put stock on a win in Karnataka, both because of the latter's significance as a major state, and because it was seen as offering political inroads elsewhere in the South where the BJP has traditionally been weak.

State elections in December 2018 and January 2019 in the major states of Rajasthan and Madhya Pradesh, as well in Chhattisgarh and Mizoram, will be further indicators towards the strengths of the main parties in the general election (although as in other federal systems, a state result will not necessarily be reflected at a federal level). The BJP has real strengths including Modi's drive and an effective party machine. He has played his political cards shrewdly - including with parts of the Muslim community. For example, he has captured much of the Shia vote (roughly a quarter of India's Muslims who in turn comprise of approximately 18% of the population), and in toughening the application of Islamic divorce law, he has won acclaim from Muslim women. However, the BJP has made mistakes. Modi has tended to pander to his base and has been rightly criticised for inaction on a number of highly publicised incidents, in which Hindu Nationalists have committed violence against minorities, including instances of rape. Fears remain that Modi's Hindu Nationalism will further threaten the secular character of the Indian state. Commentators have focussed in on the divide which appears to be opening up between the conservative and traditional North - where the BJP is stronger - and the more tolerant, educated and economically more flexible South.

For its part, Congress and its leader, Rahul Gandhi seem to be lifting their game. However, if Congress is to take advantage of the BJP's mistakes and of the anti-incumbency sentiment which is a feature in Indian politics, and to gain ground in the next general election, it will have to keep up the pressure and to focus on opportunities for coalition building. The BJP will, of course, be judged in a major part by its economic performance.

For most of Modi's term economic growth has been disappointing. It was 6.7% in 2017. Many in the business community have criticised Modi for not being a more active economic reformer, they argue, he could have pushed growth more into the 8-10% range. Major claims were that more should have been done in Modi's first three years to deal with the bad debts held by Indian state banks and to liberalise India's labour and land acquisition laws. Moreover, the application of demonetisation (drawing high denomination banknotes from circulation) in November 2016 was widely seen as clumsy, and the GST introduced in July 2017 suffered from significant teething difficulties. That said, a growth of 6.7% was still faster than in any other major economy, and in the final quarter of this financial year (until March 2018), it grew at 7.7%. This figure gives some grounds for optimism that the Government may be emerging from the economic headwinds it has faced for most of its term. A factor in India's economic performance will be the price of oil and gas, which given India's 80% dependence on imports, will impact India's GDP figures.

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Foreign policy is not central to Modi's thinking at the best of times and there is (probably sensible) speculation that he does not want to be dealing with prominent foreign policy problems come next April or May.

India's main external priority over the past 12 months has been its relationship with China. In a summit between Modi and Xi Jinping in Wuhan at the end of April this year, neither made any major concessions. Territorial disputes remain extant, and India has not yet joined in the One Belt, One Road Initiative, in part because the projected China-Pakistan Economic Corridor goes across disputed territory administered by Pakistan in Kashmir. However, the meeting did signal that both sides were interested in lowering the temperature of a tense bilateral relationship, and the two leaders agreed to meet annually.

Two meetings were held last year between Trump and Modi. Relations with the United States remain central to India's focus and are on balance positive. However there have been delays in the scheduled Joint Foreign Affairs and Defence Ministerial talks (2 plus 2), and India is unhappy with United States' objections to proposed defence acquisitions from Russia, with which it has traditionally had close defence dealings. Modi also held summits in May with Indonesia and Russia, and made a keynote speech in June to the Shangri-La Dialogue in Singapore, the first occasion in which an Indian Prime Minister has addressed the gathering. In the speech, he spoke of the need for China and India to work together in the region but also emphasised the importance of all countries to have equal access to common spaces on the sea and in the air.

Modi's external agenda should now be lighter as he works towards re-election next year. While it is early days, a reasonable bet would be that Modi will again win office, but possibly without an absolute majority.



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