

THE BROOKINGS INSTITUTION

SAUL/ZILKHA ROOM

INDIA'S STATE ELECTION RESULTS

Washington, D.C.

Monday, March 13, 2017

PARTICIPANTS:

Moderator:

TANVI MADAN
Fellow and Director, The India Project
The Brookings Institution

Panelists:

ALYSSA AYRES
Senior Fellow for India, Pakistan, and South Asia
Council on Foreign Relations

SADANAND DHUME
Resident Fellow
American Enterprise Institute

IRFAN NOORUDDIN
Professor, Walsh School of Foreign Service
Georgetown University

ADAM ZIEGFELD
Assistant Professor of Political Science and International Affairs
George Washington University

* * * * *

P R O C E E D I N G S

MS. MADAN: Over the last few weeks, as all of you know, assembly elections were being held in five Indian states, including India's largest, Uttar Pradesh. These elections were being seen as a referendum on the Modi government as well as the prime minister himself. As all of you probably know, at least many of you know, the election results came in on Saturday.

And in Uttar Pradesh, the BJP beat most expectations, winning a massive victory with over three-quarters of the seats in the assembly. In the neighboring state of Uttarakhand, it also won a majority with 57 of 70 seats. In Punjab, the Congress Party beat the ruling Akali Dal-BJP coalition winning a comfortable majority. While in the northeast, in Manipur, the ruling Congress Party lost its majority and remain the single largest party, but the BJP is joined with a couple of -- a few other parties and is claiming a majority and aiming to form the government. In the western state of Goa, the Congress Party emerged as the single largest party, but fell short of a majority there. And the BJP, which has been ruling there, came in second, is claiming a coalition with the governor, calling it to form a government, but that is a move that the Congress Party is contesting in the Supreme Court. So that is still a work in progress.

So what do all these results tells us about the mandate that these state governments have, that the central government has? And what are the implications, potential implications, for India's political and economic landscape, as well as it's potential regional and global role?

We have a great panel here to discuss these and other questions, and this is panel is why you're all here, even though there's an impending snowstorm and people might want to get home early. And in the order they will speak, I will introduce them.

Adam Ziegfeld, assistant professor of political science and international affairs at George Washington University. He's also author of "Why Regional Parties?: Clientelism, Elites, and the Indian Party System."

To my left, Irfan Nooruddin, professor of Indian politics in the School of Foreign Service at Georgetown University, who's author of "Coalition Politics and Economic Development: Credibility and the Strength of Weak Governments."

Sadanand Dhume, to my extreme left, though not in ideology by any stretch of the

INDIA-2017/03/13

imagination, is Sadanand Dhume, resident fellow at the American Enterprise Institute, who's also South Asia columnist for The Wall Street Journal, which everybody, I am told, in Gorakhpur read.

MR. DHUME: All the time. Never miss it. (Laughter)

MS. MADAN: And to my extreme right, Alyssa Ayres, senior fellow at the Council on Foreign Relations. And her forthcoming book is "Our Time Has Come: How India is Making Its Place in the World."

So with that, I'm hand over the reins to Adam, who'll start us off and then Irfan will take it from there.

MR. ZIEGFELD: Great. So I just wanted to say a little bit sort of how, as someone who sort of thinks about Indian elections for a living, I think about these kinds of elections. And one of the first things I often think about when approaching this or any other elections is have these elections in any way kind of changed the way we think about the status quo? Has sort of the ground shifted in some way, whether about the way we think about how Indians vote or the strength of various political parties in various states.

And so I think while there's some really very clear implications or sort of important changes that are likely afoot, and as Tanvi mentioned, right, several of the governments are changing power from one party to another, obviously this has quite big implications. But I think if we actually sort of take a step back and think about, you know, once you've incorporated the 2014 Lok Sabha elections in sort of our understanding and sort of what the Indian political landscape looks like, do these elections signal much of a change?

And I actually think in that sense the answer is they don't really. Once we sort of know that 2014 happened, then I think a lot of what we saw in the most recent elections is not at all unanticipated.

Now, I think one way to sort of think about the ways in which these elections may be important is that they, in fact, confirm some of the trends in 2014. So if you were someone who thought perhaps that the 2014 Lok Sabha polls were particularly for the BJP perhaps a bit of an aberration or an outlier, I think these elections confirm that perhaps that is not, in fact, the case. But I think, again, to some extent, things are not terribly unanticipated.

INDIA-2017/03/13

And I'll just say a little bit more about it with respect to Punjab and them mainly U.P. since I assume that's what most people are probably most interested in. The figure behind me, and I should give a shout-out to my grad student, Sam France (phonetic), who scraped all the data from the ECI website quickly so that I could sum some of these together, this shows the vote share -- and these are vote shares, I should say, not seat shares -- vote shares for Congress. And then the Akali-BJP combine over the last 20 years, as well as you see a little blue dash there for AAP.

And, you know, again, I think if we look at 2014, that was a pretty big deal in Punjab in as much as AAP bursts onto the scene, does relatively well. We see a decline for the Akali-BJP combine, as well as for Congress, perhaps ushering in a sort of era of sort of multipolar competition in Punjab.

But sort of when we look from 2014 to 2017, you know, we do see Congress, this was a very good election for Congress, not so great for the Akali Dal-BJP. Not clear, though, that this is ushering in some sort of new realignment so much as just the ebb and flow of politics. Some parties do better in some elections, some do worse.

And so I think what is interesting here is the fact that, you know, AAP more or less stuck around or attained its vote share. And, again, an open question whether that people are going to sort of see it as an also-ran and perhaps it may lose support in the future. But I think, in some sense, if we just looked at what happened in 2014, particularly from the perspective of vote shares and sort of how the parties are faring and sort of popular support, 2017 looks sort of like what we'd expect. Although, again, in 2012, I think we might not expect this, but from one vantage point of knowing of what we know, 2014. And I think the story's actually pretty much the same if we look at Uttar Pradesh.

So this is just sort of the big parties again over the sweep of the last 20 years or so. You know, what we know from late 1990s to the 2000s, right, sort of the Samajwadi Party and BSP were the two leading parties with the BJP a pretty consistent third and Congress and pretty distant fourth. Right. 2014 is really the big change. The BJP has a spectacular election, pretty bad for everyone else. But the difference between 2014 and 2017 is really not necessarily all that great.

So, again, I think from the vantage point of 2012, sort of this big resurgence of the BJP would look improbable. Once we sort of, again, know that 2014 happened, I think the results here sort of signal that whatever was afoot in 2014 seems to have persisted over the next three years or so.

INDIA-2017/03/13

Another way in which I think things don't look -- again, clearly there's a change in power which potentially is going to have some really wide-ranging implications, but, again, from just thinking about sort of the electoral landscape, looking at the last three assembly elections in U.P., things don't look so different. So these are just the vote shares for the three main parties: the BSP, Samadjwadi, and BJP, and their allies.

What we see in the last three elections is the sort of triangular competition. The pieces that are set out are the winner, so the BSP in 2007, the Samadjwadi Party in 2012, the BJP in 2017. You know, again, you sort of have this three big parties, nevertheless able to cobble together a win. I should say "cobble together." Nevertheless able to win a single party majority and provided it looks to be, you know, a stable government. This is, in some sense, again, a little bit of the same of what we've seen sort of from a big picture perspective. Obviously the people in charge are different, which makes a big difference. But, again, in some ways things are looking not wholly dissimilar.

One way in which I think this was a big win for the BJP and bigger than for the Samadjwadi Party and the BSP before, if you look at the margins of victory, so the BJP candidates on average won with much larger margins of victory than either the Samadjwadi Party candidates or the BSP winning candidates in the previous election. So, again, this little nifty graph basically just sort of plotting the distribution of the margins of victory.

So basically what's showing here is that the blue line, which is the BSP winning candidates, a lot of them are winning with margins of victory of about like 5 percent of the vote. Right? So pretty small margins of victory. The distribution moves to the right as we go from the BSP victory in 2007 to the SP in 2012 and the BJP in 2017. So basically what's it's showing is like a lot of these BJP candidates are winning with really sizable vote shares, which is not surprising. If we were to look at the aggregate vote shares, the BJP really sort of opened up a pretty big gulf between the second and third place parties, which helps explain why it was able to translate a 40 percent vote share into more than three-quarters of the seats.

And so I think I probably don't want to go on too much longer and take up everyone's else time, but, you know, I think in terms of moving forward, what do we think the opposition might do? I mean, one option is a sort of Bihar-style Mahagathbandhan where if you have sort of an alliance of the

INDIA-2017/03/13

Samadjwadi Party, BSP, and Congress, it's essentially what the RJD, JD(U), and Congress did in Bihar. They were able to stop the BJP from coming to power in the state elections in Bihar in 2015.

I think there is some evidence or some data would suggest that that strategy would potentially have stopped the BJP from coming to power, at least very much diminished the size of its seat share. And so, you know, there's a lot of reasons to think that that kind of alliance is unlikely to happen for 2019, but I think that Bihar does suggest perhaps a way forward for the parties that are starting to think ahead.

And then the last thing I'll end with is one of the things -- let me skip ahead because I didn't go with these, take too much time. One thing you'll notice this is actually the share of the vote that the BJPs won in state elections relative to its vote share in the previous Lok Sabha elections. And what we see is that the BJP's actually -- as well as its done in a lot of state elections, it's actually lost vote shares in state elections relative to how it did in the Lok Sabha elections.

And there are reasons to think that this might just be sort of a function of, you know, traditionally national parties don't do quite as well on state-level elections. And so this may not be anything catastrophic for thinking about 2019, but I think what it does suggest is that across the board the BJP has not been able to sort of build on its strength from 2014 and sort of extend its support base. You see in Maharashtra and Kerala does slightly better, but in most place it's actually done a little bit worse in state elections than it did in the national elections.

And so I think this doesn't necessarily mean I think the BJP is likely to lose in 2019, but in terms of sort of expanding beyond -- sort of continuing the trajectory it was on from 2009 to 2014 where it obviously saw a huge jump in support, state elections thus far don't seem to suggest that it's on a sort of similarly steep upward trajectory moving forward.

MS. MADAN: Thanks, Adam. Irfan, we will talk more about kind of what we see in the road ahead, 2019. But looking back or at least where we stand today, what's your assessment of the elections and what they tell us?

MR. NOORUDDIN: Great. Well, Tanvi, thank you for having me and thanks to all of you for coming here this afternoon.

So Adam kind of sets this up nicely. I mean, the main take of it is for me, thinking about

INDIA-2017/03/13

the results of the last few days, is that very little has changed in terms of fundamental dynamics of Indian elections. And there are two things that I guess I'm somewhat vested in making points about.

The first is that coalition politics remains the way politics in India works and is going to continue to work. U.P. is, of course, the exception to that in this particular election. But in every one of these other states, the BJP's going to come to power in Manipur if it can cobble a coalition together. It'll come to power in Goa if it can cobble a coalition together. And in 2019, just ignoring for a second Tanvi's suggestion that we wait for 2019, in 2019, when Mr. Modi is re-elected prime minister, it'll be as head of a coalition at that point, right, as opposed to a single party majority. That's my prediction. You know, you heard it here first, as it were. (Laughter) That's one.

The second is that anti-incumbency remains how Indian politics is best understood. Five states went to the polls and all five states the ruling party comes out worse than it did, you know, prior to those polls. This has been the case for the last 30 years in Indian politics. In fact, India's one of the few countries in the world in which to be an incumbent running for election puts you at a disadvantage relative to your opponents. Right? So it doesn't matter whether it's in U.P., it doesn't matter whether it's in Goa.

In Goa, the BJP was the ruling party and the chief minister, Mr. Parsekar, loses his constituency by 7,000+ votes. Right. In a small state like Goa, to lose your constituency by 7,000 votes is as close to a thrashing as you can come. Right? So this happens across the board, it happens in every state.

In fact, go back to that slide about U.P. that Adam put up. You had BSP lose. The SP come to power; they lose. Now they BJP is in power. So this is the churn of Indian political is the way to understand it. And if you're a betting person, the way to bet on every Indian election is who's in power today is going to lose the next election. To retain power is by far the exception to the rule.

Why this is, frankly, as political scientists only guess at. We don't have a good answer for it other than to suggest that essentially because none of these parties compete on ideas, right, there are no big ideas sort of organizing India's political ideology. There's a lot of personalities, there's a lot of seat switching, a lot of candidates who shift parties in all of these states, including U.P. Many of the people who are now being elected as BJP members are going to sit on the BJP benches, right; until six months ago, the members of the Congress of the SP and of the BSP. Right. The party label changed,

INDIA-2017/03/13

the person in power does not change all that often. So there's a lot of churn without, in fact, a lot of actual change occurring. The coalitions remain the state of the game. Anti-incumbency remains a big part of it.

The third part of this, of course, is the very strange nature of what happens when you have a fragmented party system in a first (inaudible) political system. So the key part to remember, of course, is that India uses for these elections the same electoral system that the United States uses for its elections. Right. It's a single-member plurality district. Whoever gets the most votes wins.

Well, Poli Sci 101 tells us that if you have one party representing one side of the ideological spectrum and four splitting the vote share on the other side, right, guess who wins. Right? So Mr. Trump likes to say that he won the largest electoral college victory in modern history. That's not actually true, right? The same would be true if you looked at the U.P. and interpreted from that that the U.P. had won the majority of votes in the state. In fact, about 37 percent of people who voted in U.P. voted for the BJP, even though those 37 percent of the votes has turned into a massive seat majority.

The same was true in 2014. Thirty-one percent of the national electorate turns into a single party majority in the Lok Sabha. I mean, just to keep that 31 percent in perspective, when Indira Gandhi ran for re-election in 1977, after two years of emergency, she won 35 percent of the national vote. Right? So one-third of the vote turns into a majority.

So I think one of the things to pay attention to over here, and this slide that Adam last had up is I think instructive over here, is that the BJP is running a disciplined campaign state by state while the opposition flails completely incompetently. But in every state in which the BJP has had to go up against a unified opposition, right, in what we would call a two-party competition state -- think of Punjab and Goa in this election -- it actually doesn't do as well as it does when it runs in a multiparty setting, where the opposition splits the rest of the vote and the BJP consolidates its side of the vote share.

Bihar in that sense represents for the opposition, or for the would-be opposition, a game plan. It's a very hard game plan, right. It requires a lot of discipline. It requires a lot of egos to put their egos under. This is very hard for Indian politicians. It's hard for all politicians, arguably. Right? But when you can sort of consolidate that opposition vote share, the BJP is beatable. And the question is whether that can be replicated state by state going forward.

So just to summarize all of that before I hand this over to Sadanand (inaudible), the hard

INDIA-2017/03/13

part about Indian elections is the fact that all these parties are competing against each other in ways that are very unlike any other electoral system we see in the world, where we don't have first (inaudible) systems in which we have five, six, seven viable parties competing. In most countries around the world -- think Canada, think the United States, think the United Kingdom -- that political system leads to a consolidation of two, maybe three, viable political parties.

So when we have this real fragmentation it makes predicting elections impossible. The only job that I wouldn't want to have is to be a professional pollster in India, right? The only good thing is that has got tremendous job security because no one remembers the previous election and these guys keep on doing what they do. (Laughter) Right. But it's very hard to predict, but that should suggest for us a lot of caution in making very broad claims that all of Indian elections have changed, right, that Mr. Modi is the only game in town.

In fact, what I see in this election, as a closing point, is that for the BJP, Mr. Modi is both its greatest asset, right, he can get a lamppost elected, as it was quoted in the newspapers. Right. Anyone riding his coattails now has a chance. But it is also a presence so large as to possibly overshadow party development from within. Who's going to be CM in the U.P.? Maybe Sadanand will give us the answer to that, right?

But the fact is that you run an election without a CM candidate, in 2019 there will be a person in that position. And, therefore, anti-incumbency factors will kick in. In Goa, they had to send the defense minister back to Goa to be the next chief minister, right. So Mr. Parrikar will return to Goa to be chief minister because within the Goa BJP clearly there is no one who can take on that role. Right? The question is how long can this go and at what point does the party organization wither from within in ways that we have clearly seen hurt the Congress over the long-run?

So, I look forward to the conversation.

MS. MADAN: Thanks, Irfan. Sadanand, Adam's talked about consolidating of trends rather than changing trends. Irfan has talked about the churn rather than change. And yet if nothing else, it is had to deny that there is one politician who comes out of this head and shoulders above the rest, as Omar Abdullah, head of the National Conference Party, said.

MR. ZIEGFELD: He must mean Rahul Gandhi. (Laughter)

INDIA-2017/03/13

MS. MADAN: No comment. You can comment on that. That's why I'm going to turn -- do you think this election signified change in any form or do you agree that it's a consolidation of trends, but it essentially reinforces what we saw in 2014 in a way that has put everybody else on the back foot with a need to regroup?

MR. DHUME: Well, thank you and thank you for having me. And it feels like it was just the other day where it turns out I think it was four years ago when we were sort of doing these in the run-up to the 2014 election. I do have some agreements and disagreements with the previous speakers, but I want to use my time to just give you what I think are my top takeaways. And the way I'm going to do this is I'm going to divide this into four sort of broad political points, which we can debate later, and two more economic policy-related points.

The four big political points, number one, Modi has clearly been established by this election as a clear and prohibitive favorite to win again in 2019. It's certainly true that if you compare how they did in 2017 to 2014, it's more or less the same, but it's quite unexpected because if you look at previous elections in U.P. for the National Party to do that well in the state election, which had been dominated for the past 15 years by the SP and the BSP, is quite rare. So he did that, he's pulled that off.

He did that without having a chief ministerial candidate, which many people thought would be a liability. That was one of the reasons people say they lost in Bihar in 2015. One of the reasons they say that BJP won in Assam last year was because they had learned that lesson and had a chief ministerial candidate. Here he went in, he asked for votes on his own name, and he won comprehensively. So number one, Modi is the frontrunner.

Number two, and this is a perennial, hardy perennial, you know, the slow, agonizing death spiral of the Congress Party continues. Not only did they get wiped out in Uttar Pradesh, they got seven seats. Seven. Many people, I was just in Uttar Pradesh, many people I spoke with over there suggested that they helped bring the SP down. That Akhilesh, who, in fact, had a pretty good image in the state, was hurt by his association with Congress. And so this has huge implications, I think, for the coalition-building that we're going to be going into heading into 2019.

And in the one state where Congress did score a clear success, which is Punjab, much of the credit goes to Amarinder Singh. It's no secret that Amarinder Singh doesn't have a particularly good

INDIA-2017/03/13

relationship with Rahul Gandhi, but he somehow muscled his way in, took control of the campaign, and performed very well.

The third political point is that this is a huge setback for the Aam Aadmi Party, or the Common Man Party, that had emerged from the anti-corruption movement that rose to prominence about six years ago, the Anna Hazare movement. AAP looked set, according to polls and certainly according to AAP, to win the Punjab election quite decisively and make significant inroads into Assam. They ended up coming a poor second in Punjab and getting zero seats in Goa. In fact, 39 out of their 40 candidates lost their deposits in Goa. So the idea that Kejriwal was just sort of, you know, poised to occupy the opposition space that is left by a decaying Congress, I think that idea that is something that we cannot say after this set of elections, this results.

The fourth political point is that I think you're seeing some kind of caste realignment in Uttar Pradesh. One of the things that was interesting as I traveled in the eastern part of the state was that you had these BJP posters all over and on the BJP posters you'd have two sort of large pictures of Modi and Amit Shah because this is obviously Modi's election.

And then you have these four figures on the side and each figure was chosen precisely because they represented one or the other caste. So you had Rajnath Singh, Kalraj Mishra, Uma Bharti, and Keshav Prasad Maurya, and in some places Yogi Adityanath. And what was interesting about that was that what I think the BJP did extremely successfully in this election was they played the caste card while pretending to be above it.

So in their speeches they could sort of go and talk about, you know, the cost and development and that sort of thing. So it's as though they managed to condemn the SP and the BSP to be seen as these sort of, you know, minor, old-fashioned, caste-based parties and the BJP is bigger than that. Whereas, in fact, they were playing caste, but they were playing it differently and much more subtly and eroding the caste base of the SP and the BSP by going after instead of -- so the OBCs, which were sort of seen as a block, they decided, well, now we're going to go after the non-Yadav (phonetic) OBCs.

And similarly, the Dalits, who are Mayawati supporters, which were seen as a block, they decide to go after the non-Jatav Dalits. They did this very intelligently and obviously very successfully and I think that has very, you know, interesting implications for politics in the heartland beyond Uttar

INDIA-2017/03/13

Pradesh.

Now, the two points on economic policy, the first is that demonetization, much to my chagrin, is extremely popular. I probably spoke with 200 people, if not more, in the course of my travels, desperately looking for someone to tell me just how much they hated demonetization. I did people who had a bad experience, but I could not get people who said it was a bad policy.

So even people who had suffered themselves, so like a shopkeeper, yes, it was hard for me then, but now it's okay. Or an auto driver in Varanasi, yeah, things were looking really bad, I was having trouble making ends meet for those few weeks, but I know that Modijee (phonetic) did this in the interest of the nation. Students sipping cold coffee in someplace in the Banaras Hindu University, what do you like about Modi? He's bold. Why do you say he's bold? Demonetization.

So whatever else people were saying, and I believe that the intellectual argument remains strong, that demonetization was a disaster. And so you have this sort of one conversation among the policy wonks, which is that here is the cockamamie idea which was implemented in this staggeringly inept manner, and then you go in and talk to actual voters and they're saying here is this man of sincerity who struck a principal blow against corruption and black money. And so those sort of narratives they don't meet and, obviously, in politics only one of them counts.

And that segues to my last point which is also on economic policy, which is one of the striking things about the campaign was that even though development in some broad, general sense is front and center, economic reforms are completely absent from the conversation. So it's true that politicians go there and say we will give you the cost for development and it's true that sometimes they will translate that into specifics, such as jobs, electricity, and roads. But the conversation that you're having in the pink pages, the conversation that you're having among wonks about, say, land reform or labor reform or the privatization of loss-making state-owned companies, streamlining of subsidies, our food and fuel, those kinds of conversations, even GSD largely, though that's a done deal, those are not conversations that the politicians are having with voters.

At one level this is obviously understandable. These are kind of, you know, complex issues and you don't really expect, you know, a villager somewhere in eastern U.P. to be engaging with this, but at some level I think it's a departure from normal politics. Because, again, if you compare it, for

INDIA-2017/03/13

instance, with the United States, the political conversation is always going to be simplified. You're not going to have the same conversation that a wonk is going to have. The conversation in Brookings is going to be different from the conversation on the campaign trail, but at least they'll be talking about the same things.

In an election like Uttar Pradesh they're not talking about the same things. They may be talking about outcomes, we want jobs, but nobody is talking about how to get there. And I think that has consequences for what we're going to see in terms of economic policy in the next two years.

Now, I know that there's an optimistic view and I've had this argument with several people. And the optimistic view is broadly this, which is that, you know, Modi is always just one state election away from enacting these great, sweeping economic reforms because, you know, now he doesn't have to worry about the politics, now he can do the governance. I don't believe that's true.

I believe that he has, for instance, absolutely no interest in privatization. I don't think he wants sweeping labor reforms. I mean, I'd be happy to be proven wrong on these things, but that's my sense of it. I think he did try to roll back the Congress' land law since early in 2015, but he was burned by that and I don't think he's going to take another stab at that seriously.

So what you have really is two sides of this debate where one side says that, well, there's politics and there's policy, and now that he's doing so well in the politics it gives him room to go and pursue those policies. And then there's the other side of the argument which is mine, particularly after watching him over the last three years, which is that the only thing we need to care about is the politics. And if this is working for him, if going slow on the market-based reform agenda that many of us have been speaking about for the past 15 or 20 years, if going slow on that gets you a three-quarters majority in Uttar Pradesh, the biggest prize by far in Indian politics, why on earth would you want to tamper with that?

I'll leave it at that.

MS. MADAN: Thanks, Sadanand, particularly given that the BJP still has the memory of making foreign investors very happy in 2004 and still losing re-election. And that has stayed with a number of party officials since.

Alyssa, you're more optimistic. In your blog post that was out today, you said you believe

INDIA-2017/03/13

that Modi would take advantage of this political capital that he had and perhaps move forward on some of these reforms. Feel free to elaborate on that, but, also, what does this mean for all of us sitting outside India? What does it tell us about potentially what might happen both in terms of kind of the foreign economic policy space, as well as the foreign and security policy space?

MS. AYRES: Right. So it's a lot harder to try to conjecture what might be happening for India looking ahead on foreign economic policy and on foreign policy. Why? Because nobody is campaigning in a state-level election on foreign policy issues. It's just not there as a set of preoccupations. So I like to take a look at what people are saying and take them at face value for what they are saying.

First, I do think it's important to acknowledge nobody has thus far mentioned the fact that what happens with the results of the U.P. legislative assembly election is that the BJP will now pick up a lot of seats in the upper house of parliament and that has a direct impact on the party's ability to push through reforms that require legislation. They've had trouble particularly with, as Sadanand mentioned, reforming acquisition because that requires new legislation. They tried three times to do this by ordinance. And under Indian law, if you push through an ordinance like an executive order, but in the U.S. an executive order can stand on its own, in the Indian system parliament needs to pass by a law that same measure in order for it to stand permanently. Three times on land acquisition; not able to make it work because they didn't have control of the upper house.

They will start picking up seats in the upper house as early as 2018. The way it works is the state-level legislative assemblies are the bodies that elect the members of India's upper house of parliament and those take place on a kind of rolling cycle. So I believe 12 seats become available in 2018, more in 2019, more in 2020. So the BJP is looking ahead to 2019 and beyond. What are they able to do after coming to power in 2019 for a second term? And then coming into, holding a majority, as well, in the upper house of Parliament along with the lower house. That's what I think their projection is for what they're able to do for the future.

So to me the results of this weekend's election announcements is sort of twofold. You both get the signaling effect of having this -- you know, picking up four governments in states, basically all across India, I mean, north India, plus, you know, Goa, and then to the western coast and in the far

INDIA-2017/03/13

Northeast. So the map starts to look very different in India. You start to see more states controlled by BJP governments.

And then the other issue is having this kind of future prospect of being able to legislate with firm majorities in both houses.

So what are the foreign policy implications of that? As I mentioned, foreign policy was not what people were voting on. On Sunday, yesterday, Prime Minister Modi gave a celebration speech and it was interesting to see he used a lot of the language in this celebratory speech that built on a campaign that obviously was in the works prior to announcing the election results.

So the BJP, you know, they've got this Narendra Modi app that you can use on your smartphone. And they've launched this new campaign called I Am New India, #IAmNewIndia. And like demonetization, I Am New India hashtag is actually -- it's a pledge that the prime minister is asking all the citizens of the country to participate in being part of transforming India, to become this kind of new power, a place that -- and if you look at the different areas that individuals can sign up to help support, they're all the kinds of platforms that he has been concentrating on since 2014. So it's things like women's empowerment. It's things like "Swachh Bharat," Clean India. It's things like cashless economy. Oh, that was demonetization. I mean, it's all -- anti-corruption.

So, you know, go through that list of what they launched over this weekend and what was a preoccupation in his celebratory speech yesterday, and you start to get a sense of, well, they're going to double down on this agenda. That's my conclusion, in any case.

What does that mean in terms of thinking ahead on foreign economic policy and foreign policy writ large. So unlike Sadanand, my bet is that the government is going to look to try to double down on areas of economic policy that can most directly affect India's ability to bump up its economic growth and create jobs. Foremost among these has been the Make in India initiative. Make in India has successfully reeled in a lot of investment pledges. It had not successfully created jobs. And so that's the next horizon. That's really what the government needs to do.

Well, how do you create more jobs? You make the business environment a better place for job creation. And this has long been a challenge in India because there are a lot of very restrictive labor laws that prevent entrepreneurs from growing a company over 10 employees, over 100 employees

INDIA-2017/03/13

because of the sheer difficulty of winding it down, even if the institution becomes loss-making. So I would anticipate seeing a lot more focus on labor reform in order to get things moving. I would expect to see more, an intensified push on encouraging more foreign direct investment in India and finding a way to make sure that gets translated into jobs.

I'd also -- and here this is now me conjecturing because, again, this was not on the campaign trail. And in five months, you can all tell me if I was wrong. But, you know, one of the things that Modi has spoken repeatedly about is a future where India becomes the workforce of the world. Well, how does it become the workforce of the world? You need to make sure that people are properly equipped with the skills needed to compete globally in all kinds of areas.

We've had a lot of focus in the United States because of our own issues with reforming the H1B program. But actually, this workforce of the world concept is not at all limited to the technology field. This workforce of the world idea, if you read some of these initial speeches announcing this program, they are talking about training Indian yoga teachers to go worldwide and be available anywhere; and training people to be chefs and teachers and, you know, electricians, and carpenters. I mean, name any job you can think of and there's this concept that India has great human capital, but does require more skill development in order to be able to realize that potential. So I would expect to see greater emphasis on this.

And on the international economic policy front I would expect to see at least a maintained level, if not heightened level, of focus on workforce mobility and labor migration. This has been a preoccupation for India within the WTO. It's a preoccupation for India within its multilateral trade negotiations, like with the RCEP, the Regional Comprehensive Economic Partnership negotiations going on right now. This is a bilateral issue for India with many countries. It's certainly an issue for India with the U.S. So I would expect to see continued attention to that issue, mobility mode for movement of natural persons.

On the campaign trail and in his celebratory speech yesterday, Modi didn't say anything at all about India's growing role in Asia or its role in the world. I would anticipate, however, based on the way the country has been focused on developing and becoming the preeminent power of the Indian Ocean -- and it's doing that through its multilateral diplomacy; through its military modernization; through

INDIA-2017/03/13

its development of security relationships with the Indian Ocean countries, island countries; through its role developing a new Indian Ocean base -- I would expect to see that continue because we haven't seen any evidence that they won't continue this. Here, I'm obviously projecting.

But I would also suggest that we'll probably see a similar push on the question of global governance reform. We've seen an ongoing push from Indian leaders across parties. I would say it's been accelerated under the Modi government, but you've seen an ongoing push from successive Indian leaders to create that larger space for India on the world stage, secure that permanent seat on the U.N. Security Council.

We recently just saw a comment made by I believe it was the Indian ambassador to the United Nations, who said, you know, we're willing to look at non-veto powers if we can just get something moving ahead on this reform of the Security Council. They're looking for membership in three more nonproliferation regimes. Maybe Manpreet can give us an update on that. Thanks for coming.

You know, India has been making a bid for membership in these global institutions that it has not yet been a part of and I think we're likely to see that continue. Why? Because India has been interested in that role and because I think the push to project forward this idea of the new India, this new India by 2022 is only going to reinforce those interests and that set of priorities.

One last area for foreign policy. I've seen a couple mentions in the press. I think this is really hard to predict, so I won't try to predict on this one. What will India do with Pakistan, its most challenging relationship? I really don't know what the answer to that is. I think it could go either way.

You see a Modi government that now has been given more policy space to take risks. On the other hand, they've taken some risks with Pakistan and been burnt. We haven't yet seen in Pakistan a kind of significant ramping down of terrorism. Unfortunately, we just saw earlier, I guess today, the launch of a new terrorism organization's recruitment magazine. So again, that suggests insufficient attention to this problem within Pakistan. So I think that could go either way.

It'll be kind of hard for the Indian government to try to take risks in peace-making with Pakistan absent, some evidence of further effort on the part of Pakistan to tackle terrorism emanating from its soil. But on the other hand, it'll be in India's interest to have much better relationships throughout its whole neighborhood, opening up the prospect of having a much more economically integrated entire

INDIA-2017/03/13

region from Central Asia, Afghanistan, all the way through Southeast Asia. That kind of potential vision would be very appealing. So that for me is the wild card. I'm not quite sure where this government will attempt to go with Pakistan in the next couple years.

MS. MADAN: Thanks, Alyssa. And I'm going to do a little bit of a Q&A on this side and you can respond to things that other panelists have said, but I'm just going to start off with Alyssa said in the prime minister's speech that he gave he kind of kept his rhetoric very broad. He talked about development, jobs, the way forward, social programs, emphasizing women and the youth. But on the ground, especially in U.P., things like caste, religion, nationalism were used in the campaign, did come up.

And so what is the role of kind of identity politics and where does that stand in terms of is it a necessary but insufficient condition according to politicians? Have we moved away from it? I mean, you do hear a lot of kind of broad assessments about this. But where do each of you think or any of you think we stand on that?

MR. NOORUDDIN: So, you talked about, you know, the clever use of building up a cross-caste coalition in U.P., the four phases. And the tricky part, of course, for Mr. Modi is that unless he can create a four-headed chief minister, he can't possibly have a chief minister that actually appeals to each of those very complex and distinct caste groupings. Right?

I mean, in some sense, this was the challenge he faced in Bihar, which was at the moment he appointed a chief ministerial candidate, right, it was either going to be an upper caste Brahmin or it wasn't, and that was going to be seen as a betrayal to one of these. So one of the challenges I think even in the U.P. is that once he names a chief minister, whether some of the groups that have chosen to support the BJP will feel betrayed, right, and, in fact, will become once again available to the BSP, the SP in 2019.

The second -- and we like to be explicit about this. Let's talk about Muslims, right? Muslims in this campaign were absent in the BJP campaign, just as they were in Maharashtra. Right? When he ran in Maharashtra, the BJP nominated zero Muslim candidates. In U.P., they contested in over 400 seats. They gave zero tickets to Muslim candidates.

At some point, I mean, this is part of their DNA and that is who they are, as far as I'm

INDIA-2017/03/13

concerned. But at some point, the rhetoric of (inaudible) will ring hollow, if it doesn't already, to large parts of this constituency. The rhetoric in U.P. got increasingly communal. Some of the comments that Mr. Modi made in speeches, right, about Kabristan, right, are just, I think for those who value sort of a secular fabric to India, deeply concerning and deeply depressing. And, of course, a lot of the far more communal rhetoric is engaged by all the second and third order sort of people who are out on the campaign trail over there.

So I worry that if we don't at some point address head on sort of the communalism that is on the rise, the people that I spoke to last week in Bombay and Delhi, who were in the field in U.P., talked about a rising communalism, a rising anti-Muslim rhetoric among young people in U.P. That was being expressed to them as reporters, as interviewers that they found quite striking compared to even 10 years ago. And I think this ties in to the sort of patriotism, nationalism sort of language that has increasingly become part of this campaign.

So, I Am New India is a great tagline. Once again they win the social media war hands down. But the reality on this on the ground I think suggests that there is a divisiveness to the campaign strategy that, at some point, might come home to roost. So on Muslims that's one.

The second is the reason demonetization doesn't hurt them is because he successfully turns this into a class warfare. Right? I don't understand how you can be a free marketing, economic reform person if, at the same time, you're going to turn this around and beat up the middle class and the rich. I mean, Indira tried that. I mean, the Congress has tried to make that work. It doesn't actually work when it comes to legislating because if economic reform comes to India, inequality will need to rise. It's an increasingly unequal country. And he was able to get demonetization through partly by using the resentment of the newly wealthy as a way of getting this through. At some point, either the newly wealthy are the bad guys or they're the ones benefiting from the economic reforms and there'll be punishment paid for that. I just don't see this as being a permanent thing.

So one last point on the Rajya Sabha. So, Alyssa's completely right. In April 2018, the BJP should be expected to have a majority in the Rajya Sabha. At that point, they're a year away from the next campaign. They either sort of use that year, and I was advising them I'd say this is your year, because it's the last time I think you're going to have a majority in Lok Sabha, as well. Right? Because in

INDIA-2017/03/13

2019, even if they do as well as I think we would all expect them to do, the electoral map still suggests that they will be returned to leading a coalition in the Lok Sabha, even if they have a majority in the Rajya Sabha.

So the question, I think, for those of us who want economic reform, right, who want economic development is that we have a window of April 2018 to sometime March 2019 for all of those policies to happen before the realities of legislating in India come back. But identity still dominates. There are no big ideas that I think are really pan (phonetic) and unifying over here. If anything, on the ground I still see division, not unification.

MS. MADAN: Sadanand, as somebody who is on the ground, as well, and as well in television studios, what do you think about kind of the role?

MR. DHUME: So I sort of partly agree and partly disagree. Certainly in terms of the speeches there was that one speech, you know, which got a lot of press attention where Modi said that if you build a graveyard, you should also build a crematorium. That was the Kabristan comment and so on. And I've watched, I've lost track of the number of U.P. speeches I've watched. This was certainly not front and center in their campaign.

Actually I went to Gorakhpur and I was surprised to find that this was not even front and center in Yogi Adityanath's campaign. And this guy is sort of known as a real sort of, you know, hothead and that. And sort of, you know, surely, I mean, there is stuff like, you know, on the margins. What the BJP did was they played on this sense of resentment about the SP playing the other side of the communalism, which was basically pandering to Muslims, qua Muslims, and things like we'll only give laptops and, you know, these little things. And those kinds of resentments they picked up on and clearly they had some kind of purchase. This idea, whether true or not, or this perception that had been created that the SP, because it appealed to this very narrow base, not just Muslims, but also Yadavs, this idea that the entire idea the SP is based on N + Y, and that N + Y was intrinsically unfair to everybody else is certainly something that they used.

So my two points are one that, yes, there's identity politics, but I think there's identity politics on both sides. It's not like identity politics is only. And secondly, try to compare this to the kind of campaign rhetoric you had in 1990s and so on. It has gone way down. You just -- I mean, they don't talk

INDIA-2017/03/13

about reforms. And you can argue that their talk about development is extremely vague, right. It's just what do you want? We want development.

But there's no question that the campaign speeches, the rhetoric, the campaign material, again, you can go back and, you know, some of us who have been following U.P. for a while, you go back and compare to, say, 20 years ago, then the BJP was a party which was about, front and center, it was the Ram (phonetic) Temple, it was Uma Marthi (phonetic), it was Sadvi Rithambara, it was kick the Muslims out. Compared to that, they have really, really, in my view, lowered the pitch.

They may not be where we want them to be, and I certainly think that, for example, not giving seats to Muslims is a blunder. Rajnath Singh criticized that. But this is obviously something that had been thought through by Modi and Amit Shah. And I think that what they were aiming for and what they managed to do was kind of create this pan-Hindu consolidation. And what they're helped by a lot, frankly, was the kind of politics practiced by the SP and the BSP, where you essentially had figures like Azam Khan, who's not exactly sort of viewed very favorably by most voters. There was a sense that these parties have not practiced secularism either. And I think that has really sort of -- in that sense, the politics of the SP benefited the BJP because it played into this BJP campaign.

I want to come to sort of one -- I agree with Irfan completely on this idea of if demonetization means class warfare, then it's at odds with the liberalizing agenda. And the other side to the extent which I'd add to that is that it also shows the rise of a very powerful government. And if the reform agenda in India is really rolling back the role of the government on economic policy, I think that that's sort of the piece of the puzzle that this government either hasn't worked out or, if it has worked, it seems to have worked it out in a way that, to my mind, goes against liberalizing instincts.

MS. MADAN: Adam, you've written a lot about regional parties. They didn't have a great day. The BJP is not going to be able to form governments and go in Manipur without them. But overall, they probably didn't have a great day, but they're still in power in a number of states in India. What is the road ahead? Where do they stand today? What is the road ahead for them to 2019, whether it's in terms of other state elections, as well as the 2019 elections? Where do you think -- I mean, Irfan said there will be a coalition in government in 2019. But what are kind of the areas where they might focus, the states where we might see them potentially gain power in the next couple of years?

INDIA-2017/03/13

MR. ZIEGFELD: Well, so I was actually going to say I seconded Irfan's prediction about the BJP winning, but in coalition. And I think that that's exactly sort of the role that, I mean, I think we're going to continue to see regional parties as king-makers in a lot of these coalitions.

And so I think, as Irfan explained, right, I think the BJP by, you know, 21st century standards had a great election in 2014, winning 30 percent of the vote. But, you know, 30 percent is by sort of historical standards, and if you think back to the Congress-dominant period, not actually all that great. And so the fact that it was able to translate that kind of vote share into a single-party majority hinged on some very sort of fortuitous circumstances in a lot of states, which I think is, as I think Irfan's prediction was alluding to, unlikely to happen again. Which is going to mean that rather than just sort of relying on regional parties and Rajya Sabha moving forward after 2019, it's quite likely that BJP will rely on them in the Lok Sabha for a majority, as well.

I think one of the ways in which -- you know, I was thinking, also, as you were asking the question about the identity politics, I mean, I think one of the reasons in which -- one of the reasons I think why it would be premature to write off the BSP and the Samadjwadi Party is precisely because some of these regional parties, but I think even the national parties in particular states, if they have sort of a resilient ethnic support base on which they can draw, they can often sort of weather the lean times out of power in a way. And I think this is actually story of why Congress has really been in sort of this death spiral, particularly in Bihar and Uttar Pradesh, is that after the 1990s, it lost its kind of hardcore ethnic support base to the BJP, BSP, Samadjwadi Party, and various groups, sort of to various parties. And so I think without the building block, I think that's what's put Congress in trouble.

But I do think it is -- I mean, I do think that that's the same reason why -- you know, will we see the BSP in power again in the near future? Perhaps not, but I don't think it's likely to kind of fade away.

As far as thinking about India more broadly, I mean, you know, as far as growth for regional parties, I mean, my guess would be where's the next place some sort of Congress dissident party is going to decide to jump ship? I mean, if you think about the YSR Congress or sort of the Trinamool Congress in West Bengal was founded many years back, but in the last 10 years has really sort of come on strong. I mean, I think the real risk for Congress is sort of fragmenting into a bunch of

INDIA-2017/03/13

regional parties in the way that the Janata Dal did way back in the 1990s.

And so I guess sort of the twofold predictions, I think some of these regional parties that have these pretty clear support bases, I think they're likely to be resilient. Ones without that kind of base I think are less likely to endure well when you're out of power for the *longue durée*.

And then, yeah, if I had to sort of bet on where we'd see them arise, you know, sort of looking for factionalism within Congress and people saying we're going to ditch this sinking ship and sort of strike out on our own. Yeah, but, I mean, again, post 2019, I think we're going to see -- vote shares aside, I think we're going to be seeing regional parties in the headlines more and more because they're, I think, most likely going to be a much more integral part of the government formation process.

MS. MADAN: So speaking of that, we got some Twitter questions, some of which we've actually covered, but one of the questions people are -- it was something that was pointed out. And if you actually look at the kind of map of assembly elections and assemblies in India, the BJP now, I mean, has kind of the north and west pretty much dominated. And this person made the point that is the south next? And you can argue that about the east, as well.

And most of those areas, except for Karnataka, most of those states are either being run by BJP coalition partners, who might not appreciate the BJP trying to make inroads in their states, or, you know, with Janata Dal (phonetic) no longer in power, but, you know, they might see an opening. Do you see them having success in any of those states, kind of in the south or the east, that they haven't? I mean, they have made a lot of inroads, obviously, in the Northeast where they've come out of nowhere. But in the south and east, do you see any kind of success for them there?

MR. ZIEGFELD: You know, I wouldn't -- well, as an academic I feel like we're taught never to make very strong prognostications. I probably would --

MS. MADAN: Think of this as a cocoon.

MR. ZIEGFELD: Yeah.

MS. MADAN: Nothing you say here will be held against you in academia.

MR. ZIEGFELD: I wouldn't be on it, in part because, I think it was Irfan mentioned, you know, the problem I think with Modi's increasing role in the BJP is that it's less likely that you're going to sort of nurture these state-level leaders. So you mentioned Karnataka, right? And that's where, you

INDIA-2017/03/13

know, the party was able to kind of develop from the bottom up and really eventually sort of make, you know, a splash pretty quickly. But I think that takes a lot of autonomy on the part of local leaders. And I think if you're not moving in that direction, which I think historically has been the strength of the BJP, is that it sort of allowed -- it's been a little bit, I think, more democratic at sort of the ground level and less tied to -- success in the party was less tied to who you knew at the top. And so in that sense, I think that the Karnataka model is probably the way you would try to break into these other states, but that doesn't seem to be the way that the BJP is going.

And I think in the places like the northeast, I mean, you know, the northeast, a lot of this seems to be defections. I mean, I remember back in Uttar Pradesh the BJP, one election, you know, won 50 percent of the vote and the next election there was no one left because they all defected en masse to another party. So I think the northeast, I mean, that is one way of going as sort of recruiting members from another party to, you know, create a party overnight. I think given that the states in the south and most of eastern India have sort of more developed party systems, I think the northeast model is unlikely I think to apply in the southern and eastern states.

And I think this goes back to this issue of why the BJP is going to have an uphill battle in replicating its single-party majority is that it isn't making these sort of big inroads into the southern and eastern states that it would need in order to (inaudible) a majority in the event that, say, you know, a coalition came together against them in places like U.P. and Bihar, and it can't count on winning nearly all of the seats. I think it needs a sort of supporting set of states that I think at this point it doesn't really have yet.

MS. MADAN: Alyssa, arguably Modi had the best day on Saturday. Who do you think had the worst day? And I'm going to ask all of you that, as well. And what can they do to kind of make it better?

MS. AYRES: I think probably Arvind Kejriwal had the worst day. I'm not going to say Rahul Gandhi because they did pick up Punjab. And I agree with Sadanand on this issue of AAP showing. I mean, three years ago, people were talking about AAP's possible growth and, you know, transformation into becoming a national party that could rival all others, and that just doesn't seem remotely on the horizon at this point. So he needs to focus on governing in Delhi. Delhi has problems.

INDIA-2017/03/13

They've got to get to work in Delhi.

MR. DHUME: I would say that AAP had a bad day, but so did the BSP. And I think that's a very sort of interesting party to watch because, on the one hand, coming back to the point Adam raised, it does have a very strong and loyal support base. Even in this election I think it got something like 22 percent of the vote, even though it didn't pick up too many seats.

Yet, on the other hand, it's been out of power for a long time now, so it's lost two back-to-back elections in the only state where it really is a contender for power. And it got wiped out in the Lok Sabha. There were some questions about they don't even have enough seats in the current U.P. assembly to ensure that Mayawati herself remains in the Rajya Sabha.

So what happens there in terms of losing the power of patronage and you have a very aggressive BJP led by Amit Shah trying to make these inroads and making some inroads -- not huge inroads, but they are making some inroads -- into their support base. I think one of the very interesting factors in 2019 will be what happens to Mayawati, and she's a real prize. If the BJP is smart, they'll try to get her on board because 22 percent of the vote or 20 percent of the vote is still a very, very big prize. And if any kind of coalition is to form that is viable in the Hindi heartland against the BJP, Mayawati I imagine would have to be a big part of it. But certainly, Saturday was a terrible day for her.

Very bad for AAP, but very bad for Rahul Gandhi because I don't think he is given that much credit for Punjab. I think Punjab, the credit really is given, rightly in my view, to Amarinder Singh, who's precisely the kind of leader the Congress doesn't make anymore, a strong-rooted leader.

In the BJP, the situation I'd agree partly and disagree partly. I think you have this new post-2014 crop who are not necessarily rooted, grass-roots leaders, but there are still many leaders in the BJP who, you know, predate Modi. So there's Shivraj Singh Chouhan, there's Vasundhara Raje, Isrea Durappa (phonetic) in Karnataka. And so it'll be interesting to see what happens with some of these people who are already establish regional leaders. So far, at least, they have not been sidelined. So far the party has accommodated them, and so it'll be interesting to see what's the policy towards them going ahead.

MS. MADAN: Irfan, any other candidates for worst day?

MR. NOORUDDIN: The Badals (phonetic). (Laughter) In Punjab, it's sort of striking. I

INDIA-2017/03/13

mean, the easy ones these guys already took, right? But in Punjab it's sort of interesting. This is one of India's richest states, but you had a government in power that has set, even by India's standards, records for corruption and malfeasance, and they got hammered. I mean, you know, the moment the Congress allows -- your state becomes the poster child for the Congress still being alive, you've had a pretty bad day in modern Indian politics. (Laughter) And they basically gave the Congress a pretty significant lifeline.

I would also nominate Mr. Parsekar. I mean, this is a guy who went from being chief minister to losing his seat, only to have Parrikar come back and be chief minister in what is -- you know, we leave aside sort of whether or not this is good for democracy, but what sort of a brilliant political move on the part of the BJP, right, catching the Congress sort of asleep at the wheel and sort of forming a government. You've got to imagine that his career in politics is just done, right? Where do you go from there? But at least he's in Goa, so how bad a day can it be? (Laughter) So life will be okay eventually.

MS. MADAN: Adam, you can answer the question about the west states, is anybody left? But also, I mean, and any of you can answer this, Adam, starting with you, what does this say and what is the future of the Congress Party?

MR. ZIEGFELD: So I think the political science answer is that Congress' real problem is the distribution of its vote base. It is very, very inefficiently distributed across India, such that 2014, a disastrous election, it still won 19 percent of the vote, which, you know, put it about 15 percent ahead of the next biggest party. So it is still a party that wins a substantial share of the votes.

They, in some sense, could not be more optimally distributed to not win seats in the sense that they are winning sort of so-so vote shares in a lot of states and they don't really have strongholds anymore. And so, you know, that's just really bad news. I mean, this is, I think, why you see regional parties doing well, they sort of have these strongholds. They have these narrow but deep support bases. The BJP, again, sort of I think much better configured support base.

And so I think, you know, if the Congress can't -- you know, this is tricky because I don't foresee them shrinking away into nothing. I mean, it's a fairly big party. They are sort of the main opposition in a fair number of states. And so, you know, if voters in Madhya Pradesh got fed up with the BJP, they don't really have anywhere else to go but Congress unless someone starts up a new party,

INDIA-2017/03/13

which I guess would be my big fear if I were Congress.

So, you know, I do think that the concern is that it is this kind of very slow death over time. I would fear for that if I were them, as I mentioned, sort of a fracturing of the party, sort of the leaders like Mamata (phonetic) Banerjee and Sharad Pawar sort of continuing to flee and set up shop on their own.

That being said, you know, if we think back, 2009 wasn't that long ago and everyone was saying about the BJP being, you know, utterly hopeless. And I should say won a vote share that was about the same as Congress won in 2014. So, you know, the BJP was able to effect quite the miraculous turnaround. I certainly wouldn't rule out for Congress if their -- you know, I think the problem with Congress has been being beholden to sort of this dynasticism. It's not clear that they are necessarily open to promoting the sort of leaders that would sort of be able to help them do what the BJP did.

So I guess that list of worries rather than predictions.

MR. DHUME: Can I just jump in on that for one second? Because I think there were, you know, two words missing in that response, and that was Rahul Gandhi. And it's striking to me to what degree -- and this is sort of one of things that I sort of took away from my travels in U.P. this time -- the degree to which, for many people, he has crossed over and become a figure of mirth. It's the Dan Quayle effect. And I'll give you a little example.

I went to this cold coffee place in IT BHU and just started -- struck up a conversation with three 21-year-olds who were studying for pre-med. And we talked about all kinds of things and what was happening in the election. I just wanted sort of their view. And the conversation at some point came to Rahul Gandhi. And I just sort of said, you know, what do you think of Rahul Gandhi? And all three of them started giggling. And I'm not saying that this is true of sort of everybody, but it's a real problem when you are essentially -- and I have this in my column today, the long-term challenge for Congress is to take somebody who is the butt of WhatsApp jokes and turn them into a serious contender for national political power. And that's a huge, staggering ask if you ask me.

MR. NOORUDDIN: Yeah. So it's not an impossible ask. I mean, and you have the risk of sort of crossing a line. India's now pan-India leader is someone who couldn't have entered the United States because we would never have given him a visa five years ago. Right? I mean, so Mr. Modi's

INDIA-2017/03/13

transformation from being a focus (inaudible), someone sort of quite demonized to being now sort of the hegemonic power is one of the most successful transformations of a political leader that I've ever witnessed. And so it's not impossible, I would argue. And the fact that --

MR. DHUME: That I'd happily take. (Laughter)

MR. NOORUDDIN: Right. And the fact of the matter is that, you know, there are electoral maps sort of favorable and there are electoral maps that are not. So when we think of the United States, we are told, for instance, that for all the unhappiness on the left about Mr. Trump, 2018 is unlikely to bring a lot of satisfaction to the Democrats because the electoral map in 2018 is not favorable to the Democrats winning seats.

Arguably, that was, you know, the case in U.P. I mean, for the Congress, U.P. was -- I mean, look at Adam's first map. Congress has not been relevant in U.P. since 1984, right? This has just not been where they've won votes. They've been sort of off the map.

In the states, in the other three, even though the news has now been dominated by the BJP sort of stealing a margin and forming a government in Manipur and Goa, the fact is that three of the five states that were up for grabs in these elections, the Congress was the single -- won the most seats. Okay? So that's not for me sort of a complete death spiral, though there's all sorts of worries.

If you look ahead to Rajasthan, I think you've got to keep a real eye on people like Sachin Pilot and the fact that Vasundhara Raje, the old guard BJP, is not exactly Mr. Modi's number one fan either. And the real issue is in those two-party states, what happens if they manage to pull it off in Rajasthan. Right? What does the narrative look like moving forward?

Do I think Rahul is going to be a prime minister candidate? No, I think there's a real challenge for the UPA, right, because that will be how they have to think about themselves going forward. But possibly in Akhilesh, possibly in Nitish, maybe there are faces that they can put in front of that coalition.

And if you're really being -- and I'm stretching over here and I'll admit I'm stretching over here, but if you want to really have an optimistic view from the UPA Congress perspective, the fact that the BJP wins in U.P., that they've done what they have in Goa, that they've done what they've done in Manipur, from the perspective 2019 is not a terrible thing. Right? It allows you essentially (inaudible)

INDIA-2017/03/13

ruling. In Goa, I assure you, there'll be a lot of pretty angry voters, right, who feel like sort of their voice was overturned.

And in U.P., given the anti-incumbency tendencies, right, without U.P. the BJP is not the single largest party. If anti-incumbency holds, if BJP loses even some of the incredible vote share it won in U.P., it is automatically in a coalition in 2019. And then Indian politics changes quickly, right, and so who knows where we are 10 years from now?

MS. MADAN: Thus keeping us all employed. (Laughter)

MR. NOORUDDIN: Thank god.

MS. MADAN: We're going to turn to questions now. So we're going to cluster a few. If you could please wait for the mic so that our audience, especially online, can hear your question. If you could keep those questions short and if they're directed to somebody, please specify.

We'll take these two up ahead. Actually three of them here, we'll take those three.

MR. MUKHERJEE: The question I wanted to ask was (inaudible; audio interruption).

MS. MADAN: It's on.

MR. MUKHERJEE: Yeah, the question I wanted to ask (inaudible) is you're talking about the vote getting consolidated, the Muslim vote. (inaudible; audio drop) with Muslim majority (inaudible;).

Sorry, repeating my question again. Tunir Mukherjee (phonetic) from CSIS. You were talking about consolidating the Hindu vote and how the Muslim vote being ignored, but you see Muslim majority constituencies going to BJP; the issue of triple talaq being brought where Muslim women had voted for BJP in a certain sense -- the analysis that was happening over the past few days on Indian television channels. So don't you think there is also a swing towards BJP from the core Muslim voter or the young Muslim voter, the woman voter in the Muslim constituencies who have been tired of all the secular politics that have been played out by Samadhwadi and Congress, and instances like (inaudible) happening and nothing being done on that front?

MS. MADAN: Next question. Okay.

MR. MODAN: Thank you. Tashara Modan (phonetic), CSIS. A lot of conversation in the past has happened about what the future of U.P. will be in terms of one state or being split up before into multiple different parts. Do you think that BJP control of the U.P. and such a resounding a victory will

INDIA-2017/03/13

allow them to consider splitting it up? And if so, four parts, two parts? How many?

MS. MADAN: And the question there, as well.

SPEAKER: Hi. My name is Sundar (phonetic). I'm from Georgetown. So this is for Mr. Dhume. So based on your anecdote, it sounds like that Narendra Modi has been rewarded electorally and he's basically gotten away with zero punishment for the notes ban. Should that mean that one should expect more such policies where the prime minister is willing to circumvent the institutions given that notes ban, the demonetization, wasn't exactly democratic by constitutional standards?

And a second quick follow-up on one of your earlier points, at what point should we expect Congress Party to have a Tom Pereski-Tillerson (phonetic) kind of internal squabble to take place or should we not even hope for that at all?

MS. MADAN: Irfan, do you want to start?

MR. NOORUDDIN: Yeah. So I haven't had a chance to go into the (inaudible) data on U.P. I'd be very surprised if, at the end of the day, we see a major shift of Muslim voters over to the BJP. Right? But it is true that in the Muslim -- even in seats in U.P. where the Muslims were 22 percent of the district, the BJP won an overwhelming majority of them in U.P. My suspicion is that this is because Muslim votes over there were split.

I mean, remember, Mayawati, one of her big cards (inaudible) she gave 90-some tickets.

MR. ZIEGFELD: About a hundred.

MR. NOORUDDIN: A hundred tickets to Muslim candidates.

MR. ZIEGFELD: Ninety-seven.

MR. NOORUDDIN: There's also sort of a SP Congress vote bank among the Muslims or rather support among Muslims. So it is quite plausible that that Muslim vote in U.P. was split between these two contenders, aligned for the BJP to win those seats even though they didn't attract a lot of that.

I do think that it's very interesting that we are hearing anecdotally -- and, again, I haven't seen any real data on this -- that Muslim women were deeply appealed to by the promised to ban triple talaq. And if that's the case and if it falls through on that --

MS. MADAN: Irfan, just explain that briefly for those in our audience, both here and online.

INDIA-2017/03/13

MR. NOORUDDIN: Okay. So essentially the sort of banning sort of the ability for a Muslim man to divorce his wife simply by announcing, "Talaq, talaq, talaq," giving her very few rights. This is sort of a longstanding battle. I mean, anyone in favor of women's empowerment sees this as extremely regressive. If Mr. Modi and his party in the U.P. follow through on that, hats off to him. I would sort of stand and applaud. Whether it actually follows through is a different question.

These are very hard fights to fight. Right? And so if he manages that, I think he wins a lot of votes and he wins a lot of support among a very tremendously underrepresented constituency. There's probably few constituencies in India more screwed by politics than Muslim women. Right. And so anything that gets them that is that.

But look, let's be also straight on this. A lot of this talk about, you know, whether the SP and BSP participated in identity politics of a different kind reminds me, frankly, of the conversation about the analysis of the U.S. election, whether the Democrats are guilty of playing in identity politics, are appealing to minority populations or African Americans or Latinos, et cetera, that allows for a consolidation of a white, male heavily, appealing to nationalism and all of those sorts of views. It may be the case, but it still doesn't justify, in my opinion, an appeal to white nationalism by the Republican Party to win an election. Right?

In the same way over here, whether or not the BSP, the Congress, or SP were good secularists, no one is pretending that that's the case. I think it's worrisome in a party that is clearly the party of the moment, that is winning huge majorities, doesn't see a single candidate that it thinks -- a Muslim candidate that it thinks is worthy of receiving a ticket out of over 400 in a given state. That makes me worry. And I think it's a legitimate question for all of Indian politics to ask why is it that in this broadband -- in the vote band that you're trying to build, Muslims don't appear to be a part of that at all? You're not even trying to appeal to them. That's a fair question, I would argue.

MS. MADAN: Sadanand, there was a question for you, as well.

MR. DHUME: I'll quick take it. You know, on there, when I did look at that constituency, and I know that there's sort of this idea that's sort of been put out that, well, you know, the BJP won Deoband, so, therefore, a lot of Muslims must have voted for them. I'm a little bit skeptical because if you actually look at the Deoband breakdown there was a clear split. And if you added the SP votes and BSP

INDIA-2017/03/13

votes, they would have been more than the BJP candidate. So just because it has a Muslim majority and the BJP candidate won, it does not necessarily mean that many Muslims voted for the BJP. It's much more likely that you had the Muslim vote split and you had a consolidation of the Hindu vote. I believe that.

Again, you know, I would agree with Irfan that there's -- I have seen very little, you know -- I have not seen any reliable data. The figures that I saw briefly from CSDS, you know, suggested that the overwhelming majority of the Muslim vote was with the SP and the remainder was with the BSP and it was not with the BJP. So I know that people were discussing this in TV studios, but I just don't take it very seriously. The data I've seen does not support it. Perhaps there will be data later that does sort of suggest what you're saying, but I haven't seen it.

Splitting up U.P., I mean, you know, the old formula that Mayawati had raised, four parts is the best way to do it. I think it's ridiculous to have a state that large, 200 million people. Too unwieldy, hard to govern. It's not clear to me that this government will be interested in it, even though the BJP as a party historically has favored small states. I think that they're sort of -- the fact that they've got this as this very big prize in two elections running sort of cuts against the idea of breaking it up for administrative efficiency, even though I personally think it's a very good idea.

On those two questions about, you know, would Modi do more things like demonetization, you know, it's hard to sort of imagine, right? What else can you do that is sort of -- and if you have any ideas, keep them to yourself. (Laughter)

You know, how can you think of something that, first of all, is within the realm of executive action, something that the prime minister can do? And, you know, the two things that sort of stood out in the last year were surgical strikes and demonetization. It's something firmly that's in his hands. He doesn't need the states, he doesn't need anything else, and, at the same time, could create a very big impact.

So maybe there's someone cooking up something right and so I wouldn't rule out. But it's hard for me to think of what that would be.

In terms of Congress, I don't see a fight for Congress. I think what Adam said is much more likely. And you could see leaders who find that they are able to get elected on their own steam. I

INDIA-2017/03/13

agree that with what some others were saying that, for instance, Sachin Pilot is very strong in Rajasthan. So, you know, you could have -- I'm not saying that he's going to split (phonetic), but I'm just saying that you could have leaders who are able to form their own base, follow on in the steps of Achard Bohar (phonetic) and Mamata Banerjee (phonetic).

I don't think that you're going to see someone from within the party stake a claim for this current Congress. I think that's just the Gandhi family's private limited company.

MS. MADAN: We're going to take a few more questions. We'll take it from this side. That's three questions over here, up front here.

SPEAKER: Hi. My name's Dee (phonetic). I'm a lawyer here in Washington, D.C. What was the voter turnout of this election? What's the percentage of people that voted and then could have voted? Is voter apathy the same in India as it is in America? Probably.

SPEAKER: Hi. My name is Sarena (phonetic). My interest is in policy and I work in cybersecurity. A key point seems to be missing and the question is what role do you think the demonetization had by sucking out the cash in the cash-rich parties, like the Congress, the BSP, and the SP, and the timing of that to support this amazing win?

SPEAKER: My name is Maresha Katinni (phonetic). We've talked a little bit -- I mean, we've heard you talk about electoral math, a little bit about caste politics, but, unfortunately or fortunately, the BJP is one of the only parties, both regionally and nationally, that has kind of a singular narrative, for lack of a better word. Whether you support them or don't, people seem to believe that they have a vision for India and they offer that narrative across elections consistently. What role do you think that played in wins they've had this week?

MS. MADAN: And there's one question back there.

SPEAKER: Hi, Rudika (phonetic). I just have a question. What do you think is the future for people like Prashant Kishor now that the results are out? And the reason I ask is, is the Indian state politics or central politics going by strategies, data crunching, or is it just ideology and one person leading it and just everybody else following it now?

MS. MADAN: Thanks. Who would like to start? Adam, do you want to take any of those questions?

INDIA-2017/03/13

MR. ZIEGFELD: Well, so, I mean, I don't actually -- does anyone know the turnout figures? I mean, generally -- so one answer is it varies tremendously across India from states where participation is quite high by cross-national standards to states where it's pretty low. Historically, U.P. has been pretty low. I don't know if that was the case in this.

MR. DHUME: It was above 60 percent. It was a high turnout.

MS. MADAN: It was mid-60s.

MR. ZIEGFELD: Okay, so that's --

MS. MADAN: And then the Northeast, traditionally in the '80s, over 80 percent sometimes.

MR. ZIEGFELD: Yeah. So, I mean, that's sort of, again, not specific to this election.

MR. NOORUDDIN: Let me take a couple of the others. Prashant Kishor, I suspect, will be a senior fellow sometime.

MS. MADAN: Tell people who Prashant Kishor is. (Laughter)

MR. NOORUDDIN: Prashant Kishor was supposed to be the wizard that was going to -- electoral strategist who was going to revive the Congress' fortunes and was seen as being one of the architects of sort of the win against Mr. Modi in Bihar. And a lot was placed in sort of his ability to crunch data and essentially to mount a campaign strategy that would match what everyone has now recognized as being a real BJP strength, which is local data and actual strategic planning and the way that we're used to thinking about in the context of American politics. Right? Targeted ads, targeted mobilization tactics, et cetera. So in U.P., a lot was put in his sort of responsibility for reviving Congress' fortunes. And clearly, you know, the selection was extremely depressing for him.

Whether or not -- look, Rudika, I mean, I don't know that this is not about data. I think it is very hard to imagine how you think about winning these seats when you know that there are three other parties on your side of the fence. So think of Sadanand's case of the Deoband, right? If you simply have one candidate instead of two representing SP and BSP, they win that seat. Right?

So really what you need over here is not sort of a vote counting genius. You need somebody who can stitch together coalitions and convince these guys that actually pre-electoral coalitions in which explicit seat sharing is done is the only way to beat the other side. Because the votes

INDIA-2017/03/13

are there, right? Even in U.P., 37 percent of the vote goes to the BJP. That's 60 percent on the other side. In a two-party contest, they lose. In a five-way contest, they win.

So I don't know what happened to Kishor. My guess is he'll be fine or someone else will replace him.

The demonetization of money, the BJP is the most cash-rich party in Indian politics. Right? Its coffers outstrip the other parties. Its fund-raising advantage is tremendously far ahead over there. But I think it's an interesting hypothesis, and I don't know whether those of us -- I'm looking to Adam, who actually does fieldwork in places like U.P. (inaudible) sort of just gotten back from actually being on the ground -- saw any anecdotal evidence that money got sucked out of the campaign.

What I heard, I just got back from India, as well, is that whatever money got sucked out has just come back in. Right? And as far as the amount of money in the economy it's just back to square one. I sort of heard that from politicians and from businesspeople. I'm guessing on local-level politics alcohol flowed where it normally flows and money flowed where it normally did.

And then finally the vision thing, right? I do think that it's true that the BJP has mastered, especially Mr. Modi, such a credible narrator of that vision, this development, sort of aspirational India kind of mission. And I think you're right, I mean, that the opposition has struggled to put a narrative in place, right? I mean, and that appeals to sort of an old, tired secularism (inaudible) that just is not credible any longer.

I do think that there is scope for a party or a set of parties to talk about individual rights. I mean, there's a story that we should talk about at some other forum like this about what's happened to civil society in India over the last three years. And maybe there's a party that can sort of be a genuine champion for individual and civil liberties, but that's not there right now. And so I do think that the lack of a coherent opposition narrative undoubtedly hurts.

There is an open question, though, whether ideology matters at all in Indian politics. And so I should say that to be quite clear.

MR. DHUME: Let me just take a quick stab at this. Prashant Kishor, I think, was the most interesting question because there's a real sort of symmetry to this because Prashant Kishor -- when Modi won in 2014, many people wanted to take credit for that and one of the people who took credit

INDIA-2017/03/13

for that famously was Prashant Kishor. And there was an internal tussle between him and Amit Shah. And so you see these two people meeting again in Uttar Pradesh, one person who's actually an active politician himself and the other person who sort of comes outside as his outside consultant figure. And basically Amit Shah wiped the floor with Prashant Kishor.

And so, you know, it's not clear whether this model is going to work. I think he was just very lucky, personally. He was very lucky that he was with the right guy in 2014 and, again, he was with the right guy in 2015. Had he actually managed to sell Rahul Gandhi in the Congress, you know, hats off to him and he would have been acknowledged as the greatest electoral genius in Indian political history. But he wasn't able to pull off that act.

On the cash thing, I think the one thing that you did hear anecdotally, I don't have anything, sort of proof on that, but what you heard over and over was that the BSP was hurt the most because the BSP relies disproportionately on small donations of cash and, also, because they're not in government, their ability to sort of generate resources was much more limited. And so BJP, of course, has this huge, massive war chest. Akhilesh was in power in U.P. The BSP they say was hit (phonetic). And you certainly on the ground saw much less sort of BSP presence than the others.

MS. MADAN: I'm going to end with a question starting with Alyssa and others feel free to jump in, as well. We've essentially got -- we saw a number of people over the last few days talk about basically that the 2019 elections, the general elections, are for the BJP to lose. What are the potential red flags for it, if you would have to say? What does it need to do and what could stop it from winning in your assessment?

MS. AYRES: I think if the jobs creation does not -- I mean, the 2015 data on job creation against a need of 10 to 12 million jobs per year to absorb people coming of workforce age, the 2015 data was 135,000 new jobs created in the formal sector. So that is way below what India needs. Data isn't in for 2016. We don't know what the answer to that is.

To me, that's the single most important thing that this government needs to retain credibility with the voters, that what they are trying to deliver in terms of economic growth and jobs for people will actually become a reality. If they can't do that, I think people might look elsewhere.

MS. MADAN: Particularly in an international environment where things like labor

INDIA-2017/03/13

migration, no matter how India might want it to become tougher to achieve. Adam, red flags ahead?

MR. ZIEGFELD: I'd say two things. One, if in places like Maharashtra, Bihar, and U.P., the opposition manages to stitch up pretty comprehensive pre-election alliances, I think that could really sort of prevent the BJP from sweeping those states. And I think that would be pretty disastrous for them.

I think that combined with -- I think the results of the Gujarat, Rajasthan, Madhya Pradesh, and Chhattisgarh elections where, again, these are two-party states, if people aren't happy with the BJP, they head toward Congress. I think -- I don't necessarily anticipate sort of a big swing, although I think Rajasthan is probably the most likely candidate for that. But I think if we start to see the BJP losing ground on those -- well, Gujarat isn't in the Hindi Belt, but the sort of north and west of India, combined with some good sort of alliance politics among the opposition, I think that those two things would be pretty bad news for the BJP.

MS. MADAN: Irfan?

MR. NOORUDDIN: The BJP, I think, has to be careful not to dilute its brand. And Jammu and Kashmir made the very radical move of going into power with the PDP. We'll only have -- we'll see the electoral fruit that bears in 2019. It is also a party that has historically had a middle class and an aspirational middle class as its older base; is the demonetization spin of class warfare sort of its version of Garibi Hatao, sort of a switch to sort of a soft class warfare thing. And to what extent does that begin to make this party seem like a party like any other as opposed to a distinct alternative for Indian politics. If it loses its brand, it loses a lot of credibility.

MR. DHUME: I would agree with Alyssa's point and Adam's point and Irfan's and add one more, which is that overconfidence. I mean, politics is extremely unpredictable. I think anyone -- you know, everyone remembers 2004 and India Shining. I think if you go into an election assuming that you're going to win, I imagine over the next two years you're going to have various people defecting to the BJP. And you're going to have this -- there's a sort of, you know, tendency to believe your own hype.

And the other thing that's allied to this idea, which I think is a real danger for this party is that nobody in the BJP can stand up and say to Mr. Modi that, hey, you know, actually I don't think you've done enough. So there'll be a very strong temptation for them to go and run in 2019 on the basis of having transformed India and done -- brought in (inaudible) and so on. That may not necessarily jive with

INDIA-2017/03/13

people's lived experience. And so to have those kind of, you know, internal balances in the party, to be able to run a smart campaign like they did in 2014, rather than a campaign that sort of is, you know, Modi is the best thing that ever happened to India, will be interesting to watch.

MS. MADAN: The other thing that is extremely unpredictable is the snow forecast in D.C., so I will let you all go, as well as our panelists. Please join me in thanking them for this great panel. (Applause) You can watch it online shortly. Thanks to all of you. And thank you all for coming, as well. Thanks.

* * * * *

CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

(Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2020