

# State Elections: Swimming In The Same Cess-Pool

## The Needle's Eye



CHAITANYA KALBAG

Here is my poll prediction: if, and only if, the Bharatiya Janata Party (BJP) wins power in Uttar Pradesh, Prime Minister Narendra Modi will roll out his biggest-bang reforms. He will recover his political capital, dented by the things that did not go well with demonetisation, and gather the courage to attempt to amend election laws to de-criminalise political parties, force through transparency in party funding, and begin the painful process of holding simultaneous elections to the Lok Sabha and state assemblies.

You need an overwhelming majority in both houses of Parliament and in a plurality of states to push through life-changing reforms. You need stratospheric gall and ambition.

Modi has both. I suspect he wants to be bigger than any other politician in India was or will be, decades into this century. He is not really doing this for his party, or for his mother ship, the Rashtriya Swayamsevak Sangh. If

he does all this he will be the history book; everything and everybody else will only be footnotes.

Another prediction: although the Modi government has assured the Election Commission that its annual budget, brought forward to Feb. 1, a few days before voting starts in the state assembly elections, will not contain specific sops for Uttar Pradesh, Punjab, Uttarakhand, Manipur or Goa, there is going to be a humdinger (which the dictionary defines as a 'remarkable thing of its kind') in the Economic Survey for 2016/17 which Chief Economic Adviser Arvind Subramanian will unveil on Jan. 31: an entire chapter devoted to the Universal Basic Income (UBI).

The UBI idea has been cooking for a while (pilot projects were launched by the Congress-led UPA in 2010). If he goes down the UBI path, Modi will pull another rabbit out of his reform hat. Simply put, UBI will guarantee a minimum annual payout of money to every (poor) adult citizen. Finland is implementing UBI, but it is an idea that sharply divides development economists and policymakers worldwide: does a universal dole really work to eradicate poverty and erase inequality?

Other important questions will need to be addressed if Modi and Finance Minister Arun Jaitley decide to put flesh on the UBI bones: if it is truly universal, will the rich be asked to return their (admittedly small)

windfalls, on the lines of the cooking-gas subsidy? Will all subsidies, including implicit subsidies on water, electricity and civic amenities, be abolished? Exactly how much will each recipient get? (Economists have suggested anything between ₹2,500 to ₹10,000 annually). How much will the entire thing cost and how will it be financed, even if all subsidies and exemptions are withdrawn?

Make no mistake though: the mere statement of intent, taking forward what Subramanian committed the government to doing two years ago — "wiping every tear from every eye" — will be hugely populist. Added to tax cuts and more social infrastructure spending that Jaitley will announce in this budget, if that is not a vote-getter in Uttar Pradesh, which needs to get richer before India can get rich, nothing else will.

I think, like ants scurrying around when their ant-hill is blown down, we have been too busy moaning and whining about bank queues, less-cash and other clichés like post-truth. We even took the 50-day period of pain seriously, as though a surgeon can predict precisely when you are going to stop feeling sensation in your amputated limb. The whole thing was a gargantuan social experiment.

Will Modi strike the next blow against corruption, and the next? On New Year's Eve he made a rather andy speech, handing out a few sops to pregnant women and farmers,

cheaper loans for middle-class home-buyers, more homes for the homeless, and protection for senior citizens' savings rates. But there was no new harsh step against illegal property, and only a wan appeal to political parties to stop being holier-than-thou.

A couple of days later Modi made a pro-poor speech in Lucknow and then followed up by stressing corruption-free politics and transparency when

speaking to the BJP's national executive. On Tuesday Modi told the Vibrant Gujarat event in Ahmedabad: "Our government was elected first and foremost on the promise to provide clean governance and end the prevailing regime of corruption and nepotism."

Uttar Pradesh, which has more people than Japan and Germany put together, is a good place to start attacking these evils. None of the major parties has so far announced final candidates' lists for the seven phases of polling, but it will be interesting to see how many criminals feature on each marquee.

The Association for Democratic Reforms (ADR), after checking the affidavits filed by each winning candidate in UP's last two elections, said the number of legislators with crimi-

nal backgrounds in the 403-seat house went up to 47% in 2012 from 35% in 2007. 67% of the 2012 winners were rich, too, and declared assets of over one crore rupees each. Top of the league was Mitra Sen, who had 36 criminal cases pending against him including human trafficking and 14 murder charges. Sen (actually a Yadav) died in September 2015 after a long career in both the state assembly as well as national parliament. His Bikapur seat was inherited in a by-election last year by his son Anand Sen, who had won an earlier election from prison. At the time of his death Mitra Sen represented the ruling Samajwadi Party, but he had donned many political colours, and even won a pardon once during Congress rule.

Or take Babu Singh Kushwaha, once a close associate of Bahujan Samaj Party chief Mayawati. In 2011, then UP chief minister Mayawati was forced to drop Kushwaha, her health minister; after he was implicated in a huge corruption scandal linked to the National Rural Health Mission (NRHM). The alleged NRHM conspiracy involved the murders of several health officials including two doctors who were gunned down in broad daylight in Lucknow. The disgraced Kushwaha was immediately picked up by the BJP, and reluctantly let go when things became too hot for him. After four years behind bars, Kushwaha was released early last year and promptly set up his

own 'party'. But that is an interim arrangement. In a January 2012 letter to then BJP president Nitin Gadkari, Kushwaha vowed he was innocent and would one day return vindicated to the BJP's fold.

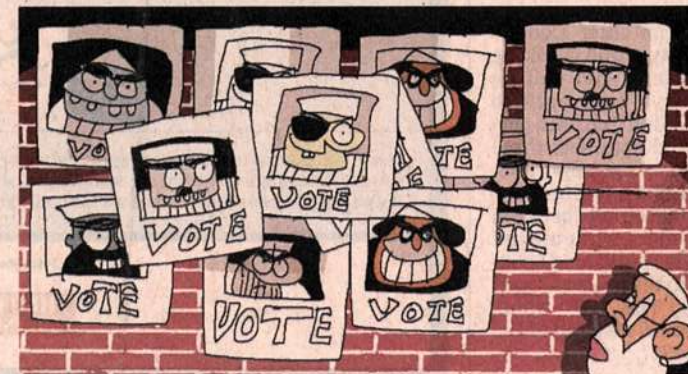
"Just as markets feature intermediaries who match buyers with sellers, political parties have embraced and promoted candidates with criminal links, drawn to their deep pockets at a time when the cost of elections has exploded and party organisations have atrophied," writes Milan Vaishnav in 'When Crime Pays: Money and Muscle in Indian Politics', to be published this month. Vaishnav, a senior fellow at the Carnegie Endowment for International Peace, adds: "Loophole-ridden campaign finance laws have been no match for the torrent of undocumented cash that those with criminal ties are able to marshal."

Modi has his job cut out for him in cleansing India's political cesspools. The Election Commission, which recommended a number of electoral reforms last month to tackle unaccounted political donations, voter bribery, and recourse to caste or religion to woo supporters, has come up with an initial list of 200 suspect parties for income-tax investigation. Chief Election Commissioner Nasim Zaidi said 400 of over 1,900 registered parties have never contested elections and are likely conduits for black money. Democracy pays.

## GUARANTEED INCOME



If Modi goes down the Universal Basic Income path, he will pull another rabbit out of his reform hat



ANIRBAN BORA