

PM HAS DELIVERED

# Four years of responsive and effective governance

## OPINION

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As the Narendra Modi government completes four years of its first term in office and the nation braces itself for the general elections next year, it is an opportune moment to understand the inner motivations of the government that shape its policies and workings. The victory of the Narendra Modi-led BJP in the 2014 general elections was a tectonic shift in Indian politics. The mandate was a rejection of incrementalism in favour of transformative changes. Modi was voted to power on the promise of accelerating economic growth,

creating corruption free environment and achieving participative development. **ECONOMIC PHILOSOPHY:** The Modi government believes in being fiscally responsible, increasing efficiency of government expenditure and makes laws and policies that favour empowerment over entitlement.

Within the ambit of this philosophy and guided by "Antyodaya", the government is unabashedly pro-poor. Committed to address the challenge of slow economic growth and inequality, the government is not dogmatic about the instruments that should be used. This is a clear shift from the policy of doles and entitlement followed by the UPA government.

Focus on infrastructure spending and increased allocation for economically disadvantaged sections of society required higher governmental spending.

Achieving this, while at the same time reducing fiscal deficit, called for increasing the tax to GDP ratio. Towards this goal, government implemented the Goods and Services Tax (GST), which is the biggest tax reform since Independence. GST has broadened the tax base by creating a system where registration, filing, assessment, credit and refund are all online, with little scope for subjective intervention and harassment.

Inflation is tamed and fiscal deficit is controlled by government by taking strong policy decisions. The government has tried to address the all pervasive corruption through steps like demonetisation, direct benefits transfer (DBT), Jan Dhan accounts, Benami Properties Act and increased transparency in governmental working. Deregistration of shell companies, renegotiation of bilateral tax treaties, Income Disclosure Schemes (IDS) have been other steps in this direction. Business transactions through banking channels are being encouraged so that they leave an audit trail.

The Insolvency and Bankruptcy Code (IBC) has been one of the biggest reforms in the factors' market. Promoters of defaulter companies

are facing a real challenge of losing control over their companies. The successful resolution of the NPA of Bhushan Steel Limited under the IBC is going to be a game-changer for the banking sector. Financial Regulation and Deposit Insurance (FRDI) Bill seeks to create an institutional setup to resolve distress in financial institutions, but is facing opposition from the Congress party.

The kleptocracy that was UPA, had led to a disappointment in the international community about the future of India. A hallmark of the current government's foreign policy has been the concerted attempt to dispel this image and to assure the global community that India will realise its true potential. The trust of the global community is vindicated by the ever rising foreign direct investments (FDI) in India.

**SOCIAL PHILOSOPHY:** When it comes to the social dimension of its programmes and policies, the Modi government believes in scale, speed and the power of mass movement to realise the objective of social uplift.

A sanitation campaign under the aegis of "Swachh Bharat Abhiyan" is to provide a life of dignity and

honour to the poor, irrespective of their religion, caste or gender. The "Beti Bachao Beti Padhao" initiative of the government seeks to provide equality of status and opportunity to our daughters. The government has been successful in creating awareness and public participation. The Modi government's stand in the Supreme Court in the matter of triple talaq flowed from its conviction that the practice was unconscionable and did grave injustice to Muslim women.

**POLITICAL PHILOSOPHY:** "Sabka Saath Sabka Vikas", which loosely translates as a government that enjoys the support of every section of society and that works for the development of all, is the credo of the Modi government.

The Modi government is not guided by narrow electoral considerations. The difference with the working of the Congress led UPA is too obvious to be missed. The Congress government, during the period of 2004-2014, tried to institutionalise the cleavages of Indian society with the hope to reap electoral gains. It made all attempts to pass a "Communal Violence Bill" that was manifestly against Hindus as was the Right to Education Act,

which exempted only minority educational institutions from its ambit, creating an incentive for various sects to dissociate from Hinduism. The UPA government had also constituted the Sachar Committee for Muslims and was trying to make changes, which it clearly knew to be unconstitutional. A completely fabricated narrative by the name of "saffron terror" was sought to be developed by the Congress government in order to consolidate Muslim votes.

The Modi government believes that responsive and effective governance also ensures electoral success. Thus, so far as the government is concerned, it should respect the mandate of the people by focusing on doing its job. It also firmly believes that good economics is good politics. Unlike earlier governments, the Modi government has not created vested interests for a limited number of people in its continuation. The government has created higher benchmarks and evaluation matrix for fixing accountability and is willing to defend its performance.

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