

# Global Talk MIGA

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## Narendra Modi Will Push Parliament Hard on Reform; and He Has the Votes to Do It

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Most analysts were wrong-footed by the landslide victory by Narendra Modi and the Bharatiya Janata Party (BJP) in the House of the People (the more powerful lower house; directly elected by the electorate) election. They had expected the BJP to win a plurality, nothing more. Instead, the BJP won 282 out of 545 seats, while smaller allies brought the tally for its National Democratic Alliance to 336 seats. I can't help being reminded of Junichiro Koizumi and the LDP's unexpected, come-from-behind landslide victory in the 2005 House of Representatives election. Figuring out how these lapses happen could be the holy grail of political analysis. I think that it's essentially about finding a way to foresee discontinuity in the short-term. I don't know if that's possible, but you're just extrapolating along trend lines otherwise.

In the meantime, let me throw out my thoughts around something else that experts are saying. Specifically, they are cautioning the market that Modi will have a hard time passing legislation for now because the Indian National Congress has a plurality of seats in the Council of States (the upper house, whose members are largely elected by the state legislatures, which are currently largely controlled by the National Congress and its allies—United Progressive Alliance currently with 79 seats, of which National

Congress 68; plus informal allies 26), which it will use to obstruct legislation, much in the way that the BJP did in opposition over the last decade. Maybe I'm missing something, but there appear to be provisions in the Indian Constitution that give Modi and the BJP and its formal allies a clear if contentious path to push legislation through against any opposition—as long as they maintain unity.

First, the House of the People can pass any “money bill” by a simple majority against the objection of the Council of States ([Article 109](#)). The [definition of a money bill](#) is much narrower than that of the Japanese “budget-related bill,” but it does appear to include all national tax bills, through which it could sneak in some regulatory reforms in its wake. Note that the Speaker of the House has the final say in determining whether or not any given bill is a money bill.

Second, when the two houses disagree on a non-money bill, there are procedures under which a joint sitting of the two Houses could pass the bill with a simple majority ([Article 108](#)). There are 245 seats in the Council of States, so the joint sitting consists of 790 votes; that means a simple majority of 396 seats. The BJP and its National Democratic Alliance allies have 46 and 16 seats in the Council of States respectively for a total of 62 seats. Add those to their 336 House of the People seats and they have 398 seats, barely but more than enough for a majority in the joint sitting.

There’s a catch. If the Council of States sits on a bill that has been passed on by the House of the People and sits on it forever—more than six months, actually—only the President of India can invoke that joint session. Moreover, the President can exercise a pocket veto. And the current president is a National Congress loyalist.

So what is the likelihood of the current president siding with the National Congress? Plausible, but not too likely, at least in the eyes of this decidedly non-expert. The Presidents of India appear to have largely (but not exclusively) kept their noses clean when it comes to actively engaging in party politics—in a symbolic gesture, the current president resigned from the National Congress when he was elected President—which suggest that the current president is likely to pick his spots in obstructing legislative initiatives—assuming he dares to do so at all—from a regime with an overwhelming popular mandate.

To sum up, Narendra Modi and the BJP and its allies have an opportunity to push their economic agenda, including major legislative initiatives, unfettered by legislative constraints, and the only thing standing in front of this juggernaut is the President of India, who is unlikely to put up much of a resistance—if my reasoning is correct.