



The Rural Vote in the 2019 Indian General Elections

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Summary

The 2019 Indian general elections returned the incumbent Bharatiya Janata Party (BJP)-led government to power with a larger majority. In this election, the BJP managed to expand its voter base into rural areas, in spite of severe agrarian distress and farmers' protests. The paper looks into this paradox to understand how the BJP was able to exceed its previous win.

The 2019 Indian general elections returned the incumbent Bharatiya Janata Party (BJP)-led government to power with an even larger majority. The BJP managed to increase their seat share from 282 to 303 and their vote share from 31 per cent to 37.6 per cent, expanding its support base into new states such as West Bengal, Odisha, Telangana and Tripura. The BJP <u>voter base</u> remained roughly the same in urban areas (increasing its vote share by 2.2 per cent). However, it made huge inroads into rural India increasing its vote share by 6.8 per cent compared to the 2014 election results.

Interestingly, the BJP's expanded support base in rural areas occurred in the context of vast agrarian distress and farmers' protests. Since 2016, there have been a growing number of farmer protests demanding for higher crop prices, loan waivers and crop insurance. The most recent farmer protest, 'Dilli Chalo' (On to Delhi), was held in November 2018, when farmers from across the country demanded better procurement prices and loan waivers.

The distress of the agricultural sector is reflected in the poor growth in the agricultural sector and declining farmer incomes. The annual growth in the agriculture component of the nominal <u>Gross Value Added</u> (GVA) was 2.04 per cent in the third quarter of the 2019 financial year. This is lower than the real GVA of 2.67 per cent and the lowest since the -1.1 percent growth rate of 2004. A lower nominal growth of the agricultural GVA (vis-à-vis its real value) indicates that farmers' income are being eroded. Furthermore, given that farmers sell their produce in wholesale rather than retail markets, the wholesale price index (WPI) gives a good gauge of farm prices. The WPI for primary food articles has registered negative figures since July 2018, indicating that farmers struggle to sell their products at remunerative prices. The WPI for food components was -0.1 per cent in December 2018 and -2.1, -4, -0.2, -1.4 and -3.3 in the preceding five months respectively.

Given that more than half of India's population is employed in farm-related sectors, many analysts anticipated that farmers' distress would translate into strong anti-incumbency feelings against the ruling party. However, this was not the case.

This paradox can be explained by the government's growing efforts to address, albeit partially, rural distress in the last part of its term. First, there has been a sharp increase in the budget allocation to agriculture and allied activities (Table 1).

Table 1. Budget Allocations for Agricalture and Alloca Activities						
(In billions)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
					(Revised	(Budget
					Estimates)	Estimates)
Agriculture	266.32*	236.94	501.84	526.28	866.02	1499.81
and Allied	(S\$5.18	(S\$4.61	(S\$9.76	(S\$10.26	(S\$16.89	(S\$29.25 billion)
Activities	billion)	billion)	billion)	billion)	billion)	
Percentage	-	-11.03%	+111.80%	+4.87%	+64.66%	+73.18%
change						
over						
previous						
year						

Table 1: Budget Allocations for Agriculture and Allied Activities

* Agriculture falls under economic services component for this year *Source: Government of India, Budget Documents, various years.*

Particularly important from a political point of view was the launch of the Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) in December 2018, which is largely responsible for the increased budgetary allocation since 2018/19. With a budget of ₹75,000 crore (\$\$14.64 billion), the scheme targeted small and marginal farmers with less than 2 hectares of landholding. These farmers receive ₹6000 (S\$117) per annum in three equal instalments. So far, the scheme has 38,018,582 eligible beneficiaries across India, with 33,081,947 farmers who have received the first instalment and 28,473,102 farmers who have received the second, just before the elections. This might have translated into votes because the farmers who benefitted from PM Kisan largely <u>credited the central government</u> for its success rather than the state government. The BJP's 2019 election campaign and manifesto also announced that they would expand the scheme to all farmers if they were re-elected. As promised, this was approved during the <u>first cabinet meeting</u> after the BJP's win, now making 145 million farmers eligible beneficiaries. The revised scheme also saw an increase in the estimated expenditure by the central government to ₹87,217.50 crores (\$\$17.02 billion) for the year 2019-20. Furthermore, in the months preceding the elections, the government increased procurement prices for farm products sharply.

Since being elected in 2014, the BJP has implemented other schemes that target the general rural population. The government provided a large number of public and private goods to the rural poor, such as LPG connections, household latrines, 'pucca' (concrete) houses, rural roads and electricity connections. While none of these schemes worked perfectly, they did reach a very large number of households in rural areas. For instance, central government schemes provided about 70 million LPG connections; about 96 million toilets; and almost 9 million houses.

<u>Lokniti's post-poll survey</u> indicated that only 5 percent of farmers cited farming-related issues as critical in deciding their vote. Rather, these other, more general welfare schemes

took precedence. 15 percent of the farmers cited development as the most important factor in influencing their vote while 10 percent cited unemployment. Moreover, despite the large number of farmer protests in 2018, 68 percent of farmers answered that they were satisfied with the NDA government's performance.

Therefore, the cumulative effect of the relatively successful welfare schemes and the shift of attention and finances towards agriculture and the rural population has made the rural voting bloc continue to vote in favour of the BJP. The launch of the PM-Kisan's direct cash transfer scheme near the election and the nationalistic campaign of the BJP could have also helped to shift the attention of the farmers away from the distress and more towards issues of development and nationalism.

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