

ECONOMIC REFORMS

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The BJP's 'feel good' and 'Shining India' campaign had an unintended consequence: it made economy into an election issue, forcing everyone including the media to pay some attention to this. The election verdict has continued this focus on the economy, with the share market fluctuations and speculations about the role of the Left in the new government. Notwithstanding all this attention, very little attempt has been made to check how ordinary people think about the economic policy and particularly about the package of economic reforms.

The Post-poll survey asked several carefully worded questions to understand the people's perceptions of economic policies and how they feel about their economic condition. The findings are very striking. The survey findings suggest that there is very little approval among the ordinary citizens for economic reforms. Significantly, there is a very high degree of popular consensus on this matter that cuts across class and party lines. For instance, the view that there should be a legal ceiling on land and property ownership is endorsed by 65 per cent respondents. Those who vote for the Left are a little more enthusiastic about it, but even the Congress and NDA voters support it very strongly. There is still some consensus among Indians, across parties and classes, about the need for the state to actively strive to limit the extent of inequalities in the society. Another suggestion, that the number of government employees should be reduced to save money to the government, finds only 29 per cent takers. Once again there is very little difference on class or party line on this question. If anything the better off, perhaps including some organised sector workers, oppose downsizing even more strongly. Disinvestment policy of the government finds even fewer takers with only 20 per cent supporting handing over of public sector enterprises in private hands. Even among the NDA voters, this

figure was only 22 per cent. No wonder the BJP did not ask Mr. Shourie to be actively involved with the election campaign.

Instead of asking people to respond to words like 'feel good' or 'shining India' we asked them direct questions about how their own economic condition may have changed over the last five years. There is a perceptible division on class lines on the question of improvement of economic conditions. More poor people feel that their living conditions are becoming worse, while a larger percentage of middle and upper classes see improvement in their economic condition. While only 20 percent of the very poor felt that their economic conditions had improved, 41 per cent of the upper middle class felt the same. In other words, there was a direct and positive relationship between being well off and feeling good. This was directly related to voting. Amongst the NDA voters, 35 per cent voters said that their economic conditions have improved while the figure among Congress voters was only 22 percent.

Another question on the level of satisfaction with the current economic situation, also elicited similar responses. The poorer a respondent was, the more likely he or she was to feel very dissatisfied with his or her situation, and vice versa for the well off. While 22 percent of the upper middle class is fully satisfied with their present financial condition, the figure drops to only 12 percent among the very poor. Also, 30 percent of the very poor are highly dissatisfied with their current financial conditions, the figure among upper middle class respondents is 11 percent. This too is directly related to vote: the satisfied are more likely to be NDA voters, while those dissatisfied were more with the Congress.

While these figures do not offer conclusive evidence that the BJP lost the election due to its economic policy and performance, they do indicate the 'feel good' campaign was misdirected. More importantly, these findings point to a fundamental disconnect between the elite consensus on economic reforms and mass opinions on these questions. The new government would do well to keep this in mind while shaping its economic policies.