



The leader who values the Desi Diaspora

HE IS THE FIRST INDIAN PRIME MINISTER TO RECOGNIZE THE INDIAN DIASPORA'S STRATEGIC VALUE, VIEWING THEM AS GENUINE ASSETS CAPABLE OF HELPING INDIA ATTAIN ITS ECONOMIC AND DEVELOPMENT GOALS, NOTES RONAK D DESAI.

Prime Minister Narendra Modi's first major interaction with the Indian Diaspora was at Madison Square Garden, September 28, 2014, where his rockstar-like appearance and reception brought him to mainstream America's notice.

Two years ago, Narendra Modi swept into power as prime minister of India, defeating the governing Congress party in a landslide victory at the polls. Modi campaigned on a message of resuscitating India's ailing economy, promising to transform the country and bring wholesale change to the world's largest democracy.

His pledge resonated with India's vast electorate, which conferred on him an immense political mandate to realize his vision. The new leader confidently declared that '*acche din*' or 'good days' were on the horizon, raising expectations both home and abroad.

Two years later, the question that naturally arises is whether Modi has succeeded in delivering on his promises. A close examination of his record illustrates a mix record of progress thus far.

On the economic front, Modi has presided over a general improvement of the Indian economy. India is now the fastest growing economy in the world, growing at more than 7.5 percent according to government estimates.

Massive inflation has been cut in half, interest rates have been slashed to their lowest levels in five years, and the rupee has finally stabilized. But these positive developments are partially the result of falling commodity prices, as much as they are the product of policy initiatives taken by the Indian leader.

The last two years have witnessed Modi successfully introduce some of the reforms necessary to revive India's struggling economy, the central theme of his campaign.

His message has been simple: India is now open for business and he pledged to make it a more attractive destination for foreign and domestic investment. He famously proclaimed that India would roll out the 'red carpet not red tape' for all those seeking to conduct business in the country.

The promised reforms still remain incomplete. While Modi has raised FDI caps in several sectors, for example, including in defense, real estate, and construction, consensus among investors is that these hikes do not go far enough.

Many of the massive subsidies creating economic inefficiencies remain in place, largely because of political, not economic reasons. India's troublesome retroactive tax policy also remains undisturbed, fueling the ire of businesses everywhere.

At the same time, Modi should be credited for the progress

that has been made in the economic arena, particularly when compared to his predecessor. Ease of doing business in India has improved, while enactment of important pieces of legislation, including new real estate and bankruptcy laws, will be important for the country's continued growth. FDI is at its highest levels and the over economic outlook remains positive.

The past two years makes clear Modi prefers an incremental, piecemeal approach to the economy rather than implementing broad, sweeping changes. This preference continues to frustrate those who would like to see the Indian premier take bolder action more quickly.

Modi's foreign policy record is less ambiguous and deserves high marks. He has formulated and pursued a robust, proactive foreign policy unlike any other seen in India's history.

His ambition in this arena is as unprecedented as it is simple: For India to achieve great power status. Toward this end, he has embarked on a whirlwind tour of dozens and dozens of countries during his first two years in office aimed at advancing India's various interests.

This has injected fresh momentum into the country's foreign relations and catalyzed greater global discourse about its place in the world. His energetic diplomacy has raised India's profile on the world stage. His numerous trips abroad have been focused on achieving tangible economic and strategic objectives, with each trip yielding concrete deliverables for the most part.

US-India ties, in particular, have flourished since Modi took office. He and President Obama quickly established a strong personal rapport during this period, with Obama becoming the first sitting President to visit India twice in office. Modi invited President Obama to be the chief guest at the Republic Day celebrations in January 2015, an unprecedented move signaling his willingness to align India more closely with the United States.

Defense and commercial ties have accelerated, with the two countries signing a host of defense agreements in principle. High-level exchanges have become routine. Modi also signed an historic climate change deal under US auspices that surprised even his supporters at home.

Although profound differences over trade policy, intellectual property protection, and even Pakistan persist, none of these irritants are capable of undermining the underlying strategic logic of the relationship.

Although he will meet President Obama once again, the focus of his current visit this time will be Congress. He will address a joint session of Congress, a powerful demonstration of how dramatically perceptions of the prime minister has changed within the legislative branch, considering it had banned Modi from coming to the United States for nearly a decade.

At a time when virtually every major foreign policy issue has become the victim of partisan rancor on Capitol Hill, the US-India relationship enjoys genuine bipartisan support.

Prime Minister Modi's greatest achievement so far, however, has been deep engagement with the global Indian Diaspora. From the United States and the United Kingdom to Fiji and Belgium, Modi has initiated significant outreach to millions of Indians residing all over the world, building links between India and its global citizenry.

He is the first Indian prime minister to recognize their strategic value, viewing them as genuine assets capable of helping India attain its economic and development goals.

His various campaigns, including 'Make in India,' 'Swaachh Bharat,' and 'Digital India' are intended to enlist the talent and capital of those Indians living abroad as much as they are aimed at those living at home.

Overall, Prime Minister Modi's record two years since his election looks remarkably similar to his record one year ago. Those who were hoping he would implement sweeping change have been disappointed.

Many challenges persist, including the Bharatiya Janata Party's lack of control over Parliament's upper house, which has stalled important legislative reforms like the Land Acquisition bill. Although Modi remains the most popular leader in India if polls are to be believed, the reality is that his mandate will continue to shrink as time continues to pass.

The most daunting challenge to Modi's efforts, however, is the unrealistically high expectations that continue to surround him. While significant progress has been made, the perception persists that it has not been enough. With three years left in his term, all eyes remain on Prime Minister Modi.

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