Date: 4th June’2014

MR.MODI - FIRST STEPS IN THE PRIME MINISTER'S ROLE

The first week of Mr.Modi in office saw some interesting moves. To me these developments show a very clear phenomenon of role clarity. During the election campaign, we saw him playing the role of an aggressive attacker wanting to take on the enemy. His body language and the voice modulations were tuned his role of an angry warrior wanting to get his opponents and succeed at any cost. He did not care about the adverse publicity in the domestic and international media. He had a clearly defined roadmap for his role-play. The dramatic change in his tone and demeanor after the election results were declared, was not easy to miss. He knew that his role has changed and his new role requires him to be a different Mr.Modi. The zenith of this role play was seen in the reverential touching of the parliament steps and the following speech.

The most talked about invitation to SAARC leaders created a big buzz. Mr. Modi had many reasons to do this. The media went overdrive spinning this subject with different perspectives. Foreign Affairs experts read this development as path breaking, expecting a change in the perception of the new Indian government. Business leaders saw a great opportunity in SAARC agenda shifting slowly from political and security issues to commerce and trade. The issue regarding Pakistan's offering the MOST FAVORED NATION status to India and the consequent benefits to both the countries were the centre of discussion. Indian government had conferred this status to Pakistan more than fifteen years ago and is still waiting a reciprocal gesture. If the trade between the two neighbors improves, it will benefit both the countries and the focus of relationship could get broad based and would help build better trust between the neighbors. All the nations in this block would want to see this happen so that meaningful developments on trade front could occur. Some analysts are even speculating about the possibility of a common currency to promote free flow of goods and services among the SAARC countries. The experience of European Union is a mixed bag and after a decade and half many questions are being raised by "EUROSCEPTICALS" about the feasibility of a common currency. Well, SAARC countries would benefit from an improved trade environment, even without a common currency, if a system could be worked out to settle trade gaps with local currencies. But any movement from the existing position requires a leadership with a vision, and India, with Mr.Modi at the helm could start this process and occupy the leadership position. The behavioral scientists have a different take on this whole event. Mr.Modi's image was sullied, during election, by a barrage of reports emanating allover the world. Leading opinion makers had expressed apprehension about Mr.Modi's intentions based on his rightwing leanings. Mr.Modi's action ( reflex mechanism) was directed at the world media at large to prove and assert his soft image and to send a message that he has occupied the highest office of the biggest democracy without any old baggage. After the celebrations, Mr.Modi's role changed to that of a workaholic prime minister, with benevolence, eager to deliver.

His size of the cabinet and his choice of ministers has received a lot acclaim. Mr.Jaitley's finance portfolio, and his initial comments are pro business and are on expected lines. His decision to work with Raghuram Rajan, the governer of RBI augurs well for the economy, sending the correct signal that his government values professionalism. Without wasting any time Mr.Jaitley has initiated to bring GST back on the table. Mrs.Nirmala Seetharaman is a rookie and is untested. But her background and stint at international accounting and consultancy firm PWC, gives a level of comfort to the business and industry.

Mr.Modi's ten point guidelines to ministers is an excellent start for good governance. Though the points are all disconnected, each one of the point is very important and is reassurance to the people and the businessmen in general that Modi will be proactive and wants his ministers to follow his work culture. The latest move to abolish various committees of ministers to avoid delay in decision making is also a welcome change. His directions to the bureaucracy to inculcate a sense of urgency to complete the projects on time shows that Mr.Modi is interested only in delivery and not just bluster. His directive to all the ministers not to include relatives as personal staff and not to grant contracts to relatives and friends takes the cake, and will kill nepotism in the bud.

While Mr.Modi is busy with overall governance and growth, it's encouraging to hear the right messages from other ministers. The talk of privatizing Air India is music to ears. The environment ministry wants to move fast in clearing pending mega projects without compromising on protection to mother nature. A balance between growth,progress and environment with speedy approvals makes a huge sense. This could unlock five lakh crores of rupees worth of investment and trigger a deluge of new investment in infrastructure. No doubt, a beginning was made by Mr.Moily during UPA 2, but the element of certainty was missing. The proposal of 100% FDI in defense sector , developing of 100 cities to promote growth, are some of the serious proposals coming from other ministers. It's is just a week since many ministers have takeover and the deluge of interesting proposals and initiatives are very encouraging and the business community is really upbeat. But let's also cut some slack for first time ministers to settle down.

Mr. Modi has smoothly fitted in the role of PM, a round peg in a round hole.