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India: a new partner in democracy promotion?

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India: A New Partner in Democracy Promotion?

Unlike China and Russia, India is a democratic country, which could act as an important partner in international democracy promotion. Despite increasing requests from the United States and European governments, the promotion of democracy has not so far had a high priority in India's foreign policy. Indian elites are concerned about losing their role as spokesmen for developing countries in global affairs if the country abandons the principle of non-intervention in favour of democracy promotion. As links between India and most fragile South

Asian states are closely related to problems of nation- and state-building, Indian foreign policy-makers fear that active democracy promotion could weaken the country's regional position rather than strengthening it. Finally, there are concerns among political elites that active democracy promotion may backfire by triggering a domestic debate on the defects in Indian democracy – corruption and clientelism – as the main causes of social exclusion.

India's Domestic Politics

India is considered to be the world's largest democracy. Fifteen elections since 1951/52 and various democratic changes of government make India a political maverick in South Asia, a region troubled with authoritarian structures. Graph 1 compares India with other countries of the region in 2008 using the average of Freedom House's measurements of political rights and civil liberties. Even when India's democracy was curtailed during the period of Congress Party hegemony under Indira and Rajiv Gandhi, it still remained well above the average for its neighbours.

India's democracy is based on a broad consensus at both elite and popular level. Democratic competition is seen as the best institutional arrangement for balancing the interests of the numerous language, religious, caste, ethnic and tribal groups in Indian society. This consensus has contributed to India's political stability, which has remained high compared to most other countries of the region. Nevertheless, Indian democracy is faced with a paradox. On the one hand, democratic procedures are said to have prevented the violent disintegration of India and created a certain responsiveness of political elites to the most urgent needs of the masses. On the other hand, elite-based corruption combined with clientelism and nepotism is responsible for the ongoing political, social and economic marginalization of the majority of India's population. These strong exclusive elements of India's political system have proved to be a breeding ground for the Maoist movement (Naxalites) and continuing violent conflict in India's northeast. Indian society therefore faces the challenge of deepening democracy if a balance is to be struck between economic modernisation and social inclusion.

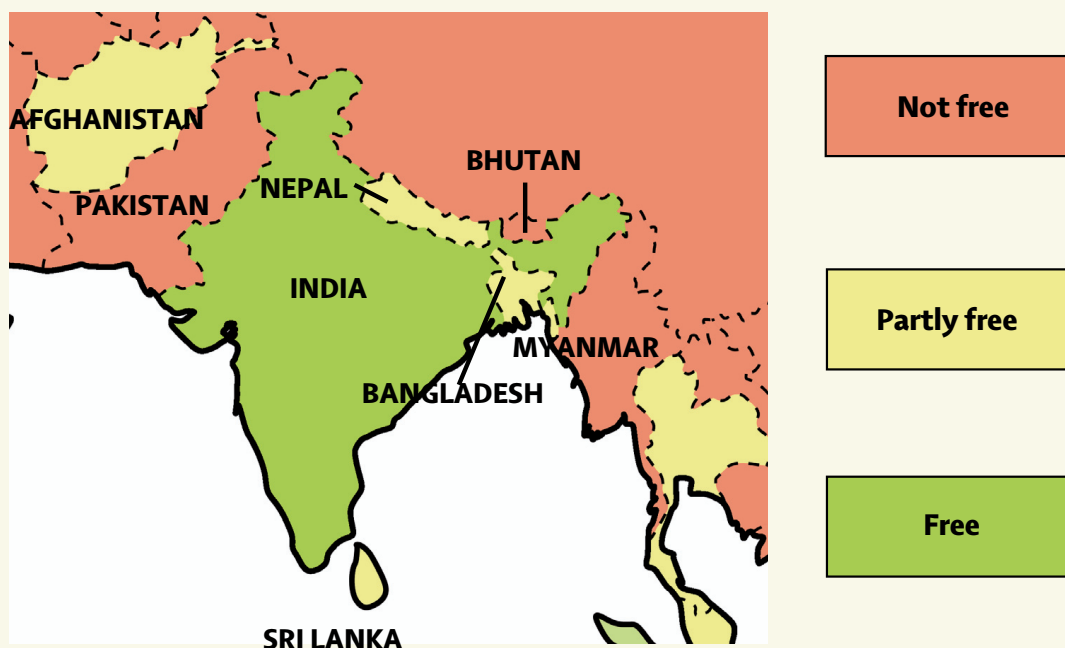
Indian foreign policy is strongly executive-driven, a feature that becomes most obvious from the very limited formal powers of the Indian parliament in foreign affairs. To some extent at least this situation is due to the fact that India's previous development model was geared to import-substitution, with a strict division between domestic and foreign policies. However, this division is being increasingly challenged as India's economic policies seek to integrate the country into (economic) patterns of global interdependence. The consequence is a transformation in Indian foreign policy that is leading to growing incompatibility between the new requirements of globalisation and such traditional principles of foreign policy as national sovereignty and non-intervention.

India's ambiguous regional foreign policy

While India's relations with its neighbours in South Asia continue to be marked by various bilateral conflicts – the most serious with Pakistan over Kashmir – its regional strategy has changed over time. Initially, under Prime Minister Nehru, bilateral disputes were settled by negotiation, one example being the Indus Water Treaty, which solved the problem of sharing water with Pakistan in 1960. Other examples are the treaties with the Himalayan kingdoms of Bhutan (1949), Nepal (1950) and Sikkim (1950), which gave India considerable influence over their domestic affairs and safeguarded its own security interests *vis-à-vis* China. However, the conflictual realities of India's regional environment and its defeat in the war with China (1962) revealed the limits to the idealistic components of India's foreign policy during the Nehru years.

The rise of regional powers has attracted growing international attention. Such emerging countries as China, India and Russia not only have an economic impact in their regions, but have also established themselves as political heavyweights. In a series of Briefing Papers, the DIE considers how far these power shifts have increased the influence of regional powers on governance structures in neighbouring countries.

Graph 1: Democratic freedoms in India and its region



Source: Freedom House: Freedom in the World 2009, aggregated country scores

India's regional foreign policy in the 1970s and 1980s was characterised by more proactive interventionism. Prime Minister Indira Gandhi (1966–77 and 1980–84) – and her successor, Rajiv Gandhi (1984–89) – perceived South Asia as a vital ingredient in India's national security. Thus, while the policy of non-interventionism continued to apply to global issues, it could be waived in the case of regional affairs. Accordingly, the Gandhi governments had an interest in seeing domestic conflicts in neighbouring countries settled with India's support, but without extra-regional interference ("Indira doctrine"). Domestically, Indira Gandhi promoted an unprecedented concentration of power in the executive, which led to the emergency (rules) from 1975 to 1977.

During this period a number of political and military interventions in neighbouring countries (East Pakistan in 1971, Sri Lanka in 1971 and 1986-1990, the Maldives in 1988) shaped India's South Asia policy. While the Indian government attempted to keep the great powers out of South Asian conflicts in order to augment its own leverage, this strategy was countered by its neighbours, who tried to internationalise their conflicts and so reduce India's influence.

Despite India's overwhelming military and economic resources, it failed to settle bilateral disputes in its favour. It was unable to find a lasting solution to the Kashmir issue after the military defeat of Pakistan in 1971. Its military intervention in Sri Lanka after 1987 turned into a political and military disaster. Indian Peace Keeping Forces (IPKF) had to be withdrawn in 1990 without ending the ethnic conflict in Sri Lanka. In addition, political conflicts hampered closer regional cooperation, which did not begin until 1985, when the South Asian Association for Regional Cooperation (SAARC) was established.

The economic reforms of the early 1990s, with liberalisation as their goal, had far-reaching implications for India's foreign policy at both global and regional level. Prime Minister Gujral shaped India's new approach to its neighbours in the mid-1990s. He promoted the principle of non-reciprocity and was willing to make greater concessions in solving bilateral issues. India also fostered closer regional economic cooperation and granted unilateral trade concessions to the least developed countries within SAARC. Moreover, India signed a bilateral Free Trade Agreement with Sri Lanka in 1998 and is negotiating similar agreements with Bangladesh and Nepal. Since the 1990s India has no longer perceived South Asia as an element in national security but rather as part of its market. Intra-regional trade has increased, but still accounts for only about 5 per cent of India's total trade.

India's new approach also helped to improve relations with Pakistan. The year 2004 saw the launching of a composite dialogue which transformed Indo-Pakistan relations from being no more than a hostage to the Kashmir issue to bilateral relations extending to new areas of economic, political and cultural cooperation. Despite various attacks by militant Islamic groups in India, the dialogue was suspended only after the assault on Mumbai in November 2008. The fact that the Mumbai incident did not lead to a crisis similar to that in 2002, when the two countries were on the brink of war, is proof of the benefits of the composite dialogue.

Overall, India's new South Asia policy since the 1990s has helped to improve regional security and made military or even nuclear confrontation with Pakistan less likely. But India's role in the region faces a double dilemma. First, South Asia is a region of low economic interdepend-

ence. Second, India's relations with its neighbours not only have to contend with such economic obstacles as low complementarities of the regional economies: structural political obstacles also limit India's regional power. Many virulent domestic conflicts in neighbouring countries are linked to the difficulties of nation-building, a process which in South Asian countries is closely linked to their relations with India. The hostility towards India has helped the military in Pakistan to strengthen its political and economic position. Buddhist nationalist groups in Sri Lanka strongly opposed India's intervention in the 1980s. In Bangladesh relations with India are one of the most important aspects of the differing concepts of Bengali and Bangladeshi nationalism. India is therefore regarded not as an impartial external power but always as an issue of domestic dispute in the neighbouring countries. India's engagement in the region thus finds its limits in the process of its neighbours' nation-building.

India as a promoter of democracy in South Asia?

Given India's status as the world's largest democracy and as it has a more globally oriented market economy, it has been facing growing expectations as a promoter of democracy. Because of the unstable situation in most of its neighbours, the United States and European countries expect India to promote democratic governance in the region. However, Indian is not yet willing to adopt such an approach in its foreign policy.

On the one hand, India's status as a democracy, its citizens' preference for a democratic system and the government's acceptance of global economic interdependence have fostered cooperation with Western democracies. Indian decision-makers, too, would generally prefer the establishment of democratic order in neighbouring countries. On the other hand, India is still reluctant to define democracy promotion as an explicit instrument or even a goal of its foreign policy. Despite the period of regional interventionism and subsequent cooperation with its neighbours, India's foreign policy discourse is still dominated by the country's traditional insistence on the principles of non-intervention and national sovereignty, which date back to the immediate post-independence period and the Nehru government.

To strike a balance between the expectations of the Western community and its own domestic constraints and foreign policy norms, India has adopted a defensive approach to the promotion of democracy. It has slowly become involved in democracy promotion initiatives at global level at little political cost to itself. India has been a member of the "Community of Democracies" since 2000 and is the second most important sponsor of the UN Democracy Fund, a relatively small UN agency working with NGOs in the field of democracy assistance. In the regional context, India has linked its development assistance to democracy assistance projects, as in Afghanistan, with a view to meeting the expectations of the Western community (see box).

This defensive approach has three major causes, reflecting different types of political costs that policy-makers associate with a more proactive policy of democracy promotion.

- **Global costs:** At a global level, India's foreign policy elites are concerned about losing their role as spokesmen for developing countries if the country abandons the principle of non-intervention in favour of democracy promotion. In international debates on subjects ranging from trade liberalisation to climate change, India still frequently embeds its own interests in a discourse that recurs on a North-South divide, where India, as a rising power, defends the developing countries' claim to self-determination. Promoting democracy in an alliance with the highly industrialised democracies of America and Europe would certainly weaken India's traditional position as a neutral backer of developing countries' interests in global affairs.
- **Regional costs:** At a regional level, engaging proactively in democracy promotion would threaten India's new regional policy, which seeks to strengthen the economic interdependence in South Asia, where it is still in its infancy. In the neighbouring countries, India's attempts to promote democracy would be regarded as interventionist and would quickly strain bilateral relations. Accordingly, India's decision-makers fear that any active engagement in democracy pro-

Afghanistan: democracy promotion Indian-style?

Since 2001 India has invested more than US\$ 750m in reconstruction measures in Afghanistan. India's overall engagement in development cooperation with this conflict-affected country largely consists of traditional infrastructure measures in various sectors. The Indira Gandhi Children's Hospital was opened as early as 2001, shortly after the fall of the Taliban. India's largest infrastructure project is the road link to the Kandahar-Herat highway between Delaram (Herat Province) and Zaranj (Nimroz Province) on the Iranian border (280 km/US\$ 80m), which should facilitate trade flows between Afghanistan and India and the Gulf region. Even more ambitious is the Indian-financed "Salma" dam project in Herat Province, which will have a capacity of 42 MW (US\$ 100m).

In addition to these rather "traditional" infrastructure projects, which also implicitly embrace economic goals, India has been involved in several more political assignments, such as support for the construction of the new Afghan parliament building and for the election process. It has also provided funds for the development of the media sector in Afghanistan. Interestingly, however, Indian policy-makers describe the latter projects as instruments not only of democracy promotion but also of their overall engagement in Afghanistan. This can be interpreted as an attempt by the Indian government to find a compromise between India's economic and strategic interests in Afghanistan on the one hand and Western expectations of its active engagement as a democracy promoter in the region on the other.

motion may counteract the attempts to foster regional economic cooperation. India has not therefore tried to include democracy clauses in bi- or multilateral economic mechanisms, a strategy once adopted in Latin America to safeguard democracy in economic agreements. This argument gains even more weight when the political and economic rivalry between India and China for markets and resources in the region is considered. If India strained bilateral relations with its smaller neighbours by engaging proactively in democracy promotion, these countries would have even more incentive to place greater emphasis on relations with China.

- Domestic costs: Finally, active democracy promotion might also trigger a domestic debate on the quality of democracy in India itself. Every strategic attempt to influence a country's political order externally needs a successful discourse aimed at generating international soft power. Autocracies like China and Russia are largely able to control a domestic discourse of this kind – inherent in such phrases as “the Beijing Consensus” and “managed democracy”. In contrast, a democracy like India is by definition unable to control the domestic effects of a discourse on the achievements and failures of its democratic model. Despite the virtues of democracy and given India's social challenges, praising Indian democracy can thus easily backfire by triggering a critical domestic debate that points to the continuing dark sides of Indian politics: corruption, clientelism, political violence and ongoing social marginalisation.

Conclusions

At first sight, India would seem to be an ideal partner for Western countries in the promotion of democratic governance. However, a closer analysis reveals various structural obstacles preventing Indian foreign policy from adopting this approach. The norms of non-interference and independence, which have been watchwords of traditional Indian foreign policy, are still regarded as guiding principles in the protection of national interests. This also explains India's reluctance to enter into such legally binding international agreements as the Nuclear Non-Proliferation Treaty and the Kyoto Protocol. Nonetheless, Indian policy-makers do not yet see their democracy as a model for other states and therefore regard democracy promotion as an inadequate tool for generating soft power in competition with China. India's defensive approach to democracy promotion therefore reflects the balance between domestic and regional constraints and Western expectations.

Clearly, neither the USA nor Europe has sufficient leverage to pushing an emerging power such as India in the direction of proactive democracy promotion. Consequently, in the short term at least, it makes little sense to attempt to turn the Indian government into a crusader for Western-style democracy.

However, the multifaceted policy dialogue between Western democracies and the Indian government should point to a current inconsistency in India's foreign policy. If India continues to be economically successful, it will be confronted with increasing demands to take more responsibility in the provision of global and regional goods. These demands may concern the challenges of climate change, the regulation of world markets or the promotion of good governance and democracy. In such a scenario, India's growing importance in a highly interdependent world, together with its own preference for democracy, may require more consistent responses to such demands than a mere reference to traditional principles of sovereignty and non-intervention.

Moreover, external observers could point out that India can be sure of long-term development only if it manages to overcome its political deficiencies. Only a serious reduction of clientelism, patronage and corruption will create the necessary conditions for more balanced economic development, thus reducing the potential for instability and conflict. In the long run at least, only a credible domestic assault on bad governance will be able to promote the basis of international soft power which will be needed if regional and global affairs are to be influenced in a cooperative way.

Finally, India has, in some instances, very good conditions for delivering technical democracy assistance that goes beyond far-fetched interpretations such as those associated with Indian sector support in Afghanistan. India has, for example, accumulated vast experience of organizing and monitoring elections at local, intermediate and national level. Why not do more to share this experience?



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