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### Research Report The influence of China, Russia and India on the future of democracy in the Euro-Asian region

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Briefing Paper 2/2011

# The Influence of China, Russia and India on the Future of Democracy in the Euro-Asian Region

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 heavy-weights. In a series of Briefing Papers, of which this is the last, the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) has considered how far these power shifts have increased the influence of regional powers on governance structures in neighbouring countries.

#### Summary

Many a democratisation process since the end of the Cold War has proved to be a flash in the pan. On a global scale the steps taken in democratisation have been backwards rather than forwards for some years, at least until recent events in the Arab world. Stable democracies have emerged mainly in the regional environment of other democracies, especially the European Union. Can, conversely, the growing strength of authoritarian models of governance in other world regions be attributed to the negative influence of undemocratic regional powers? Do countries such as China and Russia promote authoritarian rule in their regional environment? And what influence, on the other hand, do such rising democratic powers as India, Brazil and South Africa have?

An analysis of the three major regional powers China, Russia and India in the context of neighbouring political regimes reveals a disturbing pattern:

 Russia has increasingly supported the governments of its authoritarian neighbours since the late 1990s. Since Georgia's Rose Revolution in 2003 it has also undermined and destabilised democratising regimes in its environment, as long as it can expect political benefit in the short term.

- China is clearly banking on regime stability in neighbouring countries and so, given the low level of democracy in the region, helping to maintain autocratic rule. It even protects such repressive dictatorships as Burma and North Korea against international interference.
- India, in contrast, hardly acts as a democratic counterbalance. After a largely unsuccessful period of actively interfering in South Asia, it has pursued a restrained foreign policy and so eased the tension of its relationship with such neighbours as Pakistan and China and increased its credibility as a representative of the concerns of the global "South" without, however, making a significant contribution to greater democracy in its regional neighbourhood.

It is true that the influence of regional powers on the regimes of neighbouring states should not be overestimated. Neither Russia nor China has yet created new dictatorships in its environment. The emergence of stable political systems also depends as much on long-term internal processes as on external influences. Yet the fact that authoritarian regional powers have problematical effects on their neighbours cannot be overlooked. Russia and China have at least helped to make successful democratic changes in their regions more difficult.

#### A rise of autocracies?

The second decade after the end of the Cold War is regarded as the beginning of a new period of global multipolarity. Besides Brazil, the "new" actors attracting the most attention are the three large territorial states of the Euro-Asian continent: Russia, India and China. While India features a surprisingly stable, though sometimes disputed, democracy, an authoritarian regime has become established in Russia – after an interim period of democratic openness at the end of the Soviet era. China, finally, is characterised by authoritarian rule that is capable of change, but politically uncompromising.

The rise of the "new" powers was eventually joined by universal disillusionment at the state of democracy, since the political changes observed in many countries after the end of the Cold War had not necessarily culminated in the emergence of new democracies. The political upheavals of the last two decades produced not only many new democracies, but also guite a few dictatorships. In addition, several "old" autocracies endure unchanged. It is therefore no accident that research into political systems has (re)discovered the survivability, formation and expansion of authoritarian forms of government as a subject for study. Besides the Arab region and parts of Africa, the most "illustrative material" in this context has been supplied by the Euro-Asian continent: from the former Soviet republics to South, Southeast and East Asia (see the figure below). Prominent observers also ascribe the persistence of autocratic structures in this region to the influence of such authoritarian regional powers as China and Russia. But is this plausible? And what role, on the other hand, is played by a rising democratic regional power such as India?

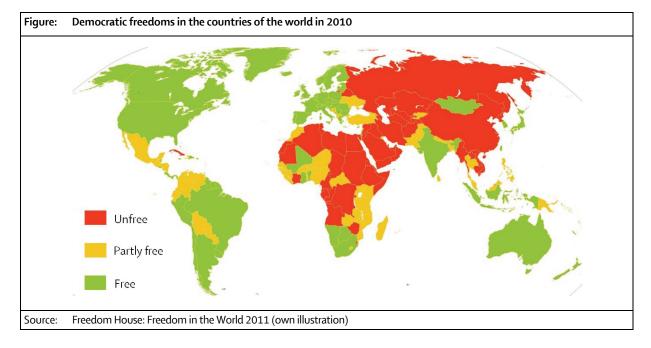
#### Authoritarian regime export?

There are in fact plausible reasons for such autocratic regional powers as China and Russia to have an interest in impeding democratisation processes in their regional environment and in stabilising autocratic regimes. Firstly, the "opening" of repressive dictatorships entails the risk of political instability in the regional neighbourhood. Secondly, authoritarian regional powers fear that destabilising impulses from democratisation processes might affect them directly themselves. Thirdly and finally, the autocratic elites of a regional power frequently benefit economically from neighbouring autocracies, since they are often better able to assert their interests with the rulers of such countries than with democratic governments more accountable to the public.

It is wise, nonetheless, to make a distinction between measures deliberately taken to bring to power or to assist a certain political regime and uncontrollable, indirect spillover effects, where one society sees another as an example to be followed or the two interact. While deliberate measures primarily reflect the interests of the "exporter," spillover effects are strongest where the "importer" is prepared to yield to external incentives. Yet here, too, the deliberate use of non-material, soft power may play a reinforcing role.

Both China and Russia (the latter to a lesser extent and confined to the countries of the former Soviet Union) have gained in positive soft power in their regional environment in recent years, primarily because of their economic success. This is evident, for example, from the sharp rise in the numbers attending Chinese-language schools throughout Asia and the rise in the number of foreigners studying at Chinese universities. This has also improved the standing of China's political system beyond its borders. Russia's resource boom, on the other hand, has enabled it gradually to re-establish itself since the late 1990s as a model for successful post-communist transformation in the post-Soviet region – with the support of its Russian-language state media, which are widely received in many neighbouring countries. Yet, rather than confine themselves to passive effects, China and Russia have in recent years deliberately brought influence to bear on political developments in neighbouring countries in a variety of ways.

In contrast, India's role has been more ambivalent. Although "Shining India," as a slogan aimed at the outside



world, is a sign of the greater self-confidence that stems from economic success, Indian governments have considered it too risky in the past two decades to exploit this success in a campaign for democratisation elsewhere. Two factors have been decisive: an externally directed prodemocracy discourse might have led to greater internal criticism of the deficiencies of Indian democracy, and it might have prompted adverse reactions in the regional environment and so impaired the role to which India lays claim of being the developing countries' neutral spokesman.

If, then, India's democratic soft power is circumscribed for the time being, a more offensive approach must most certainly be ruled out in view of its security rivalries with Pakistan and China. This is clear from recent developments in Sri Lanka. India could do little to counter the establishment of an authoritarian regime in Colombo and the attendant strengthening of relations between China and Sri Lanka. Discredited as a past interventionary power, it was unable to help defend democracy in the island state, although democratic values are widely accepted by India's elite.

The whole spectrum of possible forms of influence on the political structures of neighbouring countries is thus to be observed primarily in China and Russia.

Direct political pressure. An example of direct political pressure by Russia is to be seen in the case of Georgia. When the Caucasian state initially followed up the Rose Revolution of 2003 by launching democratic reforms accompanied by massive western aid and, contrary to Russian expectations, President Saakashvili set his sights on NATO membership, Moscow exerted growing pressure on its southern neighbour by imposing economic sanctions, lending financial and moral support to the separatist movements in Abkhazia and South Ossetia and, finally, intervening militarily in August 2008.

In China's case such obvious interference in the internal affairs of other countries is not apparent at present. Indeed, the Chinese government explicitly underscores the principle of non-interference so that it may, conversely, defend itself against external influence on its own political order. Pressure takes the form primarily of diplomatic sanctions, as when talks at government level are cancelled. But economic penalties, too, are increasingly imposed: when Mongolia's infant democracy received the Dalai Lama in 2000, Beijing reacted by closing a frontier-crossing point, and when a pipeline was being built from Russia to China, Mongolian territory was avoided because the government in Ulan Bator had become too friendly with the USA.

*Economic incentives*. Both Russia and China use economic means to gain control over their neighbours, their preference being cooperation with authoritarian regimes. To stabilise such states as Belarus and Moldova, which are closely linked to Russia economically, and to tie them closely to itself, the Russian leadership has granted them, for example, export privileges, subsidised natural gas prices and privileged access to the Russian labour market. China relies even more heavily on the economic integration of its neighbours to enable it to exercise influence in the longer term. It has, for instance, established specific programmes designed to increase trade with almost all its neighbours and signed a free trade agreement with the ASEAN countries. China is particularly generous with its offers of development assistance and investment to the authoritarian regimes in Cambodia, Laos, Sri Lanka and Burma.

Building or preserving structures. In the Shanghai Cooperation Organisation, Russia and China have jointly created a regional entity whose formal objective is closer cooperation as a means of preventing any destabilisation of the region. As "destabilisation" in this context implicitly includes democratisation movements, the organisation, which comprises four Central Asian countries besides Russia and China, also legitimises authoritarian regimes in the region.

Russia has also pressed ahead with integration efforts involving, in particular, Armenia, Kyrgyzstan, Tajikistan and, until recently, Belarus, and this has given rise to such institutions as the Collective Security Treaty Organisation and the Eurasian Economic Community. Through police, secret service and military cooperation and investment in strategic economic projects, Russia has also taken direct action to stabilise authoritarian regimes in the region.

Beijing's willingness to support the isolated regimes of Burma and North Korea has been apparent on several occasions in the past from its provision of vital relief goods and loans, trade and investment and also from its prevention of further international sanctions in response to North Korea's nuclear weapons programme and to human rights violations in Burma. However, China is also pressing both countries to undertake economic and partial political reforms along Chinese lines, with the aim of stabilising their authoritarian regimes in the long term and of defusing international criticism. To avoid democratic revolutions, the two regimes are urged to give themselves a "more human" face and so ensure their survival by undertaking political reforms.

Attraction. Since the late 1990s China has made a conscious effort to convey a positive image of itself to its neighbours. Economic success, especially at times of global financial crisis, makes the Chinese model of development dictatorship look attractive, even to the region's more democratic countries. In Russia's case it is the model of "managed democracy" introduced by Putin that serves as a model for the ruling elites in many countries. In recent years, for example, some countries have tightened up their laws on non-governmental organisations and the media in much the same way as Russia has done, and Kazakhstan and Kyrgyzstan have used the "United Russia" party as a model for the "government parties" they have formed to control their political elites.

The "democratic element" in India's rise to become a regional economic power has recently attracted increased attention. Whether, as is postulated, India's form of democratic government will give it a competitive advantage over China in the long term is uncertain, however, in view of the shortcomings of Indian democracy and the country's internal tensions. For the time being, the democratic factor cannot be used as a source of soft power in the shaping of India's foreign relations.

#### Conclusions

The greater influence wielded by China and Russia and India's still indeterminate role have implications for the external promotion of democracy in the Euro-Asian region and beyond.

- Firstly, it is becoming clear that attempts to promote democracy are not the only efforts being made to influence the nature of political regimes from outside. Such autocratic regional powers as China and Russia certainly have an interest in impeding democratisation processes and stabilising autocratic regimes in their regional environment. The intervention strategies of authoritarian regional powers may well differ, of course: while Russia uses every means available to a past colonial power to exercise influence - from political and economic pressure to military intervention - China takes great care not to be seen as an interventionary power. If only to avoid jeopardising its own ambitions as a regional great power and to prevent its neighbours from forging alliances with the USA, its endeavours, to exercise influence over the relevant elites in its regional neighbourhood take place behind the scenes.
- Secondly, Russia's and China's foreign policies suggest that authoritarian regional powers, at least if they are

macroeconomically successful, also have a positive effect on authoritarian regimes in their regional environment. In this respect those who seek to promote democracy must expect to be working contrary not only to the interests of ruling elites but also to the preferences of large sections of the population. Effective promotion of democracy in China's and Russia's immediate environment is thus likely to be even more demanding than this area of policy already is. At the same time it is rather uncertain whether western democracy promoters in the business of development cooperation will overcome the numerous obstacles to collective action they encounter any time soon: after all, efforts to establish longer-term and harmonised strategies for the promotion of democracy and good governance are making little, if any, progress.

Thirdly, the example of India shows that democratic "emerging powers" do not join an alliance of western democracy promoters as a matter of course. They are typically democracies which are highly polarised socioeconomically and have shortcomings as regards participation and the rule of law. Their political system therefore has its limits as an instrument of outwardly oriented soft power. Moreover, even democratically legitimised regional powers in Africa, Asia and Latin America are usually located in a sensitive security environment that requires them to exercise a relatively high degree of caution with respect to their neighbours' internal policies.

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