Democracy and Underdevelopment: A Case Study of India
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Question: Explain why India was able to develop its democracy without a "conducive setting" offered by a certain level of economic development. Also analyze whether or not India's democracy helped economic development and poverty alleviation.

Introduction

A widely shared thesis of democratic development is that poor country does not provide the necessary precondition for the occurrence and survival of democracy. "India is the dramatic exception"—Huntington said in one of his paper. India, still one of the poorest countries in 1988, has already enjoyed a democratic political system for more than four decades. What is more surprising is the system has been very well sustained with only two years interruption—Indira Gandhi's emergency rule in 1977 and 1978.

This essay tries to answer the questions of what are the underlying factors that made democracy possible in India and why poverty could coexist with democracy. It is argued that three factors contributed to India's democratic development in a poor setting. These factors are: the role of the Congress party and India's non-violent gaining of independence, Indian political leader's commitment to democratic values, and the development of middle and upper classes. The second part of the essay looks at the impact of the democratic political system on economic performance, and tries to judge the potential of economic growth that was provided by the democratic political system.

I. Why Did India Choose Democracy?

The reason that why one type rather than other types of political system was able to develop and survive in a country, is largely a issue of history. In India, the political history is basically the history of the Indian National Congress party. Given the Indian tradition of personal worship, the role of political leader is most critical in deciding the direction of political movement, and with the Congress party's dominant status, the personality of a Congress party leader may well explain the characteristics the country's polity.

The Role of the Congress Party and the Non-violent Gaining of Independence

The democratic organizations had been developed long before
the India's independence, and this was one of the most important feature that distinguished India's democratic history and that of other developing countries. As early as in 1860s, Ram Mohun Roy, the founder of the Congress party, began to set up a number of modern voluntary associations in the fields of religious renovation, social reform, and educational modernization. After being created in 1885, the Indian National Congress party sought to build coalitions with regional associations in Bengal, Bombay, Madras and other areas, and the network rapidly extended to most of the areas in India in the last quarter of nineteenth century.

Committed to representative institutions and to an accommodation of India's pluralism in the future India's constitution, the party made great efforts to create a coherent national forum for representing nationalist interest and a medium for communication and coordination among different social, regional and religious groups. In a country with such a great regional religious and class diversities, it is remarkable that Congress was able to built to such a wide crosscutting linkage throughout the nation. In Gandhian Phase, the social base of national movement had been further deepened by active incorporation from peasantry, labor, trading communities, national business, students, and professional groups in rural and urban areas. The mass participation laid a solid foundation of their future role in the political arena.

Compared with Congress party, no other political organizations in India had such a broad insight and crosscutting organizational capacities. Most of them were confined in a regional, a religious or a language setting. Some nonsecular movement generated by the Muslim League and Hindu revivalists were easily used by colonial rulers who intended to stimulate segmental mobilization on ethnic lines. Communist parties, developed late in the middle of the century, were limited in two south remote states, mainly gain support from the lower class. Superior to all its opponents, the Congress party, with the tremendous political energy that had been accumulated for decades, became the only feasible choice of political leading group that was accepted all through the nation after the independence.

Relatively speaking, the British colonial regime was not the most repressive one in the sense that they conceded several times some limited Indian representation, and finally the provincial level responsibilities, though severely circumscribed, to the Congress. The peaceful process of national independence, together with the governmental administrative experience that Congress obtained after their success in provincial elections, contributed a lot to the formation of a democratic civilian government after independence. It made possible a continuity of leadership and institutional structures.

One can see this point by contrasting with some other developing countries had been ruled by military regimes or communist regimes. In many Africa and Latin America countries
where colonial rulers were forced out by rebellion with violence, the nations were likely to adopt a military authoritarian regime. In Soviet Union, China, and many East European countries, communist revolution were all through means of military struggle, and their political structure were unanimously marked by military totalitarian. It is easy to imagine that if British were forced out by an Indian army a military authoritarian regime could possibly show up since the military success could provide the leaders military authoritarian experience and available force.

**Political Leader's Commitment to Democracy**

For most of the time since India's independence, the ruling party consistently and continuously used constitutional methods for generating national coherence, political stability, and economic development. However, this was not something automatically ensured in the system, but largely depended on the personality of the leaders in power.

One of India's basic tradition of party organization is personality. Congress Party is no exception. Every time during Congress party elections, the pictures of Nehru, Indira Gandhi or Rajiv Gandhi were posted all over the country, disregarding other constituency candidates. It suggests that the fate of a party is essentially the fate of a particular person. This national reality, partly originated from the poverty and less education, partly from religious spirits, could easily be used to establish personal worship and lifetime dictatorship.

Many would argue that Congress party had a long history of pursuing democratic principles, and the Constitution of India, operative since 1950, legislated the parliamentary democratic system of government, fundamental rights and federalism. It is true that the prodemocratic institutions do helped keep elite fragmentation within limits. However, facing the unusual national diversities, the constitution itself was not the sufficient condition to maintain the system. The role of the first generation ruler like Nehru, who had considerable political influence but committed himself to the democratic principles, was critical, especially in some case of emergency. With his tremendous reputation in the nation, it would be very easy for him to turn to some degree of dictatorship. It is a fortune of the nation that he did not use his dominant position to undermine India's democracy. On the contrast, his commitment to democratic values strengthened Indian democratic institutions.

The obvious case that India's democratic principle was violated was Indira Gandhi's invoking the internal emergency provision of the constitution in 1975. When her election of 1971 was invalidated in June 1975 by a high court decision on a case of electoral malpractice lodged by her socialist opponent, she did not have enough patient and confidence to wait for the conclusion of the legal proceedings, but chose the emergency option. She claimed
that a group of people was plotting to destroy civil order and economic development processes in the country. In other words, she equated the challenge to herself to the intention of destroying the country. The parliament was only a rubber stamp for the executive in this process. It is clear that this incident was closely tied with Mrs. Gandhi's personality and her concern about her personal loss or success. Given a person who was a little bit more "patient" and more "confident" this part of the history could be rewritten in a different color.

Fortunately, Gandhi's emergency lasted only two years and she was badly defeated in the following election. In the forty years history of democracy, India did not suffer from more than one over-ambitious political leader. With democratic values gradually built into the nation's cultural, people would no longer accept any institutionalized dictator and it could be more difficult for such a dictatorship to emerge.

**Role of The Middle Class And Upper Class**

India's mass participation in political competition amazed many people who are familiar with the politics in developing countries with large poor population. However, it does not imply a vast difference between Indian poor's political talent or enthusiasm and that of the other countries poor. It is mainly the result of Congress party's mass mobilization strategy.

Like other countries, the lower class in India does not have a direct representative in political arena. This is partly because that engaging in politics needs financial bases, partly because that political competition does not have perceivable effect on their living standard. In a society with large population in poverty, the unequal distribution of income always creates a large team of middle and upper class. This part of the population, is the major force that request, maintain and benefit from democracy. In India the political leaders are usually very successful professionals, and certainly belongs to the upper class. Unlike China, where less poverty exist due to its more equal distribution, no middle class or upper class can be identified in the society. To the contrast, the class structure in India, or its scale of middle and upper class, have been able to generated enough demand required for developing a democratic political system.

As a matter of fact, the poors had only been successfully mobilized by communist parties in the 1960s in a few Southern districts in Tamilnadu and Kerala and this led to the Communist parties into power in the two states. The mass poor in the country, though demonstrated an unexpected participation in national elections, can hardly be viewed as taking democracy as their basic need. An equally interesting point is that, at the time when democracy is welcomed by the middle and upper classes, the lower class are not directly hurt, if not better off. And that is why the poors have never been the obstacles of democratic
movement in India, i.e., why poverty does not matter in India as long as a strong prodemocracy-middle class exist. In fact, regional and religious conflicts, rather than class conflicts, were the major dangerous to the democratic system in India.

II. Did Democracy Help Economic Development?

Compared with other countries following similar or different roads of development, India's performance in economic growth and poverty alleviation was not satisfactory. The average growth rate of national income is 3.6% annually from 1951 to 1986, near to the average of the third world as a whole, but far lagged behind some authoritarian countries like Korea, Taiwan and Singapore, or communist country like China, or countries with similar political system such as Malaysia, and Sri Lanka. Until middle 1980s, India still have more than 300 million people, or 40 percent of the population under poverty line, whereas China, with a larger population base and similar GNP per capita income, has only 100 million people or 9% of the population in poverty.

The questions we want to ask is, is the relatively unsatisfactory economic record the result of India's democratic political system? Is there still a room for more efficient growth within the democratic political structure?

Look through India's forty years history of economic development, three major strategic problems have to do with the outcome. One is overdevelopment of inefficient public sectors, the second is the unfulfilled goal of land reform, and the third is the stagnation of agriculture.

Over-Emphasis on Public Sector

The inefficiency of over-inflated public sectors has been proved by the historical experience in both capitalist countries and in communist countries. India, in less than two decades after its independence, developed a large scale public sector. The share of public sector in total capital formation reached 50 percent in mid 1960s and remained close to 45 percent since then--largely accounts for the inefficient use. This choice seriously limited the potentiality of Indian economic growth.

The idea of democratically planned economic development was pursued by the national leaders long before independence. This is partly influenced by the communist wave after the World War II. Immediately after independence the Congress, as the ruling party, initiated the Planning Commission and encouraged the centrally coordinated planning for rapid industrialization. Since public sector are the major objectives that government can impose a "plan", its booming is the twin of stronger economic planning. In the state and local level, this movement went further ahead and the
record of public sectors in that levels is even worse.

The history itself did not answer why the publization was so popular in India. As a matter of fact it was popular among political leaders—the expansion of public sectors imply the expansion of governmental power, and in turn, the power of the political leaders. This is the same logic as in communist countries. The publization could be realized in India because all the competing political parties shared this underlying intention.

The point here is that, the process of publization is not a necessary of product of democratic political system—one can verify this by looking at the developed Western Countries where public sectors are limited in a certain field—but a result of pursuing socialist principles within the capitalist system. A mature democratic system should have a mechanism that could prevent party interest from over inflating and balance the development strategies with out a long term bias. This says it is the democracy that hindered economic development in India, but did the bias from or the distortion of democracy.

The Unfulfilled Land Reform

Studies on Indian poverty issues demonstrated that in rural areas the poor people under poverty line are mostly tenants or small landholders. The possibility of their income growth are directly subject to the constraint of the availability of new property, mainly land. Land reform, in this sense, is the essential way of reducing large scale poverty. However, although land reform was initiated immediately after independence, it remains largely unrealized in terms of its redistribution goals. As late as 1984, Planning Commission restated in the seventh five year plan that further redistributive work of land reforms should be carried out.

In the forty years history of India, the National leaders continuously showed an unwillingness to bear the risk of changing the rural property structure, but leave the reforms to the discretion of state-level legislation, which did not give much priority to the issue either. The capitalist political setup is not conducive to, if not stagnate, the process of land reform, simply because reducing poverty are not the priority interest of the ruling class but something may hurts them. In fact, the agricultural development strategies designed by the government offered more financial and technical support to the relatively better-off segments of the rural population.

Nevertheless, it is hard to conclude that the system left no room for India to improve the situation of income and property distribution. There do exist, a number of strategies, not revolutions, that could help a peaceful land reform. As the cases of Japan and South Korea, where land reform were extensive, tenants and smallholders benefited from the reallocation of rents and from
government offered new opportunities (e.g., government investment on poverty alleviation program) to use of their resource. Unfortunately, these alternatives did not receive due attention by Indian leaders.

Stagnation of Agriculture

In 1987, India's per capita output of foodgrain was 188 kg, while China had reached 330 kg. During the past four decades, China's per hectare yield of foodgrain almost quadrupled but India had only doubled. While a mass investment have been flowed to the heavy industrial sectors, a large part of Indian agriculture still remain in the stage of primitive cultivation, with far less fertilizer consumption, irrigation facilities and agricultural machineries than that in China. Poverty directly related to the availability of food, thus inevitably prevailed in India. The stagnation of agriculture, in turn, limited the development of industry due to less basic material supply and less demand for industrial products.

The long term priority given to industry does satisfied the needs of the political leaders. Using the theory that a high capital saving would eventually bring about higher economic growth provided them an strong democratic legitimating device that can be used to beat others. However, this strategy—industrial priority—is not a necessary result under the political system. In other words, multiple policy possibilities exist as long as the system can hear voice from different segment of the society. If stronger representative for farmers exist, more concern is given to the poor and rural development and a balanced development road was chosen in India, its economic performance could be very different.

Concluding Remarks

India's choice of democratic system is a result of history. It has to do with the particular roles of the political organizations, personality of political leaders and class structure. However, democratic system does necessary ensure a better economic performance, nor a poorer one, than that under other political system.

One point is clear: India could have done better in terms of economic growth and poverty alleviation without changing the political system. With the strong abilities that has been demonstrated in mobilizing a large share of national resources to public sector, it would not be extremely difficult for Indian government to invest more on agriculture, support land reform by compensating large land owners and deliver more extensive social service, such as education and health care, if a different strategy be adopted. This being the case, India could have had much less poverty, and it would in turn provide a broader base of democracy and enhance the legitimacy of the political system.
Reference


