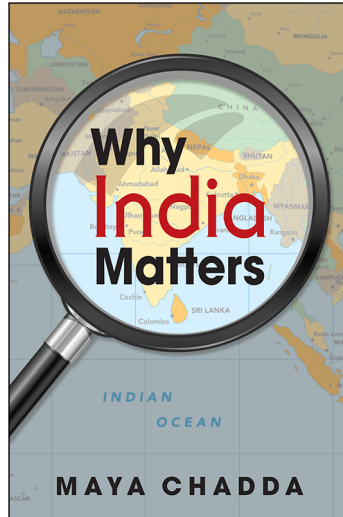


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Why India Matters

Maya Chadda



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1800 30th Street, Ste. 314

Boulder, CO 80301

USA

telephone 303.444.6684

fax 303.444.0824

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1

The Puzzle of India Rising

In 1991, after four decades of painfully slow, inward-looking growth, India's economy was in a crisis: India's balance of payments was heavily in the red, and it was on the verge of defaulting on its foreign debt. Two national elections in quick succession—in 1989 and then in 1991—had ended the dominance of the Congress Party, which had ruled during most of the first forty years following India's independence, and seemingly dealt a crippling blow to the party's capacity to make the hard decisions needed to avoid collapse. As if the nation's cup of woes were not sufficiently full, India had lost its protector in international politics with the disintegration of the Soviet Union at the end of the Cold War. India's brave attempt to combine economic growth with political democracy seemed on the verge of failure. Indeed, many wondered whether the Indian state itself would survive.

So how has India confounded the skeptics? One answer may lie in the unique nature of the Indian state. India is not, and has not even tried to become, a unitary nation-state. Most scholars have had to grapple with this seeming anomaly because their concepts of statehood and state-society relations have been shaped by five hundred years of political evolution in Europe, which transformed loosely bound territorial political formations into absolutist, monarchic states

and then into the strongly centralized nation-states of the industrial epoch. Prevailing concepts of the strength and weakness, coherence and incoherence, stability and instability of nation-states, as well as the yardsticks by which these are measured, have arisen from this evolution. The typical paradigm of an ideal state, therefore, defines it as a single coherent entity with all its parts working together to maintain internal stability and project power abroad. The post–World War II literature on state formation repeats this bias for an internally well-integrated, coherent, and strong entity as a precondition for rapid development. The East Asian developmental states are put forward in support of this argument.¹ Yet India does not fit into this paradigm easily. As a result, it defies attempts to explain its achievements and predisposes analysts to magnify the importance of its failures.

These debates about the nature of the state and its relationship to society have been complicated by new international developments since 1991. The end of the twentieth century saw the breakup of the Soviet Union and a rebirth of identity politics across the entire European landmass. It also saw new forms of warfare deployed in which states were waging wars not against other states but against peoples or nonstate groups with access to international bazaars in arms. The effort to cope with these challenges led to the erosion of the fundamental pillars of the Westphalian order, which gave birth to the system of sovereign nation-states some 375 years ago. While all this was happening, the victors of the Cold War, the United States and Western Europe, found themselves having to also cope with a new phase of globalization that seemed to threaten the industrial and financial bases of their power.

Most projections into the future have concluded that the next decades will see the birth of a multipolar world in which the United States will retain its preponderance but economic and military power will shift to Asia Pacific, particularly to China and to a lesser but significant measure to India. Commenting on the emerging world system, David Scott observes, “The international system is now clearly in a state of impending significant structural change, a ‘long cycle’ perspective. In that sense the ‘Asian Century’ . . . is the most accurate of the paradigms to have emerged for the 21st century.”²

Commentary on this “rise of the rest” and its implications for America’s global power has become a veritable industry.³ Almost all these commentaries have focused on China and India not only because of their size, large populations, and rapidly growing

economies but also because of the rapid expansion in their military strength and growing strategic ambitions sparked by the acquisition of large amounts of sophisticated weapons.

The emergence of such revisionist new states, whose rise revised the anticipated distribution of international power in the twenty-first century, has frequently threatened international peace. The rise of Nazi Germany and fascist Japan, for instance, plunged the world into war. And even when newly powerful states have not caused war, they have altered the balance of global power decisively. Arrival of the United States on the world stage demonstrated this shift. In the current world situation, India's rise is far less threatening than the emergence of a powerful and rapidly growing China, but observers nonetheless worry that competition between rising China and India might destabilize the region with unpredictable consequences for the rest of the world. In any event, they point out that how these two achieve their rise will force students of international politics to reconsider how culture, power, and economy converge to create a powerful new actor on the world stage.⁴

Until recently, international media commentary characterized India as a poor, underdeveloped country divided from within by ethnic, caste, and religious conflicts and possessing little international power and hardly any capacity to shape the world order. Since the early 1990s, this perception has undergone dramatic change but has also given rise to a fierce controversy about its implications and whether India can and should aspire to be a great power. Opinions have varied depending on the observer's point of view, but there is a fair degree of consensus that the huge market provided by a stable, democratic India will be one of the main drivers of future global growth; that India will act as a stabilizer in the crucial quadrant of the world that lies between Iran and Thailand; and that it will provide an ideological and economic counterweight to China.⁵ The key precondition for India's ascent is, however, an active government willing and able to further growth with equity and wield power with restraint.

Popular Perceptions About India's Rise

When India's growth rate began to rise in 2003, many observers questioned whether it could be sustained. Opinions were divided:

some observers were highly optimistic, others felt far less sanguine, and still others conceded that sustained growth was possible only if India bit the bullet, mobilized sufficient political will, and made the required but hard decisions to restructure its economy. Among the commentators, an influential segment of critics on the left believed that India's market-friendly growth strategy was morally bankrupt and virtually unattainable because of deep-rooted structural flaws the current state of India was incapable of correcting. Another segment countered this argument by pointing to East Asia to contend that prosperity, even if it bred inequality initially, was the fastest and surest way to reduce poverty.⁶

Weighing in on the side of optimism, a 2010 article in *Foreign Affairs* characterized India as “dynamic and transforming” and hailed it as “an important economic power on track . . . to become a top-five global economy by 2030. It is a player in global economic decisions as part of both the G20 and the G8+5 (the G8 plus the five leading emerging economies) and may ultimately attain a permanent seat on the United Nations Security Council. India's trajectory has diverged sharply from that of Pakistan.”⁷

In 2012, Goldman Sachs, a global firm with worldwide investment and financial interests arrived at a fairly confident assessment of India's growth potential despite dire warnings in the rest of the press of derailed growth.⁸ The report cited two favorable conditions for optimism: India had sustained close to 8 percent growth in the previous decade (2002–2011), and it would add almost 110 million young workers to the population in the next two decades, which would increase the nation's gross domestic product (GDP) by 4 percent annually as demand for products and services expanded and savings and investments grew to new levels.⁹

Two reports by leading international institutions further affirmed India's rapid evolution as a world economic power. The first report, by the World Bank in 2006, ranked India as the twelfth-largest economy in terms of GDP. The second report, issued in 2011 by the International Monetary Fund, placed India at number nine.¹⁰

In four studies since 1997 mapping the future of the world economy and politics, the US National Intelligence Council (NIC) has envisioned India becoming a dominant military power in the region. These studies take particular note of the growing reach of India's navy in the Indian Ocean and surrounding bodies of water.¹¹ “Over the next 15–20 years,” one report observes,

the Indian leaders will strive for a multi-polar international system, with New Delhi as one of the poles and serving as a political and cultural bridge between a rising China and the United States. India's growing international confidence, derived primarily from its economic growth and its successful democratic record, now drives New Delhi toward partnerships with many countries. However, these partnerships are aimed at maximizing India's autonomy, not at aligning India with any country or international coalition.¹²

Not everyone agrees with this optimistic assessment of India's rise, however. Another view put forward with passion in some scholarly tracts and the popular press—often by India-born, US-based authors—asserts that the Indian state is basically repressive and exploitative despite the trappings of democracy. India's seeming strength is an illusion, these authors claim, and India is a state destined to be crushed under the weight of its own contradictions. A study conducted by the London School of Economics entitled "India: The Next Superpower?" argues that deep and pervasive fault lines within Indian society "call into doubt India's superpower aspiration." The authors of the study advise that instead of seeking to "expand its influence abroad, India would do well to focus on the fissures within."¹³ They go on to say, "As for India's place in the global economy, given the vast developmental challenges that remain domestically, it would be difficult to imagine India asserting its economic dominance in international markets any time soon."¹⁴

In the popular press, Pankaj Mishra, a leading commentator on India, has most clearly and repeatedly articulated this point of view. In an op-ed piece in the *New York Times* in 2006, Mishra writes that perceptions of India's rising power are based on a narrow business-centric perspective that ignores salient facts.¹⁵ A May 27, 2012, article, which he posted on Bloomberg View, reiterates the negative assessments of the earlier piece.¹⁶ India's market-oriented reforms, he comments, have created "private wealth" but little public access to the basic services essential for the well-being of India's people. The growing gap between rich and poor is leading to dangerous social upheavals, such as tribal uprisings in large swaths of North and Central India under the banner of Maoism.¹⁷ Unable to bridge the income and opportunity gap or stem the violence, the state has simply abdicated responsibility and ceded control, in his view, to entrenched cabals of landlords and police in the violence-prone areas. In short, India is fast-forwarding toward an implosion.¹⁸

Where Mishra and similarly inclined commentators see a bleak future in India's embrace of market-based growth strategies, others see insurmountable political and institutional obstacles to growth.¹⁹ These observers argue that India's coalition governments are just too weak to make the kind of tough decisions needed to complete the changes that sustained growth would require.²⁰ These arguments gained added force in 2012 as India's economy slowed and industrial production plummeted while the government was paralyzed. These pessimists point to the abysmal state of India's infrastructure, insufficient investment in research and technology, corruption, and populist pandering to vested interests. These weaknesses, they argue, will prevent India from enacting the kind of reforms necessary to transform the economy at a pace sufficient to reap early benefits and sustain momentum.²¹ A failure to grasp this moment of change would prove catastrophic, according to this view; it would consign India to the margins of the global economy and global politics.

The first doubt is grounded in ethics, for it is based on a belief that growth is good only insofar as it benefits the weaker and poorer sections of a society. The second is grounded in comparisons between actual and possible outcomes: between what India has actually achieved and what it could have achieved with more efficient decisionmaking and better timing. Pessimism about India's future arises out of deep misgivings about the social and political consequences of rapid growth and growing concern about India's capacity to address them. The latter critiques have become more pronounced because of a growing opacity in Indian state decisionmaking—an increasing difficulty in identifying chains of command and therefore in ascribing accountability.

These two views of India's future—domestic economic growth and an increasingly assertive role in international affairs or economic failures and dysfunctional democracy—are mutually exclusive. So one of them has to be wrong. Or does it? In this book I show that the conflict between them is more apparent than real. The way that outsiders view India is necessarily different from the way insiders do. The coexistence of growing state power with unresolved internal problems is not peculiar to India, but rather, it is characteristic of almost all societies in the midst of rapid change. The same juxtaposition of wealth and poverty, self-confidence and uncertainty, order and disorder, and the same hodgepodge of impulses toward democratization and authoritarianism, can be found in England in the

eighteenth century or in China today. It is in the very nature of transitional societies that they are riddled with contradictions as the old order dies out and the new order struggles to be born. It would be strange indeed if India had proved an exception to this rule.

Foreign governments know that India is beset by internal problems but believe that it has the capacity to meet them.²² Decision-makers abroad regard India as a rising power precisely because of its achievements, not because of how they have been generated.²³ For proof, foreign decisionmakers need to look no further than the acceleration of the growth rate after 1991. For thirty years, from 1956 to about 1985, with the exception of two years of national emergency from 1975 to 1977 and non-Congress Party coalition government from 1978 to 1980, India enjoyed strong, stable rule under the Congress Party. But it achieved a growth rate of only about 3.7 percent, one of the dozen slowest in the world.²⁴ The strength and stability of the government did not translate into stellar performance. In the post-1991 period, this equation reversed. The period following the 1992 elections was characterized by weak and unstable minority governments in New Delhi, but contrary to expectations, the growth rate rose steadily until it exceeded 9 percent annually for five years beginning in 2003. These contrasting outcomes challenge the conventional wisdom that a strong government is necessary for rapid growth.

The two views of India—the one focusing on the results and the other on the way they were achieved—therefore complement each other. Either is misleading if taken in isolation or pushed too far. That India is growing rapidly does not mean that it will continue to do so indefinitely. That rapid growth is creating new inequalities and conflicts does not mean that these will not be resolved.

This book seeks to explain the paradox of steadily improving outcomes and perceptions of steadily deteriorating governmental processes. That is where, it argues, the answer to questions about India's future lies. It seeks to show that India has performed better after the end of dominant-party democracy *because*, not *in spite of*, that end. It argues that the stability that the dominant-party system allegedly gave to the Indian polity was temporary because dominant-party democracy was itself a transitional form of government. By the mid-1970s, it was increasingly clear that the excessive concentration of power in India's central state, which had created the illusion of strength and stability, was counterproductive.²⁵ Despite that concen-

tration built within the ruling party, the Indira and Rajiv Gandhi governments (1980–1989) postponed hard decisions and were therefore less and less able to combine political stability with economic reform. To get out of the trap of low growth, India needed to carry out structural reforms, but concentration of political power could not automatically deliver economic growth.

The dominant-party model—in which the Congress Party kept winning every election for the first forty years with one interruption—nevertheless bridged the gap between a colonial, centralized form of government and a return to a much older multilayered federal structure of government in a modern, democratic form. In India the multilayered state long antedated the arrival of the British. It evolved out of the search of Indian empire states, from the Mauryas through the Mughals, for ways of controlling a far-flung and ethnically diverse empire with minimum use of coercion. It did this by allowing most of the component elements of the state to more or less govern themselves within guidelines that embodied the unifying ideology of the central authority. In India the outstanding examples were the Hindu-Buddhist ideational amalgam of the Maurya Empire, which persisted for almost a thousand years after the empire's demise, and the Indo-Islamic syncretism, which reached its fullest flowering in the Mughal period.²⁶ British colonial administrators also retained elements of a multilayered order with differential levels of regional autonomy.

Each of these empire states created a layered political order whose very looseness required a constant dialogue between higher and lower layers of administrative power. In this structure local authorities enjoyed considerable power to interpret edicts they received from above.²⁷ Such an arrangement for governance is not then an alien idea and has constituted an important element of India's political ethos. India owes the smoothness of its transformation from dominant party to coalition rule to the latter's conformity with a pattern of governance with which people are already comfortable.²⁸ Coalition rule accommodates contending interests and ethnic groups, and, in fact, the stability of the system has depended largely on how well it has responded to the demands of diverse communities. The price that such an automatically "reflexive" system of government exacts, however, is a loss of valuable time: arriving at a consensus at so many levels of government in so diverse a country is necessarily slow.

Indeed, policymakers have intuitively grasped that the rhythm of change would be slow and tortuous and dependent on the electoral outcomes of state-level elections (held every two years but in a staggered fashion) that may or may not bring proreform parties to power. They saw no choice but to approach change step-by-step and in a piecemeal fashion. Its gradual pace allowed reforms to win larger numbers of converts to its cause as the circle of beneficiaries widened. Montek Singh Ahluwalia, the principal adviser to Prime Minister Manmohan Singh, best captures the logic behind the slow pace of change:

Gradualism implies a clear definition of the goal and a deliberate choice of extending the time taken to reach it, to ease the pain of transition. This is not what happened in all areas. The goals were often indicated only as a broad direction, with the precise end point and the pace of transition left unstated to minimize opposition—and possibly also to allow room to retreat, if necessary. This reduced politically divisive controversy enabled a consensus of sorts to evolve, but it also meant that the consensus at each point represented a compromise, with many interested groups joining only because they believed that reforms would not go “too far.” The result was a process of change that was not so much gradualist as fitful and opportunistic. Progress was made as and when politically feasible, but since the end point was not always clearly indicated, many participants were unclear about how much change would have to be accepted, and this may have led to less adjustment than was otherwise feasible.²⁹

The Indo-US civil nuclear deal, commonly known as the 123 Agreement, was initiated in 2005; it provides an example of how “reflexive” change worked in the realm of foreign policy. This agreement was three years in the making and constituted a watershed in US-India relations. It was finalized and signed in October 2008. Before coming to fruition however, the proposal had to go through several complex stages, including amendment to US domestic law, especially the Atomic Energy Act of 1954; an articulation of a civil-military nuclear Separation Plan in India; a safeguards (inspections) agreement between India and the International Atomic Energy Agency; and a grant of an exemption for India by the Nuclear Suppliers Group, an export-control cartel formed mainly in response to India’s first nuclear test in 1974. The Manmohan Singh government signed the agreement in July 2005, assuming that it would face little significant opposition within the country. Normally, the Left Front parties would have bitterly opposed any proposal that tied India’s

security to the United States, but in 2005 they were a part of the ruling coalition and were therefore expected to support the nuclear deal. The Left Front, however, refused to even consider the agreement, and it remained bogged down in Parliament. The ensuing identification of positions, the sorting of potential allies from opponents, and the overcoming of resistance by appeal to an ever-widening circle of actors that finally included virtually the entire country took so long that the deal almost fell through. It was saved only by the George W. Bush administration's firm commitment to it and by the Singh government's willingness to put its own survival on the line.

The Indo-US nuclear agreement demonstrated the growing importance of political consensus-building within India all the more vividly because domestic policy and foreign policy were becoming intertwined. Before then, state governments and local communities, except those hosting transborder ethnic minorities, were little affected by foreign policy decisions made in New Delhi. Now the future of India, particularly the role it can play in international affairs, will depend upon the extent to which its time-consuming patterns of consensus-building can respond to the challenges thrown up by an ever more rapidly changing world. The pessimistic view is grounded in the belief that India lacks the capacity to do so.³⁰

Scholarly Debate on India's Rise

One reason the debate on India's future remains inconclusive is that to settle it, an objective measure, or set of measures, of state power is needed.³¹ But there is no consensus among international relations theorists on what these should be. Students of India are deeply divided on the issue. The realist school of thought seeks to measure India's power by quantifying its impact upon global politics. The second school seeks to measure power by the development of capacities to attain desired outcomes and not by outcome alone.

Baldev Raj Nayar and T. V. Paul's volume *India in the World Order: Searching for Major-Power Status* belongs to the first category.³² They explain how the changing distribution of international power—from the end of the Cold War that left only one great power to shape international politics, namely, the United States, and subsequent emergence of several regional powers to challenge US dominance—has created new space for India, China, Brazil,

South Africa, Turkey, and Indonesia to exert greater influence over international events. “The passing of the bipolar system,” they write, “has created new opportunities for India by liberating it from being too closely tied to the apron strings of the Soviet Union.”³³ These opportunities have grown further with the passing of “the unipolar moment” (clearly signaled, in their view, by India and Iran’s successful defiance of the US-imposed nuclear nonproliferation regime). They argue that a weakening of US hegemony and a resulting search for new alignments have brought India to the attention of the major international players. This shift in the international balance of power, rather than any growth in India’s economic or military capabilities, has enabled India to play a more active role in shaping international events.

How has India used these new opportunities? Nayar and Paul identify the specific arenas where India’s influence has grown or has the potential to grow: India’s relations with its neighbors in South Asia, India’s changing role in the world economy as evidenced by its trade investment and financial links, and India’s relations with the other major powers. Beyond these immediate geopolitical concerns, they measure India’s growing importance through its contribution to the “global commons.”³⁴ On balance, they conclude that India is growing in importance and will become a highly influential actor on the world stage.

To arrive at their conclusions, Nayar and Paul devise a typology of middle powers that delineates hard and soft aspects of power and can be very useful for ranking countries using conventional measures of power. Based on their framework, we can identify the elements of current power, compare an existing with another rising state, or compare a rising state at different points in its history. It enables us, for instance, to compare India’s capabilities in 1947 with those of 2000. Here, 1947 becomes the baseline for comparing expansions in the economy, military, demography, and technology. We can also compare India and China in 1978 and then again in 2000. These snapshots taken at different points of time do not, however, tell us how a country got from one point to the next or how we might assess its future potential.

Baldev Raj Nayar and T. V. Paul focus largely on India’s power beyond its borders. In contrast, Stephen Cohen represents those who concentrate on internal elements of power to suggest that India’s potential is best appreciated on its own terms.³⁵ In his view, India’s

role “is primarily to ‘be India,’ and to address the human security issues that stem from its own imbalances and injustices. By doing that India will make one quarter of the world more secure, not a trivial accomplishment. . . . As India moves ahead into the future,” he observes, “its central identity is likely to remain pretty much the same” although the “rate of change both within India and in that larger world . . . is accelerating, as are notions of what constitutes a ‘great’ power.”³⁶

Cohen makes two important points about India’s future. His first point is that these changes in the concept of power have made the Indian experiment far more important than it was during the Cold War. Today, economy and democracy have risen in importance over military hardware and the number of ships a country might possess. In this context, India’s rise is a function of changes in the way the world measures power. But his second point is that India is a different kind of power. Unlike many other nation-states past and present, India carries within it the imprint of *a whole civilization acting as a nation-state in the international arena*.³⁷ The only other contemporary nation to possess that characteristic is China. Cohen argues that India’s history, social structure, patterns of culture, and tradition of strategic thought (or lack thereof) are reflected in its responses to both domestic and international challenges. These have produced and reproduced, in his view, a particular conception among the country’s elites of India and its role in the world. Whether India will become a great power will depend on how that conception engages the present. India is doing far better than before, he observes, in enlisting its history to solve the challenges presented by shifts in domestic and international environments. For example, he shows how modern India’s self-image is derived from a construction of Indian history as that of a single civilization with a core theme of unity and how an identity defined in this way shaped India’s choice of nonalignment following independence.

Cohen’s analysis has the great advantage of drawing us deeper into the social and historical sources of India’s power and in that way compensates for Nayar and Paul’s lack of a historically rooted analysis of how and why India might make particular responses to domestic and international challenges in the present century. Neither perspective, however, tells us how India’s future will be shaped by how it has met challenges since the end of the Cold War. Cohen’s conclusions push us to think about India as a different kind of power, one

that will rise in influence because it will have responded to the challenges of the new century in a quintessentially Indian way. What that might be is not, however, very clear; nor do we know how we might apply this idea of a different kind of power to understand the transformation of India's politics and economy in the wake of the dominant-party collapse and the rise of coalition politics in India. For Nayar and Paul, the post-Cold War coalition governments are weak instruments of transformation. They predict India's rise, but we are not told how the contradiction between domestic weakness and international influence will be resolved.

Neither of these explanations of India's growing importance in international affairs helps us to understand why new directions in foreign policy and a measurable acceleration of economic growth have accompanied a decline in the authority of the central government. The fiscal crisis of 1990 ushered in economic reforms that rapidly accelerated growth, while the collapse of the Soviet Union required a redefinition of India's international posture. India's coalition governments responded by forging a strategic partnership with the United States and by vigorously pursuing a "look east" policy to create a whole network of economic and security ties with countries in the Far East and Southeast Asia. These are just two examples of the new directions in policy. We therefore need a conceptual frame that provides a single causal explanation for these seemingly contradictory trends and that therefore helps us identify the key elements of the process by which these responses are institutionalized and conflicts resolved.

Eric Ringman's theoretical writings provide a useful starting point for developing a relevant conceptual framework for India.³⁸ Ringman is less interested in measuring existing power than in assessing a nation's potential for acquiring power in the future. He identifies three key determinants: a state's ability to reflect or produce a vision of change, a state's ability to create institutions that translate this vision into reality, and a state's ability to resolve conflicts arising from change. In Ringman's view, these three abilities are better clues to assessing potential for power as long as they are not applied mechanically.³⁹ In simple terms, his approach is akin to that of a bank manager assessing the ability of a client to repay a loan: not only does he examine the applicant's existing bank balance and income, but he also assesses the applicant's capacity to earn, inherit, or otherwise increase assets.

Ringman's model provides a better template for understanding state power in the post–Cold War world than the conventional models discussed above. This is because the old order characterized by competition between capitalism and socialism has passed, but the new order is still struggling to be born. The power to imagine alternative futures is therefore increasingly important in the twenty-first century. The Westphalian state, with its defined boundaries and hard notions of sovereignty backed by military power, has weakened. Attempts are therefore being made to build an alternative international order that can incorporate interdependent economies, porous boundaries, and collective defense.⁴⁰ One NIC report warns that “by 2025, nation-states will no longer be the only—and often not the most important—actors on the world stage and the ‘international system’ will have morphed to accommodate the new reality. But the transformation will be incomplete and uneven. Although states will not disappear from the international scene, the *relative power* of various non-state actors—including businesses, tribes, religious organizations, and even criminal networks—will grow.”⁴¹ The cascading impact of the Arab Spring, a veritable people's revolution in 2011, which toppled so many authoritarian regimes in the Middle East, underscores this argument. So did a nationwide nonviolent anticorruption movement in India led in 2011 by activist Anna Hazare, which challenged the entire Indian political class and the preeminent institutions of government.

The importance of Ringman's notion of capabilities is obvious if we consider Mikhail Gorbachev's attempt to change the Soviet Union by implementing perestroika and glasnost. Even though this vision of an alternate future failed in the end, we cannot explain what happened to the Soviet Union without understanding the hopes and failures associated with that vision. Gorbachev did not and perhaps could not muster the requisite entrepreneurial creativity or mechanisms for resolving the contradictions his vision had created. Likewise, the rapid rise of China would not have been possible had Deng Xiaoping not had the courage to “imagine” an alternative future for China and to muster the entrepreneurial skills and resources of the country to bring that about.

When Ringman's model is applied to a specific country, especially one as diverse and complex as India, several additional caveats need to be borne in mind. First, leaders may articulate visions more in response to past challenges than to future aspirations. Second, over

time even the most carefully crafted institutions evolve in directions unforeseen by their creators. This is not necessarily a drawback as the change usually takes place in response to transformations in society and politics. Third, leaders may, and indeed very often do, attempt to postpone the resolution of a conflict instead of addressing its root causes. India's postindependence history is replete with such examples, but despite them, much has been accomplished: laws have been constantly reinterpreted, and new ones have been enacted; new institutions have been created to reconcile conflicting interests, and older ones that existed only on paper have been revived and put to use.⁴² Change has therefore been incremental at the best of times, but its slowness has given India's myriad political constituencies time to adjust by striking new bargains with each other.

Indian leaders may have fallen short in envisioning change or articulating it clearly but this was at least partly because coalition governments could not come to power without striking a new bargain between likely parties to the coalition. Vision statements and election manifestos were therefore vague and more often than not quickly set aside. They give no clue to the direction in which policies will evolve. In post-2000 India, change is not driven from above but evolves out of an unceasing, reflexive dialogue between the central and state governments and between the state at all levels and civil society. It is the vector of all social and economic impulses in society. India's supposed weaknesses are therefore its strengths, for they give it the elasticity to absorb internal and external shocks and turn them into opportunities for change.⁴³ There is of course danger if the central and state governments' negotiations become paralyzed, which explains the stop-and-go pace of almost all policy changes in India. Change, however, accumulates and slowly builds national capabilities. An understanding of this process provides an insight into the reasons that India is becoming increasingly more capable of influencing the course of international events.⁴⁴ Cohen's poetic formulation—"India being itself"—captures this process without being able to describe how it works.

In this type of reflexive policymaking, manifestos and policy declarations are not the end point of decisionmaking they are its starting point. The government of the day lays out what it believes the people want it to do and waits for responses from the many levels of state and society. The final action often bears only a faint resemblance to the original policy statement.

For instance, the Congress Party has always stood for a strong center. For two decades it dominated not only the national Parliament but also each and every state legislature in the country. But it was the Congress Party that went against its own innate preference for centralization and created India's ethnolinguistic federation in 1956. Thirty-six years later in 1992, the same party created a third tier of democracy, the autonomous district councils, and empowered village councils (Panchayats), by making elections mandatory and devolving financial powers to them.⁴⁵

Similarly, the Hindu nationalist Bharatiya Janata Party (BJP), India's other national party, was committed to economic self-reliance when it came to power in 1998, but it took only two years in office for the BJP to change its tune and become an ardent promoter of an open economy. The same party preached Hindu monolithism in theory but then pushed it onto a far back burner in order to form a coalition government at the center. The interactive process that has led to these dramatic U-turns by both the main parties is the very essence of Indian democracy as well as of all healthy democracies.

Ringman's second determinant—the capacity to create change-supporting and -sustaining institutions—encompasses entrepreneurial aptitude.⁴⁶ Focusing on a country's capacity for political innovation helps us assess the efficacy of new organizations, processes, legal frameworks, and social institutions that are created to guide the desired change. In India, the state has responded to the near-simultaneous end of dominant-party rule and the opening up of the command economy by creating a large number of new regulatory and coordinating institutions and reviving older institutions that had been enshrined in the Constitution but remained moribund. Thus, V. P. Singh's coalition government of 1989 revived the national Development Council as the main instrument for co-coordinating central and state political and economic policies. The central government coordinated economic policy by setting up regulatory commissions for public utilities and passing model acts on subjects ranging from power generation and distribution to land acquisition, value-added taxation, and right to information.⁴⁷

What is true in the sphere of economic reforms is also true in defense and foreign policy. Post-Cold War coalition governments in India abandoned the principle of nonalignment that had guided them since 1947 and signed a defense framework agreement with the United States in 2005. Although a quest for autonomy in policy and

for strategic restraint still remained watchwords of India's external posture, coalition governments gradually introduced new dimensions in India's defense doctrine that were more suitable to the post-Cold War world they faced. Indian military leaders sought the arms and weapons to extend India's influence well beyond its borders into what came to be defined as the "extended neighborhood."

New directions and new institutions inevitably change the distribution of power and benefits in society. Since this often engenders conflict, the capacity of a country to contain and resolve this conflict—Ringman's third determinant—is an important index of its power. India will face a whole set of new conflicts arising from growing inequality in rural areas, environmental depredation, declining water resources, and an unregulated grab for land. The violence triggered by the acquisition of land for Special Economic Zones (SEZs) in West Bengal and Maharashtra and generally from tribal populations in Central India underscores the nature of future conflicts. To these new confrontations will be added older conflicts of ethnic separatism and religious tensions that periodically challenge India's central and state governments. Facing these challenges, India's coalition governments have done in the political sphere what they have done in the economic sphere: they have responded in a slow and piecemeal fashion, which allows for a whole set of interested parties to adjust to the new dynamics produced by change.

This go-slow approach to political tensions was evident in the government's response to a demand for a new set of guidelines for acquiring land and setting up SEZs. It was also evident in relatively slow responses to demands for a separate state of Telangana, which was eventually carved out of the existing state of Andhra in 2011. The outbreak of violence over Telangana in 2011 was a failure of the United Progressive Alliance (UPA), led by the Congress Party, to resolve the conflict, but it was also the beginning of adjustment all around in preparation for the next round of negotiations for a new bargain.⁴⁸ The inclusion of a large number of political leaders in an October 2012 reshuffle of the UPA cabinet underlines the way in which the Indian political system seeks to accommodate dissent.⁴⁹ However, that ploy did not work and on July 30, 2013, the Congress Party Working Committee approved the motion to create the twenty-ninth state of Telangana.

If we apply Ringman's measures to the broader history of modern India, then the nationalist period, particularly from 1930 onward,

could be considered a period of great innovation and entrepreneurship. It succeeded in producing a viable, alternative vision; mobilized required resources; and changed the rules of the game based on notions of nonviolence, civil disobedience, and the mass movement. Institutional developments and organizational innovation provided this vision. The evolution of the Indian National Congress Party (INC) and its pan-Indian grassroots organization was a testimony to the vision. The INC evolved mechanisms to resolve conflicts between the British colonial authorities and the nationalist movement and within the nationalist movement itself. It was predominantly a pluralist mechanism of conflict resolution; its one spectacular and tragic failure was the inability to contain the Muslim League (the political party representing Muslims in British India led by M. A. Jinnah), which successfully produced an alternative vision of a Muslim Pakistan carved out from pluralist India.

The early years of postindependence India, popularly known as the Nehruvian period (1947–1964), also saw enormous expansion in reflective and entrepreneurial capacity to resolve conflicts. It was a time of nation- as well as state-building and witnessed the creation of a spectrum of economic, political, and public welfare institutions. Indian leaders wrote and adopted a constitution, defining the rules of the game by which Parliament, the courts, and political parties were to operate. They created a planning commission to preside over the economic direction India would take. And, most importantly, they divided power between the central government and its federal units. In foreign policy, India settled for a position of nonalignment and forged an anti-imperial, anticolonial plank to unify the world's newly independent states in Asia, Africa, and the Middle East.

Prime Minister Jawaharlal Nehru has been criticized for neglecting national defense, for engaging in excessive moralizing, and for misinterpreting the intentions of China and Pakistan and the United States. But these mistakes in policy—and they are the subjects of fierce controversy—do not diminish his government's contribution to nation-building. Nehru created a distinctive, international persona for India that linked its civilizational past with its potential as a major international power. This vision was fully articulated on the eve of independence in 1947 in Nehru's first speech to the nation. He called upon his fellow citizens to embark on a new "tryst with destiny," in which, by its combined efforts, India would emerge as a great nation and a powerful voice on behalf of the world's oppressed. The two

beliefs then articulated—India’s civilizational greatness and its anticipated and deserved rise to international influence—have become the cornerstone of India’s foreign policy aspirations and goalposts for every government in New Delhi.

Whereas Nehru had laid the institutional foundation for India’s domestic and international direction, it was left to the subsequent Congress Party governments of Indira Gandhi and Rajiv Gandhi to nurture the dream and strengthen the institutions created in the first decade after independence. The Indira and Rajiv Gandhi governments by and large failed in this regard, however. They held on to the rules of the game established under the Congress Party under Nehru even when party hegemony began to erode in the years after his death. The emerging centers of new dissent demanded decentralization of government and progressive democratization of social and political institutions, but neither Indira nor Rajiv Gandhi met these challenges with imagination or enlightened self-interest. In fact, they did the opposite. Each was deficient in evolving strategies to resolve social and ethnic conflicts and paid for this failure with their lives.

Insistence on maintaining Congress Party supremacy led Indira Gandhi to suspend elections (1975–1979) and tarnish the record of India’s enduring democracy. It also convinced her to create a host of draconian laws and concentrate power in the hands of the police and government. Her insistence on imposing highly restrictive measures on foreign capital and domestic markets, all in the name of social justice, led to what has been disparagingly referred to as the “license and permit raj,” a regime that gave the bureaucracy inordinate control over the economy and all but strangled growth. It also created opportunities for corruption throughout the chain of bureaucratic command. Despite these flaws, her conduct in the 1971 war with Pakistan and the liberation of Bangladesh were textbook examples of humanitarian intervention (and exit) that upheld international principles and national interests.

Although Rajiv Gandhi tried to correct this situation and introduce greater probity within the Congress Party rank and file, he, too, failed before the power of the party machine. Both Indira Gandhi in her last few years and Rajiv Gandhi tried to liberalize the economy and introduce more competition; nevertheless, these modifications did not amount to a bold use of reflective or entrepreneurial power. In the realm of conflict resolution, both leaders failed to evolve mechanisms that could have prevented the ethnic violence that

erupted in the state of Punjab, in the Northeast, and in Kashmir, although on balance, Rajiv Gandhi was more amenable to negotiations than Indira Gandhi.

By these yardsticks, the post-1990 coalition governments have fared at least as well and in some respects better than the preceding Congress Party–dominated governments.⁵⁰ Every coalition government reasserted the vision of a “great India” and changed the way the country would go about achieving this goal. Each did this in the face of intensifying social and economic challenges from the increasingly vocal and at times violent Dalits and “backward castes” parties and organizations; from extreme Hindu nationalists who espoused a radically different vision—monolithic and impatient of cultural diversity—of India from that developed by Mahatma Gandhi and Nehru; from those excluded from the gains of the market economy that replaced the former command economy; and from the fundamental shift of power away from the central state to region-based state governments, parties, and leaders.

These four challenges led to the collapse of several coalition governments and tested the resilience and strength of India’s democracy. The Janata Dal coalition government of V. P. Singh collapsed under the twin strains of caste and religious violence. The BJP lost elections to the Congress Party–led coalition in 2004 for ignoring the poor and underprivileged. The Congress Party–led governments between 2004 and 2012 have been hard put to cope with the tribal insurgency led by Maoist ideologues commonly referred to as Naxalites in extremely poor parts of Central India that resulted from an increased commodification of land. Kashmir has remained an unsettled danger zone (although in 2007 India and Pakistan came close to an agreement to solve the dispute). And parts of the Northeast have periodically succumbed to violence and terrorist activities perpetrated by ethnic extremists.

What is more, the relationship between India’s state and its society has fundamentally changed if the popularity and nationwide support for the anticorruption movement of 2010–2011 is any indication. Even though these challenges have been daunting and cause for much political instability and even policy paralysis, India’s democracy has remained resilient and capable of functioning in the midst of turmoil and violence, and its economy has generated increasing surpluses to finance the ambitious military programs and foreign policy goals of great India.

To understand how and why India matters we need to measure the capabilities of India's coalition governments to balance between growth and equity and between domestic and international compulsions. These include flexibility in the management of caste, class, and ethnic revolutions; strategies to contain religious polarization; dismantling of restrictive economic legislation; and creation of new approaches to governing public and private investment. Capabilities can be measured also in the crafting of new defense and foreign policy, in the harnessing of new economic-cum-military assets to shape events in the neighborhood, in the forging of a new strategic and economic partnership with the United States and countries in Southeast Asia that boost India's standing in the world and give it greater leverage in international forums, and in the enhancing of strategic autonomy through the development of nuclear weapons. India's new outward orientation since 1991 stands in stark contrast to the inward preoccupations in the 1970s and 1980s.

India's rise challenges many theoretical propositions that have been the building blocks of political development theories⁵¹: that democracy cannot be rooted in a poor, underdeveloped, largely illiterate society; that primordial identities cannot be subsumed under larger identities of a nation unless they are erased by force; that a multination-state is weak in matters of its own defense; that post-colonial leaders, trapped as they are in a nationalism derived and constructed under the influence of colonization, are incapable of independent reflection and lack the ability to build institutions and resolve conflict arising from change; and that conventional measures of power provide only a limited understanding of a country's potential for power. The list of the ways in which India challenges conventional notions of power and politics is endless.

This book seeks to explain the paradox of weak central governments in New Delhi and growing international stature abroad. It seeks to delineate through India's example an alternate way to understand national power and outline how culture, power, and the economy combine to permit a largely poor and deeply divided nation to rise to international importance. India matters because the odds remain in favor of its rise to the center of global politics and economy. But it also matters because India provides an alternative to the East Asian model of development in which political democracy takes second place to economic growth. India is a prime example of how a non-Western state can draw upon a deeply rooted cultural pluralism

to combine democracy with rapid economic growth in what might prove a sustainable model of transformation into a modern state. It is also an example of the opposite, a paralysis in political will leading to economic setbacks that threaten the progress it has made. As a great experiment, India's achievements as well as failures matter; they provide important insights in how culture, power, and economy combine to shape a country's journey to modernity and wealth.

Organization of the Book

The next seven chapters expand on this theme. Ringman's three criteria for the acquisition of future state power—the capacity to reflect, the capacity to mobilize resources, and the capacity to resolve conflict arising from change—are interwoven in the narratives that follow. I have made no attempt to provide comprehensive accounts of India's past or present economic or international histories or policies. I have also refrained from moral judgment of events or policies, even if it is pertinent to ask if morally correct responses ought not to be a part of a nation's capabilities. I believe that India's coalition governments are opportunistic and in many instances behave reprehensibly. That judgment, however, does not alter my assessment of their capability to affect the post-Cold War transition, which by any yardstick has been dramatic but not always smooth. It compares well, though, with transitions in Indonesia, Yugoslavia, Russia, and the countries immediately surrounding India. What accounts for differences in India's experience and those of less fortunate parts of the post-Cold War world? I hope that this volume provides at least some insight.

Chapter 2 addresses India's history as a source of national identity. Torn asunder by a violent partition and poorly integrated, India was more an idea and an act of faith by its nationalist leaders than a coherent and territorially well-defined state. India's leaders reached into history to construct the idea of India, which they saw as a pluralistic, tolerant, and peaceful nation bound together by enduring bonds of shared culture and values. This self-image served to establish democratic institutions at home and a nonaligned stance abroad. By the end of the 1980s, India was struggling to cope with cataclysmic changes in its dominant-party democracy and the abrupt end of the Cold War rivalry between the United States and the Soviet Union. Chapter 3 outlines the emergence of coalition rule as a coping

mechanism for change. It examines how the unstable coalition governments sought to balance the imperatives of survival with the demands of newly mobilized middle classes, Hindu nationalists, and ethnic separatists. Chapter 4 explores the economic transformation and gradual replacement of a command economy with one based on markets. Chapter 5 explains how foreign policy thinking underwent a dramatic change in response to the Soviet collapse and how coalition governments coped with the new challenges of a unipolar world that soon enough gave way to a polycentric international order. Throughout these changes, Indian leaders did not lose sight of their enduring goals of preserving the nation's strategic autonomy and establishing for India an enhanced standing in the world. Each required building up defense and cultivating an ability to project influence and power beyond India's borders, which was made possible by rapid economic growth. Chapter 6 discusses security imperatives and assesses the obstacles to power projection in the region. As a civilizational state, India possesses considerable soft power assets, particularly in the attractiveness of its arts, culture, and democracy and in the worldwide spread of the Indian diaspora. Chapter 7 explores the role of that diaspora. In conclusion, Chapter 8 explains why we need to think of India as a different kind of state, one that cannot be understood by applying the template of older established nation-states or the path that contemporary counterparts in Asia have pursued. India exists in contrast to each and illuminates a different path to international power and prosperity.

Notes

1. Hiton Root, "Do Strong Governments Produce Strong Economies?" *India Review* 5, no. 4 (Spring 2001): 565–566. See also Ann Sasa List-Jensen, "Economic Development and Authoritarianism: A Case Study of the Korean Developmental State," *Development, Innovation, and International Political Economy*, Research Working Paper No. 5 (East Aalborg, Denmark: Aalborg University, 2008), which argues that authoritarian states are more effective in achieving developmental goals.

2. David Scott, "The 21st Century as Whose Century?" *Journal of World-System Research* 23, no. 2 (2008): 109.

3. National Intelligence Council, "Global Trends 2025: A Transformed World" (published 2008), <http://www.dni.gov/index.php/about/organization/national-intelligence-council-global-trends>; Aaron Friedberg, *A Contest for Supremacy: China, America, and the Struggle for Mastery in Asia* (New

York: Norton, 2011); Thomas L. Friedman and Michael Mandelbaum, *That Used to Be Us: How America Fell Behind in the World It Invented and How We Can Come Back* (New York: Farrar, Straus and Giroux, 2011); Fareed Zakaria, *The Post-American World* (New York: Norton, 2009); Zbigniew Brzezinski, *Strategic Vision: America and the Crisis of Global Power* (New York: Basic Books, 2012).

4. Edward Kerschner and Naeema Huq, "Asian Affluence: The Emerging 21st-Century Middle Class," Morgan Stanley Global Investment Committee, June 2011, <http://fa.smithbarney.com/public/projectfiles/35257b34-b160-45e4-980d-8bca327db92b.pdf>; Homi Kharas, "The Emerging Middle Class in Developing Countries," OECD Working Paper No. 285 (Paris: Organisation for Economic Co-operation and Development, 2010), <http://www.oecd.org/development/44798225.pdf>.

5. Jane Golley and Rodney Tyers, "Contrasting Giants: Demographic Change and Economic Performance in China and India," CAMA Working Paper No. 10 (Canberra: Australian National University, Centre for Applied Macroeconomic Analysis, 2011), <http://ideas.repec.org/p/uwa/wpaper/11-04.html>. According to the International Monetary Fund (IMF), "India's continuing demographic dividend can add about 2 percentage points to the annual rate of economic growth, if harnessed properly." Quoted in *Deccan Herald*, July 7, 2012, <http://www.deccanherald.com/content/245837/demographic-dividend-can-boost-indian.html>. See also Chris Barth, "Demographic Dividends," *Forbes Magazine*, June 25, 2012, http://www.forbes.com/forbes/2012/0625/investment-guide-12-india-china-demographic-dividends_2.html. Nandan Nilekani, *Imagining India: Ideas for the New Century* (New York: Penguin, 2008), stresses this point.

6. Jagdish Bhagwati, "Growth, Poverty and Reforms," in *India's Economy: A Journey in Time and Space*, ed. Raj Kapila and Uma Kapila (New Delhi: Academic Foundation, 2007), 81–89, says that economic reforms are the way to go if India is finally to fulfill its ambition to reduce massively its poverty and destitution. See also Jagdish Bhagwati and Arvind Panagariya, *India's Reforms: How They Produced Inclusive Growth* (Oxford: Oxford University Press, 2012), 82.

7. Evan A. Feigenbaum, "India's Rise, America's Interest," *Foreign Affairs* 89, no. 2 (March–April 2010), <http://www.foreignaffairs.com/articles/65995/evan-a-feigenbaum/indias-rise-americas-interest>.

8. Goldman Sachs regularly puts forward a well-researched assessment of global markets and regions in which it is heavily invested. For its assessment on India in 2012, see the video "A View from India with Tushar Poddar," <http://www.goldmansachs.com/our-thinking/view-from/a-view-from-india/multimedia/video.html> (accessed September 22, 2013).

9. For an optimistic view, see Sadiq Ahmed, *India's Long-Term Growth Experience: Lessons and Prospects* (New Delhi: Sage, 2007). For a cautiously optimistic view, see K. C. Chakravarty, "Prospects for Economic Growth and the Policy Imperatives for India," speech given at the plenary of

the National Conference on Leadership, Kolkata, India, December 10, 2010, <http://www.bis.org/review/r101215e.pdf>.

10. Nominal GDP list of countries for the year 2010, World Economic Outlook Database, International Monetary Fund, September 2011, <http://www.imf.org/external/pubs/ft/weo/2011/02/weodata/index.aspx>.

11. National Intelligence Council, "Global Trends 2010" (published 1997); NIC, "Global Trends 2015: A Dialogue About the Future with Non-government Experts" (published 2000); NIC, "Global Trends 2020: Mapping the Global Future" (published 2004); and NIC, "Global Trends 2025: A Transformed World," all available at <http://www.dni.gov/index.php/about/organization/national-intelligence-council-global-trends> (accessed October 4, 2013).

12. NIC, "Global Trends 2015," 30.

13. Ramachandra Guha et al., eds., "India: The Next Superpower?" (London: London School of Economics Ideas Section, March 7, 2012), <http://www2.lse.ac.uk/IDEAS/publications/reports/SR010.aspx>.

14. Rajeev Sibal, "The Untold Story of India's Economy," in *ibid.*, 22.

15. Pankaj Mishra, "The Myth of the New India," *New York Times*, July 6, 2006, http://www.nytimes.com/2006/07/06/opinion/06mishra.html?page_wanted=all&_r=0.

16. Pankaj Mishra, "Tales of India's Economy Twistier Than Kama Sutra," Bloomberg View, May 27, 2012, <http://www.bloomberg.com/news/2012-05-27/tales-of-india-s-economy-twistier-than-kama-sutra.html>.

17. Mishra, "The Myth of the New India."

18. Similar views are expressed by Ramachandra Guha, "Will India Become a Superpower?" in *India: The Next Superpower?* 7–8.

19. For scholarly views critical of the Indian state and democracy, see Paul Brass, *The Production of Hindu-Muslim Violence in Contemporary India* (Seattle: University of Washington Press, 2003), which provides an extensive and authoritative commentary on Hindu-Muslim riots and causes of communal violence. Achin Vanaik, *Globalization and South Asia: Multidimensional Perspectives* (New Delhi: Manohar, 2004), covers the impact of globalization on the new neoliberal Indian state and its implications for redistributive justice. Atul Kohli, *Democracy and Discontent: India's Growing Crisis of Governability* (Cambridge: Cambridge University Press, 1990), analyzes the political economy of Indian democracy and concludes that India has a serious governability problem. Francine Frankel, *India's Political Economy, 1947–2004* (Oxford: Oxford University Press, 2005), similarly writes from a political economy perspective on India, but her more recent writings allow the possibility of India's rise. Baldev Raj Nayar, *India's Globalization: Evaluating the Economic Consequences* (Washington, DC: East-West Center, 2006), argues that India has the political will to secure and sustain economic growth. Other key scholars include Lloyd Rudolph and Susanne Rudolph, *In Pursuit of Lakshmi: The Political Economy of the Indian State* (Chicago: University of

Chicago Press, 1987); and Subrata Mitra, *The Puzzle of India's Governance: Culture, Context, and Comparative Theory* (New York: Routledge, 2006).

20. Rajesh Basrur, "Domestic Political Fragmentation and Constraints on Indian Security Policy," paper presented at the International Studies Association conference, New Orleans, Louisiana, February 17–20, 2010, http://citation.allacademic.com/meta/p_mla_apa_research_citation/4/1/6/2/8/pages416289/p416289-1.php.

21. "India's Growth Slowdown Calls for Reinvigorated Reforms," IMF Survey online, April 17, 2012, <http://www.imf.org/external/pubs/ft/survey/so/2012/car041712a.htm>.

22. James Lamont, "Be My Friend: World Leaders Compete to Build Ties with India," Beyond BRICS, December 6, 2010, <http://blogs.ft.com/beyond-brics/2010/12/06/be-my-friend-world-leaders-flock-to-india/#axzz209KARkBI>. See also "When the High and Mighty Came Calling," Rediff.com, December 24, 2010, <http://www.rediff.com/news/slide-show/slide-show-1-chalo-india-say-world-leaders/20101224.htm>.

23. In a November 2010 speech to the Indian Parliament, President Barack Obama said, "India is not simply emerging; India has already emerged. And it is my firm belief that the relationship between the United States and India—bound by our shared interests and values—will be one of the defining partnerships of the 21st century." See <http://www.cfr.org/india/obamas-remarks-joint-session-indian-parliament-india-november-2010/p23329>.

24. See Shankar Acharya, "India's Growth: Past and Future," paper presented at the Eighth Annual Global Development Conference of the Global Development Network, Beijing, China, January 14–16, 2007, Table 1, 2, http://depot.gdnet.org/cms/conference/papers/acharya_plenary1.pdf.

25. Kohli, *Democracy and Discontent*, 3.

26. Romila Thapar, the foremost historian of early India, argues that Ashoka Maurya laid down a code of conduct, which combined ideas of tolerance, equality, and nonviolence drawn from Buddhist teachings with Brahminical practices of statecraft based on Arthshastrato, to administer his diverse and extensive empire. Romila Thapar, "The Mauryan Empire in Early India," *Historical Research* 79, no. 205 (August 2006): 303. Similarly, Jalaludin Akbar, under whom the Mughal Empire reached its peak, preached religious tolerance and appointed Hindu officials as advisers and commanders of his army. He created a new syncretic religion—Din-I-Illahi—that sought to merge the best elements of the religions of his empire. His purpose was to create social harmony. See Makhanlal Roychoudhari Shastri, *The Din-I-Illahi* (Calcutta: University of Calcutta, 1941).

27. Romila Thapar and Makhanlal Shastri's writings suggest that religious confluence and syncretism were more a pattern than an aberration in Indian history. Thapar, "The Mauryan Empire"; Shastri, *The Din-I-Illahi*.

28. This is not to suggest a historical continuity from Ashoka Maurya to the modern nation-state of India but rather to argue that the idea of coexistence of socially diverse groups, communities, and regions is deeply

embedded in the historical memories of the Indian people. These memories have been reinforced by the nationalist narratives of India's rise and fall, but even those who argue that the idea of India is a modern artifact see the emergence of empire states based on accommodation of diversity as an undeniable fact. For a detailed development of the "historical state," an abstract idea that lays out the key features of how "empire states rose and unified their territorial possessions under a single authority," see Maya Chadda, *Ethnicity, Security, and Separatism in India* (New York: Columbia University Press, 1997), chap. 1.

29. Montek Singh Ahluwalia, "Economic Reforms in India Since 1991: Has Gradualism Worked?" *Journal of Economic Perspectives* 16, no. 3 (Summer 2002): 67–88.

30. According to Rajesh Basrur, coalition governments have been weak in protecting India's national interest. The delays in signing the nuclear deal and the near neglect of Sri Lanka and India's interests in the course of recent events there are cited as examples of how both these nonresponses cost India in terms of its regional interests. See Basrur, "Domestic Political Fragmentation."

31. The concept of power is one of the most elusive and contested concepts in political science. It has been defined generally as an ability to get someone to do what they might not otherwise do. This definition focuses on the outcome but other scholars define power as a relationship. Power is further defined as soft (attract by example) and hard power (use of military, economic, and diplomatic coercion). Political scientists also argue whether power should be seen as superior status, influence, or simply possession of superior resources. Three perspectives generally dominate interpretation of power as a concept: realist (typified by Niccolò Machiavelli), structural (Karl Marx), and constructionist (Michel Foucault). I refer to *power* as the capability to shape interstate relationships and not merely as an ability to coerce or serve by example.

32. Baldev Raj Nayar and T. V. Paul, *India in the World Order: Searching for Major-Power Status* (Cambridge: Cambridge University Press, 2004). For additional literature reflecting the realpolitik view, see Terasita Schaffer, *India and the United States in the 21st Century: Reinventing Partnership* (Washington, DC: Center for Strategic and International Studies, 2009); Rolie Lal, *Understanding China and India: Security Implications for the United States and the World* (Westport, CT: Greenwood Press, 2006); Alyssa Ayres and C. Raja Mohan, *Power Alignments in Asia: China, India, and the United States* (Thousand Oaks, CA: Sage, 2009); and C. Raja Mohan, *Crossing the Rubicon: The Shaping of India's New Foreign Policy* (New Delhi: Viking, 2003).

33. Nayar and Paul, *India in the World Order*, 206.

34. "Global commons" refers to international problems that span national boundaries and require a concerted global effort to tackle them. These include concerns over peacekeeping and peace-building in failing states and regions, over protection of sea-lanes, and over such problems as terrorism, trade in narcotics, and climate change.

35. Stephen P. Cohen, *India: Emerging Power* (Washington, DC: Brookings Institution Press, 2001). Others who also subscribe to this view are Subrata Maitra, "Nuclear, Engaged and Non-Aligned: Contradictions and Coherence in India's Foreign Policy," *India Quarterly* 65, no. 1 (2009): 15–35. Also see Sunil Khilnani, "Bridging Identities: India as Positive Power?" in *Through a Billion Voices: India's Role in a Multipolar World* (Berlin: Foresight, 2010), 13–17, http://www.foresightproject.net/downloads/Reader_FS_India_FINAL.pdf.

36. Cohen, *India*, 309, emphasis added.

37. Similar claims are made about China but also about the rapid growth of East Asian economies. In the case of India, ironically, civilization claims are often viewed by the media in a negative light because they conjure up caste, religious, and ethnic conflicts and passive acceptance of poverty and injustice.

38. Eric Ringman, "Empowerment Among Nations: A Sociological Perspective on Power in International Politics," in *Power in World Politics*, ed. Felix Berenskoetter and M. J. Williams (New York: Routledge, 2007), 189–203.

39. *Ibid.*

40. This is evident in the debates about the "new world order," the development of globe-spanning nongovernmental organizations such as Greenpeace and Médecins Sans Frontières (Doctors Without Borders), the emergence of global networks of terrorism and counterterrorism, the transformation of the UN's role from peacekeeping to peace enforcement (Lebanon, Somalia, Bosnia, East Timor), and the proliferation of international treaties on trade, AIDS, weapons, and the environment, mostly under the umbrella of the United Nations.

41. NIC, "Global Trends 2025," 81.

42. Arvind Subramanian, "The Evolution of Institutions in India and Its Relationship with Economic Growth," April 2007, <http://www.iiie.com/publications/papers/subramanian0407b.pdf>. See also Govinda Rao and Nirvikar Singh, "The Political Economy of India's Fiscal Federal System and Its Reform," August 2006, <http://www.escholarship.org/uc/item/3xf1752z?display=all>.

43. This is not true in every instance. For example, tardy response to communal riots not only costs lives but also exacerbates violence, as in the case of the Gujarat riots of 2002. Some might argue that the Gujarat state government deliberately delayed its response.

44. India's leadership role in the BRICS (Brazil, Russia, India, China, South Africa) nations, a promise of US support for membership in the Security Council, inclusion in several regional forums (East Asia Summit, G8+5 groups of nations, IBSA [India, Brazil, South Africa] Dialogue Forum), a growing contribution to UN peacekeeping efforts, and participation in joint naval exercises with the United States, Japan, and Australia are but a few examples of India's growing role in shaping international discourse on security, global finance, and trade.

45. Panchayat Raj Election Law, 73rd Amendment to the Constitution of India, enacted in April 1992, <http://www.rajsec.rajasthan.gov.in/secraj/panchayat/PART1.1.htm>.

46. In Ringman's view, "It is the entrepreneur who actualizes the potential that reflection has discovered." See Ringman, "Empowerment Among Nations," 10.

47. The postreform coalition governments created the Securities and Exchange Board of India, the Telecom Regulatory Authority of India, the Insurance and Development Authority, and the Central Electricity Regulatory Commission. The coalition governments strengthened the Election Commission and in 2010 passed the Right to Education Act in addition to a whole host of schemes to empower the poor and provide them with subsidies for food, jobs, and educational opportunities. The efficacy of these institutions and acts is fiercely debated, but they were created and with public pressure their performance could be improved.

48. "Telangana General Strike Continues," *Economic Times*, October 4, 2011, http://articles.economictimes.indiatimes.com/2011-10-04/news/30242523_1_telangana-issue-statehood-issue-congress-leaders; "AP Tops in Domestic Violence Cases," Associated Press, March 5, 2012, http://article.wn.com/view/2012/05/03/AP_tops_in_domestic_violence_cases/.

49. "Andhra Pradesh Takes the Cake in Cabinet Reshuffle," *Business Standard*, October 28, 2012, <http://www.business-standard.com/generalnews/news/andhra-pradesh-takescake-in-cabinet-reshuffle/73359/>.

50. This is described in detail in Chapter 4.

51. American sociologists and political scientists have favored three broad explanations of why democratization may succeed or fail in a country. Seymour Martin Lipset, Phillips Cutright, and Robert Dahl have argued that in order to succeed, a stable democracy requires certain economic and social background conditions, such as high per capita income, widespread literacy, and prevalent urban residency. These were absent when India embarked on the path to democracy. A long line of authors from Walter Bagehot to Ernest Barker have stressed the need for consensus as the basis of democracy in the form of a commonly held belief that creates a certain degree of common agreement among citizens about the fundamental values and procedures of governance. National consensus has remained elusive in the Indian democracy largely because of its segmented character and divisions based on religion, ethnicity, and caste. Daniel Lerner has proposed a capacity for empathy and a willingness to participate as necessary conditions, whereas Gabriel Almond and Sidney Verba talk about the ideal "civic culture" as a requirement for democracy. These preconditions were conspicuously absent in the Indian democracy. See Seymour Martin Lipset, "Some Social Requisites of Democracy: Economic Development and Political Legitimacy," *American Political Science Review* 100, no. 4 (2006): 675–676; Seymour Martin Lipset, "The Social Requisites of Democracy Revisited: 1993 Presidential Address," *American Sociological Review* 59, no. 1 (February 1994): 1–22; and Seymour Martin Lipset and Jason M. Larkin, *The Democratic Century* (Norman: Uni-

versity of Oklahoma Press, 2004). Robert Dahl, *Polyarchy: Participation and Opposition* (New Haven, CT: Yale University Press, 1971), 65, concurs with Lipset that modernization and development are conducive to democracy. Ross Burkhart and Michael Lewis-Beck, "Comparative Democracy: The Economic Development Thesis," *American Political Science Review* 88, no. 4 (1994): 903–910, explore the developmental prerequisites, which were also absent in democratizing India. For the argument that societies divided by ethnicity are not candidates for democracy, see Stein Rokkan, Derek W. Urwin, and the European Consortium for Political Research, *Economy, Territory, Identity: Politics of West European Peripheries* (London: Sage, 1983); and Gabriel Almond and Sydney Verba, *The Civic Culture: Political Attitudes and Democracy in Five Nations* (Newbury Park, CA: Sage, 1989). Dankwart Rustow maintains that national unity is a prerequisite for democracy; see his "Transitions to Democracy: Toward a Dynamic Model," *Comparative Politics* 2, no. 2 (April 1970): 337–363.