FOREIGN AFFAIRS

Published by the Council on Foreign Relations

April 11, 2013
SNAPSHOT

India Needs More Democracy, Not Less

The Case for More Bureaucrats, Institutions, and Voting

Milan Vaishnav

MILAN VAISHNAV is an associate with the South Asia program at the Carnegie Endowment for International Peace in Washington, D.C. Follow him on Twitter: @MilanV.

Voters crowd outside a polling booth in Basti district, in the northern Indian state of Uttar Pradesh, 2012. (Jitendra Prakash / Courtesy Reuters)

More than ever, Indians believe that their government is not keeping pace with their expectations. In the last two years, India has seen two groundswells of popular protest in which crowds largely composed of middle-class urbanites have taken to the streets to demand a more accountable and responsive government. Beginning in the summer of 2011, tens of thousands of citizens joined in anticorruption demonstrations led by Anna Hazare, the social activist who agitated for reform after a series of high-profile scandals implicated ruling politicians and their cronies in taking billions of dollars of graft. More recently, thousands assembled to mourn a 23-year-old woman who died after being brutally gang-raped and to demand greater government protection of citizens' safety.

The moral outrage is entirely justified, and the factors linked to India's governance woes are well known -- a rise in corruption, cronyism, and criminalism among the ranks of elected officials, and a crushing government bureaucracy.

However, the root causes mostly go unexplored. For starters, the apparent increase in corruption and criminalism in India is, in part, the product of two positive developments: increased transparency and rapid economic growth. In addition, the proliferation of elected politicians with criminal records, although deplorable, is a direct response to rational voter choices -- voters select the politicians who they believe can work India's ineffectual state to their advantage.

In turn, the remedies to these problems are somewhat counterintuitive. Although India is often accused of having too much democracy (a billion and a quarter clamoring voices makes policymaking difficult), it could actually use more: a more engaged citizenry, more institution building, and a better-staffed bureaucracy.

THE BEST DISINFECTANT

In part, Indians feel corruption now more than ever because of improved transparency: dirt is more visible where there is sunlight. Recently, agencies designed to increase government accountability, namely the Comptroller and Auditor General (CAG), have started to assert their independence. The CAG has eagerly brought to light scandals ranging from sweetheart deals for 2G telecommunications spectrum licenses to the murky distribution of coal mining licenses (leading to the scandal known as Coalgate). These institutions, and the vibrant and growing news media, have made it very difficult for the government to conduct its business as usual.

But it is also true that the scope for corruption is on the rise. As the political scientist Samuel Huntington **recognized** [1] more than four decades ago, corruption is an inevitable byproduct of economic modernization. In India, increased economic productivity triggered by liberalization provided elites with new **opportunities** [2] to self-deal. Sustained rapid growth, for instance, created a huge demand for energy. Increased demand, coupled with rising commodity prices, made **rent seeking** [3] in the natural resource sector all the more lucrative. And unlike other industries, which have been reformed over the years, the public sector in India retains control over the "commanding heights," or the critical sectors that dominate economic activity, such as power, mining, and petrochemicals. Government agents have thus been able to easily collude with extractive industries and reap windfall gains. And federalism, in turn, has multiplied the number of actors with their hands in the till.

In the **words of one senior government adviser** [4], Indians have not become more corrupt, "it is just that the opportunities for corruption have increased due to higher growth." All this means that, for now, corruption will continue to rise as India continues to grow. This is especially true in the poor Indian states that are just now rapidly expanding, such as Bihar. Today, Bihar, which registers among the highest growth rates of any Indian state, is helmed by Nitish Kumar, a reformist chief minister. Kumar has earnestly attempted to turn the state around following 15 years of misrule under Lalu Prasad Yadav, his predecessor. The most notorious corruption scandal during Yadav's "Jungle Raj," as it was known, was the "**fodder scam** [5]," in which the chief minister and his cronies allegedly fabricated vast herds of fictitious livestock in order to embezzle funds from the state's animal husbandry department. Paradoxically, while Bihar today may have a less corrupt executive in Kumar, the state is likely to encounter more rent seeking as the economy enters the industrial era and invests in big-ticket infrastructure, energy, and road-building projects.

RATIONAL CHOICE

In the short term, the combined effect of corruption and increased scrutiny will lead to uncertainty and policy

paralysis. Think of the bureaucrat who is asked to issue a permit for a big infrastructure project just months after seeing his predecessor put in the dock for O.K.-ing a similarly dubious deal. This bureaucrat's initial -- and rational -- instinct will be to demur. In the long term, frustration with policy paralysis will likely produce a fundamental rethinking of governance. But first, the government must cleanse itself of considerable rot within.

Some have suggested that, in the interim, India needs a more orderly democracy with fewer and less fractious voices. Otherwise, the argument goes, real reform will be nearly impossible to enact. For instance, former White House official Steven Rattner recently suggested that India's democracy might hurt its development prospects vis-à-vis China, writing that "success for developing countries is about more than free elections." As odd as it sounds, though, India could use more, not less, political mobilization. In fact, India's middle class, which has traditionally been politically reticent, is well placed to push for better and more responsive governance.

The good news is that the middle class might be mobilizing for just that purpose. Last December, the citizens who took to the streets to protest violence against women were largely middle-class. For the most part, their outrage was directed not against ordinary criminals but against the political class, which, they believed, had failed to provide basic security and protections for human rights. To quell the protests, the government appointed a committee to propose measures for addressing gender violence in India. Once they had that win in hand, protestors made the jump from chanting antigovernment slogans to engaging in pragmatic politics. This spring, the public, especially the middle class, has engaged in a vigorous and well-informed debate about women's rights, which led to the passage of new legislation in March. All this suggests that the middle class is **capable of embracing politics and promoting reform** [6].

Of course, for change to be lasting, the middle class must also turn out to vote come election time (something poor Indians are more inclined to do than the well-off), and middle-class citizens must stand for elected office themselves. And, unfortunately, it is precisely electoral politics that Indians find most tainted. It is common knowledge that one in three members of India's parliament is under criminal investigation and that one in four state legislators boasts such a dubious distinction. Those disturbing facts have led to the widespread demonization of politicians and party politics but not to an honest discussion of why constituents vote for such tainted candidates in the first place. As a **growing body of research** [7] suggests, voters in India often support politicians with criminal connections because of -- not in spite of -- their criminality. From the perspective of voters frustrated by an unresponsive state, criminality is often viewed as a signal of a politician's ability to get things done, especially for his or her parochial community. In other words, transparency only gets you so far. Voters' incentives must also change.

FAST TRACK TO LONG-TERM PROBLEMS

To start on the gargantuan task of changing voter preferences, it will be up to reformers to pressure the state to address the institutional failures that make criminal politicians attractive in the first place: namely, India's inability to impartially deliver services, dole out benefits, or adjudicate disputes. Fixing institutional shortcomings will be a decades-long challenge, and it will be easy to grasp at short-term fixes in the interim. Exhibit A is the rise of "fast track" courts designed to short-circuit India's dysfunctional justice system. In the aftermath of the Delhi rape protests, Altamas Kabir, the chief justice of India, ordered all state high courts to set up dedicated courts to expedite the prosecution of existing criminal cases involving rape. The move was a not-so-subtle admission that India's judicial system is incapable of resolving criminal cases in a timely manner. Within three weeks, six fast-track courts set up in the capital city alone were given **500 pending rape cases** [8]to adjudicate. Leaving aside concerns about the

quality of justice that these courts deliver, there is some evidence that fast-track courts are themselves becoming overburdened. According to one **independent analysis** [9], Bihar has the highest number of fast-track courts (nearly 180), yet it has the second-highest number of pending cases and one of the worst clearance rates in the country.

Quick fixes like fast-track courts may provide instant gratification -- and they might seem to give Indians faith that they don't need to elect corrupt officials. But a better response, in this case, would have been to start addressing the root problem of India's judicial system: **endemic shortfalls in manpower** [10]. In the United States, there are 108 judges per one million citizens; in India, there are 12. Thus, it comes as no surprise that there are **32 million cases pending** [11] in various courts in India, with courts regularly taking on more cases with each passing year than they can dream of disposing of. According to **data collected in 2008** [12], local magistrates in New Delhi had nearly half a million check-bouncing cases alone to wade through. More than anything, India should plug the manpower gap by doing everything from revisiting the outmoded collegium system, in which a small number of elite judges handpick each new justice, to reforming procedures that allow litigants to indefinitely delay proceedings according to their whim.

When it comes to addressing institutional dysfunction, the enormity of the task ahead should not distract from the fact that there have already been some real successes. For example, India's Supreme Court -- responding to grassroots movements -- has intervened to defend and codify numerous rights for average Indians, such as guaranteeing an individual's right to food or a child's right to education. In addition, a fiercely independent Election Commission has been steadfast in asserting its constitutional authority to tackle electoral malpractice. In 2005, the Indian parliament passed the landmark Right to Information (RTI) Act, modeled after the Freedom of Information Act in the United States, to open up government's inner workings to public scrutiny. Under the act's provisions, government bureaucrats are required to respond to citizen requests for information about government initiatives -- or risk personally incurring financial penalties. Several states have passed similar laws to prod government agencies to deliver a core set of basic services in a timely manner. More of that kind of reform is needed to convince Indians that their government can and will serve them -- even without kickbacks.

The road to making India's government more accountable goes uphill, and the problem will seem to get worse before it is better. Even so, India's governance challenges come against a background of dramatic economic and political transformation. There is nothing inevitable about continued transformation, though, or about India improving the quality of its governance. To do both, Indians will have to start making better diagnoses of their problems and prescribing the correct remedies.

Return to Article: http://www.foreignaffairs.com/articles/139157/milan-vaishnav/india-needs-more-democracy-not-less
Home > Snapshot > India Needs More Democracy, Not Less
Published on *Foreign Affairs* (http://www.foreignaffairs.com)

Links:
[1] http://books.google.com/books?
hl=en&lr=&id=49y50pzjAzAC&oi=fnd&pg=PA253&dq=corruption and modernization&ots=WcqiabhBbk&sig=pfgC-Sgmvnb51E_PWICWxv6tixQ#v=onepage&q=corruption and modernization&f=false

[2] http://www.business-standard.com/india/news/deepak-lal-post-reform-rent-seeking/418673/

[3] http://www.project-syndicate.org/commentary/what-happened-to-india-

[4] http://m.indianexpress.com/news/creating-more-job-opportunities-in-services-can-spur-growth-to-8-/1071689/

[5] http://en.wikipedia.org/wiki/Fodder_Scam

[6] http://www.foreignaffairs.com/articles/138760/milan-vaishnav/talking-democracy-in-india

[7] http://www.thehindubusinessline.com/opinion/article2893232.ece

[8] http://www.indianexpress.com/news/in-3-weeks-delhi-s-six-fast-track-courts-get-500-rape-cases/1065365/

[9] http://www.indiaspend.com/investigations/1200-fast-track-courts-in-india-but-600000-cases-still-pending

[10] http://www.caravanmagazine.in/perspectives/resizing-state

[11] http://carnegieendowment.org/2012/11/02/five-truths-about-india/ebjq

[12] http://online.wsj.com/article/SB10001424127887323854904578261551780617048.html