Report on Democracy and sustainability in emerging economies: India as a case study

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Salzburg Global Seminar and 21st Century Trust

in collaboration with The Environment Foundation and the Paul Hamlyn Foundation

and in association with TERI's 2009 Delhi Sustainable Development Summit

When and how does democracy facilitate sustainable development? This was the central question for participants at a three-day event held in New Delhi and organised by 21st Century Trust and Salzburg Global Seminar in collaboration with the Paul Hamlyn Foundation and The Environment Foundation.

Participants in the event began their discussions with a visit designed to offer direct insights into links between democracy and sustainable development. Growth-for-All Movement and its partner NGOs work with people resettled in Savda Ghewra, a new residential complex in the western corner of New Delhi. Residents in the complex had been relocated here after their earlier homes were demolished for construction associated with the 2010 Commonwealth Games which will be held in New Delhi.

In Savda Ghewra visitors spent the afternoon discussing how NGO initiatives were supplementing available government resources in areas such as health and adult education. The challenges of designing NGO project engagement for community empowerment were also a theme.

The next morning Halina Ward from The Environment Foundation opened two days of seminar-based discussions at TERI. Sustainable development, she reminded participants, is in essence about a balanced approach to economic, social and environmental concerns – together, these form the 'three pillars' of sustainable development.

The most commonly accepted definition of sustainable development – a term which is sometimes referred to as 'sustainability'- is taken from the 1987 report of the World Commission on Environment and Development. Here, sustainable development is defined as: 'development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs'.

Drawing on a paper by Steve Bass at the International Institute for Environment and Development, Halina suggested that there are four underlying causes of today's unsustainable development: addiction to the dominant economic growth model; the fact that environmental costs and benefits of human activity are 'externalised' (i.e. the environmental

impacts of transactions of various kinds are not reflected in market prices, so they tend not to be taken account of in decision-making); the continuing marginalisation of poor people and entrenched inequities; and the failure of governance regimes adequately to internalise environmental factors, iron out social equities or develop better economic models.

Achieving sustainable development calls for tough choices, trade-offs even, and for decision-making capable of reconciling competing visions of sustainable development – particularly in terms of the appropriate balance among its economic, social and environmental dimensions. Some important stakeholders in sustainable development are not voters: children, or the natural environment itself have no voting rights, for example. Other stakeholders' interests – such as those of some businesses – can create direct tensions with sustainable development. So how best to devise decision-making structures for sustainable development? These are among the fundamental challenges inherent in the relationship between democracy and sustainable development.

Introducing keynote speaker and former UN Secretary General Mr Nitin Desai, Halina Ward noted that he had himself been one of the authors of the Brundtland report.

Mr Desai focused on the challenge of tackling climate change. He called for adoption of a new set of global ethical principles to underpin ongoing international negotiations. Scientists have made it clear that carbon imposes limits on certain forms of energy generation and use. But where those limits bite depends upon social organisations. In turn, the way in which societies are organised creates fears in countries like India and China that the climate change debate may be used by industrialised countries to constrain the growth of developing countries and for trade protectionism. "*We need to .. convince all participants in the global debate that cooperation is better than confrontation*," Mr Desai said.

At international level, a renewed global climate agreement could not be brought about simply through majoritarian rule or international power play. Mr Desai called for a set of ethical principles to be brought into the international debate, projecting upwards from successful cooperation models at local level – for example those in village common property resources.

Factoring ethics and equity into the global debate on burden sharing between industrialised and developing countries, constitutes one of the main governance challenges in the field of climate change. Mr Desai considered that even the best current offers by industrialised countries are not very fair. The idea of culpability that has been eroded in the West has caused the global negotiations to get stick. "*We're in bad shape for Copenhagen*", concluded Mr Desai, "*but we have to find a way forward.*"

Later, Mr Chandra Bhushan, Associate Director of the Centre for Science and Environment, concurred with part of this basic analysis: "*if there is no democracy in international negotiations then you don't go anywhere*," he said. "*I think the current [UN climate] negotiations are very undemocratic". "There are powerful countries and then there are countries who are being arm-twisted. We will need more democracy there.*"

From the global to the local: the next presentation came from Kalyan and Anita Paul of the Pan Himalayan Grassroots Development Foundation in Uttarakhand, who described their experiences of community-based management of water resources. They vividly demonstrated the importance of democracy in sustainable development, with experiences

that pointed to the gap between organic decision-making at the local level and the 'inorganic' nature of much official decision-making.

In the 700 villages in 12 districts of Uttarakhand and Himachal Pradesh where the Pauls work, activities are implemented by democratically elected community based organisations (CBOs). Pan Himalayan Grassroots Development Foundation works as a catalyst and an adviser when called upon to do so.

Mr Paul counselled against impatience: "*Some institutions here in India work well, others don't work so well. But we need to take heart. Some people sometimes feel this whole model of democracy is like ready-made magic; that all institutions should flower at the same time and create a house full of lovely aroma – but it takes time to create democratic institutions.*"

Mr Paul had found high synergies between CBOs and the local government institutions. The CBOs have themselves strengthened local government by enabling women's empowerment and a more questioning spirit. One participant pointed to a danger in grassroots work being done by non-governmental organisations: they often came into conflict with the government machinery. Yet at the national level it is government that has to organise and manage institutions capable of keeping democracy and sustainable development moving forward together. Clearly, any democracy has to work through a system of checks and balances; but for that to work properly, citizens have to be empowered to negotiate with the government. Only with fully functioning grassroots democracy can the question of whether democracy facilitates sustainable development be answered.

There are other real dilemmas too: in a democracy, politicians typically work on a four or five-year planning window and want to show results within this period, because that is when they will be up for re-election. In contrast, sustainable development needs a far longer planning horizon. In the field of energy, that time horizon is typically 30 to 40 years.

Government programmes to supply energy to villages in the Himalayas by bringing up cylinders of cooking gas from coasts over 1,000 kilometres away were essentially unsustainable. But there was hardly any effort from the government to develop locally available renewable energy sources. Pan Himalayan Grassroots Development Foundation had an excellent record of breaking this vicious cycle by developing biogas units in many of the villages where its volunteers worked.

As some participants pointed out, there are lots of excellent case studies at the grassroots level of democracy and sustainable development acting hand in hand. The challenge is to build upon these and scale up so that development can take a leap forward, based upon the three pillars of economy, ecology and equity.

Some participants felt that India's relatively recent experiment with village-level democracy was starting to work quite well in most of its 600,000 or so villages, though it would probably work better if that base tier of elected representatives had greater financial powers.

Could finding a magic bullet to make bureaucracy respond and carry out the will of the people, be an underlying goal here? Most people, in contrast to this ideal vision, see democracy as a mechanism for balancing interests and resolving disputes: there are losers as well as winners in any democratic process. So how best to manage the tensions? There should only be a degree of loss that any level of society should have to suffer.

The discussion turned to energy, and to the implications of India's rapidly growing energy needs for democracy and sustainable development. Speaking next, Mr Ajit Kapadia, Senior Advisor to the Hindustan Oil Exploration Company and Vice Chairman, Centre For Fuel Studies and Research, suggested that "*whatever India's road map to energy security and sustainable development, I do not believe that in a democracy it can happen without popular support and advocacy*".

One of India's main strengths is her vibrant democracy. But this strength has drawbacks too: it can lead to decisions that are populist rather than sustainable, especially when a coalition government is in power.

For the foreseeable future, India would continue to be largely dependent on fossil fuels for energy. In this situation, the country could still combat challenges such as climate change, for example by taking steps in the field of energy efficiency and moving to clean coal technologies.

Chandra Bhushan was a strong critic of India's energy policy. He saw it as a vicious cycle in which projections demand a mega infrastructure; the politics of transmission losses and pricing follow; and then another projection and so on. Meanwhile, a large majority of people in India are excluded from a process: "*It's a scandal that so many people don't have access to electricity. The reason is that we don't believe in horses for courses – we just want one horse to run in all courses. We are not experimenting with.. localised electricity. [And consequently] we are discarding a large part of the options that we have that could actually connect the whole country to electricity*."

Mr Bhushan felt that "*India will not, as a democracy, be able to build new power plants sufficient to meet the projected demand*" of up to 800,000 megawatts. Constructing for the capacity that will be required could only happen if India were to become a dictatorship, he warned. India's proposed land acquisition act has an impact here: Mr Bhushan considered it progressive.

A great deal of positive experimentation is also under way. "*There is a lighting revolution only 250km away from this city. It is the first CFL district of this country: an entire district has moved away from incandescent bulbs to CFL. The government of Himachal Pradesh is planning to convert the entire state to CFL. People are using small solar panels to run TVs and CFL bulbs. The revolution is taking even the government by surprise.*"

Democracy, then, provides an underpinning for sustainable development – even if the public institutions charged with implementing it are less than ideal and communication and allocation of powers between the different levels of government leaves gaps or inconsistencies. But what impact does sustainable development have on democracy?

Should India perhaps look at an indigenous model of sustainable development, rather than go by the western model? Sushma Iyengar, Director of Kutch Nav Nirman, spoke to this theme. She argued that when pro-sustainable development practices at the local level are lost, democracy is weakened: "*We've all seen how communities are dependent economically on each other – for example sheep rearers and weavers. When you remove the economic interdependency it reinforces huge divisions at the community level. And this is another huge challenge: how our social networks within communities are slowly breaking down*."

Part of the problem, Ms Iyengar said, is that the development paradigm itself is a challenge. Traditionally one part of farm production was for markets, one part for home for food, a third part for fodder and a fourth for charity. This distribution still continues in semi arid areas. But today's economic paradigm pushes communities to focus on the part for market.

India is not focusing enough on fostering co-existence of diverse systems. Communities need to find ways to integrate their traditional wisdom and skills in the new growth paradigm. And this issue needs to be discussed in the framework of democracy and sustainable development.

A major challenge, then, is to create an industrial status for traditional livelihoods and allow them to be integrated into market opportunities that exist. One or two sectors, such as crafts, are already integrated well and gaining from the economic swing. But other land-based livelihoods struggle to keep pace.

Electoral politics in India have shifted from food, clothing and shelter to roads, electricity and water. Large projects are often planned at a centralised level, whilst in many respects power in India has now devolved to village-level democratic systems. This can create tensions. For example, in modern India grasslands falls within the remit of the panchayat (local self government organisation). In contrast, if an industry needs to access land, the acquisition process is managed through centralised decision-making through the state or the central government. Consequently, much development takes place even without a clear 'no objection' certificate from gram panchayats.

Some participants felt that local government representatives were not always equipped to handle the responsibilities they now had. Yet how many civil society groups have actually invested in governance? Very few, came the answer.

Currently one of the key factors hampering democratic processes and sustainable development is lack of community awareness and structures. If communities are given handouts over which they felt no sense of ownership, they do not take care of the assets. And this is another strong reason to link democracy and sustainable development. In contrast, industrial development sometimes takes place without taking sustainability or the needs of the local population into account, through processes that are sometimes corrupt. Furthermore, political leadership has not been very strong in addressing issues of sustainable development in India.

At local level, processes of economic and development change need to be supported by proper appreciation of the right to be responsible oneself as a citizen – with leadership through lifestyle choice and modest consumption important at every level. Concluding the discussions, Dr Rajendra Pachauri, chair of the Intergovernmental Panel on Climate Change and TERI director-general echoed this theme, outlining simple steps that every ordinary citizen could take to reduce their environmental impact. The implication was that this kind of individual action forms a valuable complement to democratic participation for sustainable development.

Joydeep Gupta, with additional inputs from Halina Ward