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Emerging Donors and the Changing Landscape of Foreign Aid: Public Perceptions of Development Cooperation

INDIA REPORT

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Aims

- What are the levels of awareness about different forms of development cooperation amongst different constituencies within the 'general public'?
- What shapes these views and perceptions?
- To what extent and how does the Government of India seek to promote its different development cooperation activities to its domestic audience(s) and stakeholders, and what considerations might shape this decision?

Conduct of the research

- Media analysis (net based): English and non-English language papers (2003-2011).
 - Difficult because of search terms; extraordinarily vibrant Indian publishing scene; regional language papers
- c. 40 interviews (March-April 2011, Delhi)
 - Major newspaper editors and journalists
 - Senior civil servants
 - Academics and think tank personnel
 - Business people at the 7th CII-EXIM Bank India-Africa Conclave
 - NGO personnel
- Inevitably a rather speculative enterprise!
 - But: surprising degree of consensus; triangulation; research experience; feedback and testing

India's development cooperation

- **History:**

- Dates back to the early 1950s when it started providing assistance to Nepal, Bhutan and then other Asian neighbours and African partners.
- Strongly positioned as part of India's commitment to solidarity with other non-aligned countries in the context of Third Worldist politics.

- **Institutions:**

- The Ministry of External Affairs
- Ministry of Commerce/EXIM Bank
- Many other Agencies, Ministries, Departments
- The creation of an India International Development Cooperation Agency mooted since 2003

- **Modalities:**

- Technical cooperation, educational and training places (ITEC)
- Cultural exchanges
- Peace-keeping
- Food aid
- Grants, loans, Lines of Credit (some would be defined as ODA, others as OOF - Other Official Assistance)
- Creditor to multilateral and regional development banks

India's development cooperation

- **Partners:**

- Traditionally India has focused its efforts on its regional neighbours, other than Pakistan.
- Afghanistan is now a major partner country, and the recipient of an increasingly large share of development assistance.
- Many African countries have also been long-standing partners, dating back to the 1960s.
- A notable shift in regional focus in recent years has been from southern and eastern Africa, to central and west Africa

- **Key debates:**

- India is adamant that it is not a foreign aid 'donor'. Its development partnership remains strongly couched in the language of third world solidarity, and the assertion of mutual benefits and shared experiences.
- However, India's booming economy and global geopolitical shifts are resulting in changing strategic imperatives: trade, investment, geopolitical ambitions
- Security issues are also evident, including in Afghanistan, and Indian Ocean Rim countries.
- The lure of the G20, and shifting alignments of interests (e.g. WB and IMF)

Barriers to public awareness

- Substantial poverty, illiteracy, livelihood struggles
- Sheer sub-continental size and scale of complex State and federal politics; Bollywood and cricket
- Historical 'insulation' of foreign policy affairs from the domestic arena: traditionally the sphere of the mandarins
 - Changes: new public diplomacy initiatives (including work with Indian journalists touring Africa), but still mostly externally oriented. Development cooperation now enrolled as an aspect of India's diplomatic image building
- Vigorous internal critique often not extended to foreign policy positions (cf climate change); and a wealth of internal issues to fight
- The relatively small scale of India's development cooperation
- **So, to what extent are India's public(s) aware of its development cooperation agendas and actions?**

Overall levels of public awareness

- Unquestionably low: even amongst the well-read and the 'intelligentsia', few aware of the full profile of Indian development cooperation
- But not invisible: specific issues more widely known
 - Afghan Parliament Building; India-Africa Summit; Japanese tsunami; Indian Ocean tsunami; scholarships for African students.
- Discourse: rarely 'foreign aid', or even 'development cooperation':
 - Lines of Credit, (development) assistance
 - Oblique references to partnership, support: strong historical foundations - a 'background hum'

Indian 'publics'

- Cautious thoughts from my respondents (if in almost universal agreement)
- Class/income variations using the quintiles division of the National Council for Applied Economic Research (NCAER)
- Top 20%: wealthy, middle classes (including lower middle classes), the ebullient face of modern, rising India
 - Embrace the idea of a more assertive, strategic and commercially-oriented foreign policy, and thus the leveraging of development cooperation to this endeavour
 - Limited sympathy of the majority for the poor within India and beyond: moral positioning of South-South relationships, contesting global injustices between states, rather than within states.
 - Cultures of giving? Interesting questions to ask about older cultures of giving (often within religious practices and idioms) and (perhaps) emerging ideas about philanthropy and charity.

Indian 'publics'

- Next 40%: aspirational up and comers
 - Vulnerable, economically marginal, small town, peri-urban, informal settlements
 - High hopes but presently on the fringes of the feast
 - Pursuit of wealth and power to be emulated
 - Development cooperation, which explicitly claims mutual benefits for India, is entirely acceptable as a government strategy if it contributes, as it claims, to national wealth and prestige
- Bottom 40%: poor [an even more speculative exercise than elsewhere]
 - A degree of empathy for the poor of other countries?
 - Just not a priority: main focus is on the allocation and capture of official development schemes (e.g. NREGA)?
 - Even the poorest may share pride in India's achievements and emerging power image?

Indian 'publics'

- Regional variations:
 - India has many regional newspapers: English and Indian language, specific or regional editions of national papers
 - Expectations that Tamil and Bengali papers might show more engagement with development cooperation with Sri Lanka and Bangladesh, shaped by specific interests, concerns and histories
 - E.g. *Divyabhaskar*: the largest circulating daily Gujarati newspaper (also on internet)
 - Published more articles mentioning development cooperation than Hindi ones in the North Indian region
 - Strong focus on the business dimension of development cooperation
 - Strong sense of global Gujarati diaspora, including in Africa, and of Gujarat's own rising profile as an economic powerhouse within India: brief discussions of development cooperation constructed as business opportunities

Stakeholders

- Private sector
 - Larger firms able to access and deploy the Lines of Credit being made available by the EXIM bank: offset risk, access cheap loans
 - Large firms and SMEs build on good relations and growing 'buzz' around India, benefit from improvements in regional security, and from contribution to skills/capacity development within partner countries through ITEC
 - State-Owned Enterprises (e.g. RITES, Indian Postal Service) benefiting from contracts
- Training institutions which get funded ITEC places
- Universities and Colleges who get funded scholarship places
- Not NGOs: remain excluded from India's development cooperation profile

Analysis

- Probable that public awareness will grow:
 - MEA engaging more strongly with externally-oriented public diplomacy, but also seeking to improve domestic flows of information
 - Increase in development cooperation financing and profile (and possible creation of a dedicated agency) e.g. India-Africa Summit, Japanese tsunami
 - Increasingly strategic nature of some development cooperation (and particularly sense of competition with China)

Analysis

- Little or no public opposition to the idea of India conducting 'development cooperation' amongst any of the various 'publics', and nor is this likely to develop in the near future.
 - Limited elite/top quintile concern with India's own poor (except as a problem); no critique of Indian resources being deployed abroad
 - Fits with a prevailing nationalistic pride about 'rising India', long overdue to assert its presence on the global stage
 - Language of win-win: guarantees benefits to 'India'; doesn't claim to be charity to the less fortunate
 - Critically though, this language draws on a proud ethical tradition: Nehru, Non-Aligned Movement, third worldist solidarity. Gives India's development cooperation a ballast and purchase on the public imagination that 'win-win' alone would not have – resonates with many sections of India's publics.

Analysis

- The omnipresence of China
 - Everyone talked about China (sometimes to deny that China was an issue)
 - Powerful sense of the effort to ‘boundary make’ with China, including through the motivations and conduct of ‘development cooperation’
 - China only interested in itself; exploitative relations; cold, impersonal people; SOEs only; short termist
 - China was the dominant ‘Other’, more so than DAC donors
 - Implications for public debates and positioning?
 - Will this open India to be held more strongly to account by domestic voters/taxpayers and recipient partners?

Analysis

- Development cooperation is often unproblematically oriented towards modernist ideals of high technology, industrially-based economic growth
- Little or no reflection on relationship between domestic dissent/politics/debate over development models (e.g. SEZs, agrarian crisis)
 - “India has solved its food security problem”
 - India is “an inclusive growth story”

Analysis

- Very limited intellectual/ideological critique of development cooperation agendas and practices
 - Some articles in Economic and Political Weekly and occasionally in the media
 - But mostly focused on pressing domestic issues
 - Within wider critiques of India's new foreign policy direction (e.g. détente with the USA, Israel etc), development cooperation not a major issue
 - Some suppression of criticism of India's external face: anti-national

Conclusions

- A preliminary analysis
 - The Government of India is unlikely to face significant internal criticism of its development cooperation policies or spending
 - Historical imaginaries enfold current practices even though strategic imperatives and actual relationships are changing
 - China is arguably more important than the West in terms of ‘imagining’ India’s position as development partner

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