



## Socio-economic Compulsions on Climate Change and Energy Security of India

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### ABSTRACT

The socio-economic regulation has significant impact in shaping foreign policy choices of any country. This paper tries to analyze one major thrust in Indian foreign policy: climate change and energy security. It focuses on the domestic factors and compulsions in shaping the foreign policy of India on specific issues related to social welfare of the common people. Ideational liberalism one of the important variant of liberalism makes an important assumption that socio-economic regulations play an important role in framing the foreign policy of any country. It is significant to identify how the Indian foreign policy makers have decoded these domestic compulsions and incorporated demands into government policies. An investigation is based on the premises that socio-economic domestic compulsions have significant capability to influence the choices of Indian foreign policy.

**Keywords:** Globalization, Socio-economic Compulsions, Indian Foreign Policy, Ideational Liberalism.

### INTRODUCTION

The socio-economic conditions of any country are an important aspect of its international relations. The actors in foreign policy are influenced by these socio-economic circumstances and are not able to frame policy beyond the sphere of national interest based on domestic preferences. Moravcsik (1997) points that state preferences related to legitimate socio-economic practices shape interstate behaviour. Putnam's two level approach has suggested that government representatives have to take into account the interest of their constituents at the domestic level. Negotiations take place simultaneously at the international and domestic levels. Domestic patterns are quite effective in determining the foreign policy of a country. Level II constituents set the distribution of power preference and coalition. Putnam argues that these two levels are connected by the idea of a win-set. Ultimately the outcome of strategy depends on the strategies of level I negotiators. Unlike the second image theory the negotiator has to reconcile domestic and international imperatives simultaneously (Putnam, 1988). In the period of neo-liberal globalisation,

Polanyi's analysis also becomes very useful. Polanyi (1944) pointed that in the history of industrial capitalism, there are mainly two types of movements. The one movement is related to liberation of market from political and social control and on the other hand the second one is associated with the re-imposition of political supervision in order to safeguard the interests of society as a result of society's reaction to self-regulated markets (Hersh, 2006). The second movement which is also one sort of resistance found expression in response to maldevelopment (Hersh, 2006). The thesis of the Polanyi is attractive because it challenges globalization from below. Widespread protests for the protection of environment and opposition to free trade policy may tie in Polanyi's double movement to the present phase of neo-liberal globalization (Munck, 2006).

The issues of non-conventional security are going to be more significant in Indian foreign policy. People in the contemporary world are going to be affected by environmental, health and food security problems. These can be perceived as the major non-conventional threats to most of the countries of the world. Bajpai (2012) has

talked about the various non-traditional threats to India in the coming future including environment degradation and health. He says that global warming beyond a point would be disastrous for everyone because of the degradation of environment. He also added that there is a need of safety measures from fast spreading and deadly disease. These problems have been perceived as common public good in national policy (Bajpai, 2012). As Polanyi famously observed that 19<sup>th</sup> century attempted to disembed the market from societal controls to build a self-regulating market shaped unparalleled social dislocations caused an extensive defensive counter movement against the logic of free market. In the Indian case, it is illustrated that Nehruvian state has its control over the market, something that changed in the post-liberalisation phase. Reembedding of the market will depend on the marginalised and displaced fighting against the dominant economic classes. People have decried globalization and particularly the WTO and the cheap imported gains that are undermining the crop prices for Indian farmers (Levien, 2007). In the present time, the issues related to social welfare cannot be sidelined. It has some implication for Indian foreign policy making. Indian foreign policy makers make foreign policy choices while keeping in mind its impact on the domestic social welfare. Indian foreign policy has to bear in mind the domestic compulsion on these sensitive issues while framing the foreign policy choices. Through careful review of the literature, this paper presents a discussion of the extent to which domestic socio-economic compulsions have impacted Indian foreign policy.

### **Indian Foreign Policy on Climate Change and Energy Security**

The issue of climate change and energy security has got a major thrust in Indian foreign policy. The impacts of climate change are increasingly visible in India. Environmental degradation is closely linked to the livelihood access and cultural rights of indigenous groups. Bajpai argues that climate change has arisen from industrialization and huge mass consumption. It is perceived that India and the developing countries will be more affected than the developed countries in the global north (Bajpai, 2012). Since the dawn of the industrial age, there is the accumulation of greenhouse gases. Initially in the 1990s, the Indian climate foreign policy approach was more inclined to take the cause of developing countries in international negotiation. But in the recent time, Indian foreign policy has started to take a gradual shift from its initial approach. But it is found that role of socio-economic domestic compulsions are still there in framing climate change policy of India.

Many scholars in international politics have analyzed

the behaviour of India on climate change policy according to their specific perspective. Broadly, the literature on Indian climate foreign policy has two approaches. The first approach identifies the behaviour of Indian climate foreign policy on the basis of its strict defensive strategy. Narlikar (2011) points that India's behaviour is characterized as evading international responsibilities. On climate change, it has remained unwilling to take on binding commitments. She adds further that Jayram Ramesh attracted much resistance at home because of his flexible approach in climate foreign policy of India which was based on the taking responsibility and going ahead in international agreement on climate change. In these type of issue areas, India has played the role of a veto player and very much reluctant to take international responsibility (Narlikar, 2011). This approach says that Indian foreign policy maker adopted defensive strategy in climate and energy security policy. The second approach represents one another strand of literature which shows India as deal maker in international negotiation. India has embraced a new posture in negotiations that has established its status as a deal maker (Rastogi, 2011). This approach shows a gradual shift in its climate foreign policy. After showing little flexibility in international negotiation, Indian foreign policy has tried to move forward on climate issue and has shown willingness of adopting the posture of responsible power. Apart from these approaches, Dubash (2009) has categorized the Indian strategic thought on climate change into three categories. The first section includes the Growth –first stonewallers. They see the climate debate as a threat to Indian interests. They see climate change negotiations as a geopolitical strategy by industrialised countries to contain new and emergent economic power notably China, India, Brazil and South Africa. Their priority is to resist any efforts to change growth strategy.

Progressive realists consider that this world is based on unfairness. They are increasingly inconsistent with addressing historical responsibility or advancing equity. They argue for a shift in India's growth strategy in favour of more environmental sustainability and internal equity by adopting co-benefit home-based strategies that are molded by domestic priorities. Given their lack of belief in global process, this group has gradually argued for India commit its part, but not to officially link those initiatives with international process. Progressive internationalist in contrast to realists argues for linkage of those measures to the international regime for two reasons. Doing so will allow India to seize the moral high ground to challenge the industrialised world. This group is more likely than the others to see potential economic gains if India as a first mover in developing shifts to low carbon technologies

(Dubash, 2009). These approaches and perspectives have shown the role of socio-economic compulsions on Indian foreign policy since 1991. It is found that these domestic compulsions in 1990s provided a strong rationale to adopt a more defensive strategy in climate change policy. Again when there is a gradual shift in climate foreign policy of India, these domestic compulsions are reflected largely in Indian climate foreign policy.

### **Tracing Indian Climate Foreign Policy Since 1990s**

The initial stage of Indian climate foreign policy was mainly perceived as the defensive strategy in which India defended its national interest more strongly. Indian climate foreign policy underlined the economic growth as well as broader consideration of global equity. On this stage, Indian foreign policy underlined two principles based on common but differentiated responsibility and the per capita emission principle both reinforcing equity. In this climate strategy, India adopted the principle of global equity as an impetus on the continuing demand to cut down the emission from developed world. On this question, India has frequently taken the position of the leader of third world. It has vigorously endorsed the cause of third world. Since then Indian delegates have framed their approach based on these principles and reinforced the per capita convergence model within international negotiations (Rastogi, 2011). The principle of common but differentiated responsibility was the key to the Indian perspective.

According to this perspective, India and third world countries especially major developing countries refused to cooperate on the issue of climate change unless adequate measures are taken to safeguard their interests. They argued strongly on the basis of their economic backwardness in comparison to other developed countries and sought the development path in the future. The principles of per capita equity approach largely influenced negotiating strategy of India. The principle of per capita equity approach had its roots in domestic compulsions on Indian foreign policy. According to this principle, India argued that the per capita emission of developed countries should be reduced. But at the same time despite rising per capita emission of developing country reserves the right of emission for the growth of economy of the country on ground of historical responsibility of developed countries to the problem of global warming and climate change.

After Kyoto Protocol, successive government followed this principle firmly in the structuring of their climate policy. In its foreign policy stand, India argued that the difference between advanced and developing countries cannot be bridged. Equity has been seen as the important

principle. On the basis of the principle of equity, India claimed that developed nations have emitted far more greenhouse gases in comparison to developing countries. The share of carbon emission in developing countries is to fulfil the need of economic and social development. It is the main reason that rich countries should take the biggest responsibility to address climate change. It is a must that rich countries should avoid the dirty path of development. But on the contrary, this notion of equity and justice has been ignored by the developed countries. Countries like US was mainly feeling burdened to take on burdening commitments come and consequently as a defensive device emphasised that India and China have to be answerable for emissions since their emissions are speedily increasing (Sinha, 2010).

### **India's Climate Foreign Policy and Domestic Compulsions: Changes and Continuation**

There is continuity of above principles along with new changes and orientation in Indian climate policy in recent time. In changing domestic and international conditions, India is adopting more integrative approach based on national interest and simultaneously pushing for cooperating in its clean energy development agenda with developed world. The agenda of Indian foreign policy has shifted to clean development energy. The shift in climate change strategy in India has been identified as "co-benefit" approach where environmental policies have to be aligned with domestic priorities of poverty alleviation and economic growth. The reliance of India on imported oil is now 75%. Most of the quantity of oil is sourced from the gulf region (Centre for Policy Research Report, 2014). While in comparison to other emitters of Green House Gases (GHG), the share of India, is small, still it ranks fourth in emissions globally. Coal is the main source of energy for India. Recently, India has succeeded to reduce emissions intensity and this trend is expected to continue (Rastogi, 2011). In climate policy, integrative strategy is quite visible after realising the benefits as in the case of Clean Development Mechanism (CDM). CDM assists parties in achieving sustainable development. This strategy is based on the domestic factors. These include growing consciousness of India's helplessness to secure the climate friendly technology, direct financial aids for the private sector through the CDM and the problem of energy safety which demands for a national alignment towards energy competence and renewable energy. Clean Development Mechanism emphasises on emission reduction in developed world and sustainable growth in developing world (Government of India, 2009). This shift has been perceived as adoption of integrative strategy (Michaelowa and Michaelowa, 2011). This integrative

approach has been marked as the positive response for climate cooperation in Indian foreign policy. It shows that India has taken different stances on energy and climate policy to satisfy the interest of the country.

Indian climate foreign policy makers desire to ward off the threat of climate change with sustainable growth. India is committed to fulfill the need of huge population by eradicating poverty. A substantial part of its population is below poverty line. For that purpose, India needs a high level of energy security. Energy security is the top priority for the Indian Government. Given the limited account of conventional energy resources in India, the significance of renewable energy becomes significant. Decarbonisation of economy and economic growth is going to be a key factor in sustainable growth in India. It becomes important for India to involve in international negotiation with the US. This tie can be significant to improve high technology cooperation. India has the vast potential for producing the renewable energy. The most significant examples are development in solar energy and wind energy. Economically, India's GDP is low in comparison to other developed countries. For that reason, it becomes essential for India to use the existing technology in energy consumption which will ultimately lead to reduced CHG emissions. At the same time clean energy market can generate new economic prospects and avenues for realizing new goals in coming future. India's freshly developed climate strategy is founded on the need to safeguard the satisfactory energy supplies for its people. India's energy prerequisites are going to quadruple between now and 2030. India cannot limit itself to coal and oil only (Rastogi, 2011). India's changing approach has been seen as more practical solutions and has been welcomed internationally. This approach has its roots to fulfill the energy demand of large population in India. India has always shown a strong position in various environment negotiations. Montreal Protocol has led to the phase out of production and consumption to several major ozone depleting substances (ODSs) and in recent years there is a debate over the phase out of Hydrofluorocarbons (HFCs). It must be noted that western countries are to get benefit if HFCs are phased out under the protocol. India has targeted to reduce the HFCs within UN framework convention on climate change. If Montreal protocol is amended to include HFCs (Hydrofluorocarbons), India and other developing countries will have no alternative but to import costly technology from the west. India is currently one of the largest consumers of HFCs. United States and many other countries support a phase reduction of HFCs. India is one of the countries opposed to it. India in its proposed amendment has included full compensation to India and the developing countries for the cost of technology

keeping in mind the socio-economic conditions of India. India has agreed to accept recommendations only on the condition of getting the cost of technology transition from the developed world.

### **Energy Security and Sustainable Economic Growth**

India's economic growth is placing substantial demand on energy resources of India. It is creating demand and supply imbalance for energy security. There is a threat on account of lack of indigenous coal supply in coming years. This demand and supply imbalance demands serious efforts by Government of India to expand energy supply. In Indian foreign policy it is necessary to improve the safety and capacity of energy production and eventually it will be helpful for the economic growth of India. As per the report of the World Bank in 2011, India was responsible for around 6.18% of world's total carbon emission. This increased pressure of emission is leading to adoption of renewable energy. In the long run, resources of renewable energy will be beneficial to enhance the development in India. Indian climate foreign policy is aligned with energy security. The engagement of India with the developed world on climate change and security is based on the condition of financial and technological transfer to India. Indian climate policy makers are using external constraints and commitments for bringing energy reforms at the domestic level. For that purpose, India has shown its greater engagement with efforts to mitigate emissions. Taking the benefit of advanced technology, Indian strategy is based on combining economic development with increased energy efficiency.

Indian foreign policy took a stand to enhance its energy security in line with the principles of sustainable development. The first sign of this approach was visible when Prime Minister Manmohan Singh showed deviation in Indian climate foreign policy by accepting a global temperature threshold of 2 degrees centigrade target at the Major Economic Forum (MEF) 2009 meeting in L' Aquila. Manmohan Singh points that India expects from the developed nations to come out with an explicit obligation to decrease greenhouse gas productions as well as the mechanism to fund the adoption of green technology in developing world. In addition to it, it has sought relaxing in intellectual property rules to support developing countries to acquire green technology without high payments. India's stand on climate change was seen quite constructive. Indian climate foreign policy is pursuing the path of developing renewable resources of energy. It got the support of US to increase the share of renewable energy and enhanced cooperation in clean energy development. India adopted a Partnership to

Advance Clean Energy (PACE) programme with US. US-India partnership to advance clean energy focuses on low carbon inclusive development by supporting research on clean energy. India has given importance to cooperation in solar energy, wind energy and bio fuel in energy dialogue with the USA. Indian Government is looking to increase the solar capacity up to 22,000 MW by 2022 under the national solar mission. India has positioned itself in collaboration with US on this issue. India is continuously holding dialogue with USA on energy security. It was further strengthened when President Obama and then Prime Minister Dr. Manmohan Singh met in November 2009 and signed a Memorandum of Understanding to enhance cooperation on energy security and climate change. These partnership are converging their interests of energy security. It will be helpful for India to know the advanced technical knowledge on renewable energy. India has already permitted 100% in renewable energy sector for enhancing its technical capability. Both countries have jointly invested 40.5 billion dollars in 2012 on renewable energy.

Negotiations are however stalled for green climate fund. At the domestic level, India's National Action Plan on Climate Change is more oriented to meeting development objectives while addressing climate change effectively (Government of India, 2008). Renewable energy is contributing positively in Indian economy. India is getting help from the developed world to bring down carbon intensity and accelerating technological development in clean energy. Indian climate strategy has focused on environment protection as well as economic growth. But it will depend upon the transfer of such advanced technology from the developed world. Clean Development Mechanism (CDM) authority in India has already mentioned its social, economic, environmental and technological goals. The social objective is to reduce the social disparities. There should be basic facilities available which are required for better quality of life. Economically, this type of mechanism should bring additional investment in energy sector. Environmentally, this should not distort the local diversity and ecosystem. Technologically, there should be the use of environmentally safe and sound technologies (Ganapati and Liu, 2009). New Government under the leadership of Prime Minister Narendra Modi has been actively involved in clean energy technology in its effort to pursue a low carbon growth model. The principle of sustainable economic growth is at the core of their strategy. Government is taking the issue of accessibility of key technologies and financial mechanism for supporting climate change initiatives. Under the Partnership to Advance Clean Energy (PACE), two countries established

Joint Clean Energy Research and Development Center worth rate of 125 million dollars (Murthy, 2014). It supports in building efficiency and taking innovation in renewable energy sector. Joint group on new technologies and renewable energy was set up in May 2005. After this, a new joint group was established by USAID (United States Agency for International Development) and India's planning commission to enhance capacity in term of achieving low carbon inclusive growth.

## CONCLUSION

Taking socio-economic regulations as one of the specific component of ideational liberalism specifically deals with those issues which are mainly related to social welfare of common people. The nature of the Indian state is democratic and the issues of social welfare cannot be denied in a liberal democracy and these socio-economic conditions have a strong influence over preferences in foreign policy of India. Ultimately, Indian foreign policy makers have to protect those interest which are coming from the below strata of the society in this era of globalization. The matter of climate and energy security is nowadays an important subject of world community. In this reference it needs to tackle with the domestic socio-economic compulsions for any developing country.

**Declaration:** *We also declare that all ethical guidelines have been followed during this work and there is no conflict of interest among authors.*

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