



**Intervention by Shri Rao Inderjit Singh, Minister of State for External Affairs on  
'Poverty, Development and Democratic Governance at the Third Ministerial  
Meeting of the Community of Democracies in Santiago, Chile  
on April 29, 2005 (0900-1300 hrs)**

It is a privilege to speak on this interesting theme, especially from the perspective of a country that is both developing and democratic. India has demonstrated that stable, long-term economic growth can be successfully realized alongside a thriving democracy, even while confronting the challenge of poverty and equitable distribution. Indeed, the Indian experience corroborates the inter-linkages and shows that implementation of proactive development policies and economic reforms, when coupled with a liberal democratic polity, leads to overall stability and growth.

Today there is a far greater consensus than ever before on the need for democracy, not only as an ideal, but also as the most efficient tool of development. Our experience in India, and elsewhere, has shown that democracy and development are complementary to, and reinforce each other. Both of them find their genesis in the aspirations of individuals and in the rights they enjoy. History has clearly demonstrated that cases where democracy and development have been divorced from each other have mostly ended unsuccessfully. Wherever they have co-existed, they have flourished in unison, enabling both concepts to take durable roots. Political democracy, in order to consolidate itself, needs to be complemented by economic and social measures that encourage development. The principles of democracy and the rule of law are equally relevant for ensuring economic progress and human development.

Together, democracy and development also contribute to the consolidation of peace. It is accepted that democracies are by nature not predisposed to war and tend to settle their disputes through peaceful means. Democracy is a factor of peace and therefore encourages development, which in itself tends to further promote and consolidate international peace. Democracy, development and peace are mutually reinforcing and supportive.

This is not to deny that economic development and progress cannot take place under authoritarian and totalitarian rule. However, for any developmental process to

be viable and sustainable in the long term, it needs to be 'owned' by the people who have a stake in it and be reflective of their aspirations. This is only possible in a democratic political system. No durable development can take place in an atmosphere of arbitrariness or in the absence of rule of law.

It is telling that when countries of the world are surveyed as a whole, democracies have performed better in terms of economic development than non-democratic regimes. Moreover, in addition to simply growing at a faster rate, democracies have outperformed totalitarian regimes in the consistency of their growth. It is therefore a matter of immense satisfaction that the last few years have seen an expansion in the number of democracies all over the world. This bodes well for international development, progress and peace.

However, in today's globalized world, external factors have become critical in determining the success or failure of national efforts to eliminate poverty, attain sustainable development and good governance. Several international forums, including the Monterrey Conference on Financing for Development have recognized this inter-linkage and reaffirmed the necessity of good governance at the international level through democratization, transparency and accountability in international economic and financial decision-making, especially the full and effective participation of developing countries in these processes.

The Indian experience has amply demonstrated that economic development and sustainable growth can co-exist with a healthy and vibrant democracy and a transparent and accountable political system. India has been fortunate to experience a consistently high rate of economic and social growth for over a decade and has been sharing its experiences with several countries in the region and outside. We would be happy to continue to share our international responsibilities in promoting the twin objectives of democracy and all round sustainable development.

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