

Neo-Imperialism or Proactive Pacifism? Japanese Aid to India | Dr. ann-elise lewallen University of California, Santa Barbara





Budhni Manjhiyan (Santhal Adivasi) inaugurated the Panchet Dam in her village at Jawaharlal Nehru's side in 1959. She was garlanded in honor of the dam's christening. Source: *Financial Express*, Nov. 2, 2016



GIFTS & EXCHANGE: Japan-India Relations

- Buddhism was introduced to Japan from India (7th-8th centuries)
- India-Japan established official relations in 1952
- 1952: PM Nehru waived all post-war *reparations claims* against Japan
- India became the first nation in the world to receive an ODA Loan from Japan
 - (Perhaps Japan has been paying reparations ever since)
- TODAY: Japan is the largest donor of ODA to India



Japan, India & Development Aid

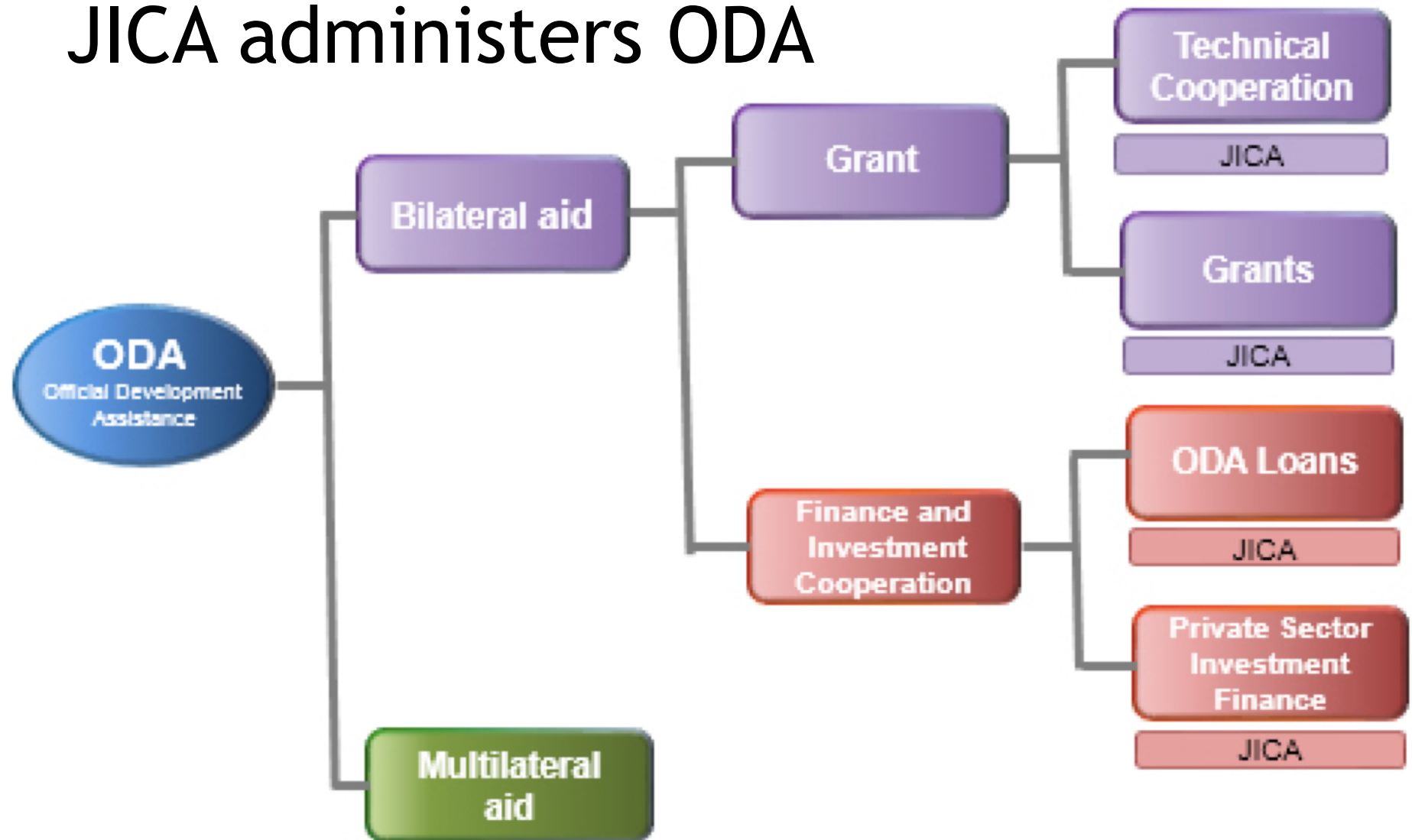
- Development Aid: Key element of Japan's diplomatic toolkit
- WHY?
 - 1947: Japan renounced its “right to wage warfare” and was prohibited from maintaining offensive military.

Aid as an “imperial formation”

- But have these development agendas always served the needs of all Indians? Or of which Indians?
- “Imperial formations” often use displacement and appropriation to create new subjects
- Such new subjects may be “dispossessed to be modern” and “stripped of old cultural bearings” to be humanized (Stoler & McGranahan 2007)



JICA administers ODA



“Tokyo Declaration for Japan-India Special Strategic & Global Partnership” (2014)

- India-Japan bilateral summit annually
- PM Modi and PM Abe agreed
 - 1) To double Japan’s direct foreign investment in India within 5 years
 - 2) To double the number of Japanese companies in India within 5 years
 - 3) Committed to 2 trillion Rupees (3.5 trillion JPY) of public and private Japanese investment and financing in India (including ODA) by 2019



However...





**L: Pokhran II Test
Explosion, Rajasthan,
(1998)**

**R: PM Indira Gandhi
inspecting Pokhran I
crater (1974)**

**Lower: PM Atal Bihary
Vajpayee and officials
examine Pokhran II
crater**



ODA Master Charter Revision (2015)

- PM Abe's "Three Arrows" Economic Revitalization Plan
 - Aid to be mobilized as a strategy for corporate growth
 - Focus on "public-private partnerships"

LOOK UP ODA PUBLIC-PRIVATE DISCUSSION FROM SAKAMOTO PDF

- Shifted from strictly need-based aid to "proactive pacifism"
 - But how can ODA's policies honor Japan's "pacifist stance" when promoting military equipment sales to India?



Development Aid as an “Imperial Formation”

- 1) “Tied Aid”
- 2) “Securitized Aid”
- 3) “Morality of Aid”
 - Infrastructure
 - Legal Reform
 - Transparency



Japan International Cooperation Agency (JICA) | “Soft Loans”

- Soft loans = Accumulated total of 3 lakh crore (JPY 4.9 trillion) by FY 2016/2017

Aid Sectors (2007-2017)

- Transport - 62%
- Energy - 14%
- Water - 12%
- Agriculture & Forestry - 6%
- Other - 6%



ODA Policy on Environmental Conservation

“Environmental conservation is also a task for all humankind, which all countries, developed and developing alike, must work together to tackle” - ODA Charter, 1999

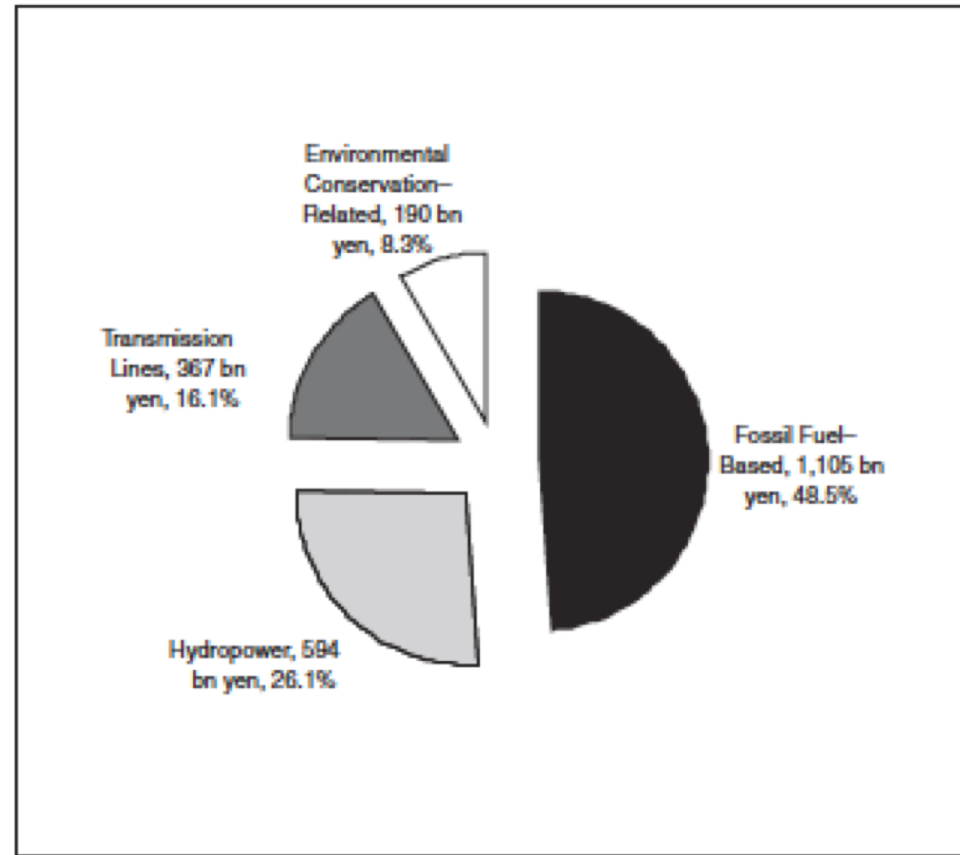


Figure 5. The Share of Each Group Among the Sum of Bilateral Energy Official Development Assistance Loans for the Past 10 Years

Note: bn = billion.

From H. Yamaguchi 2005

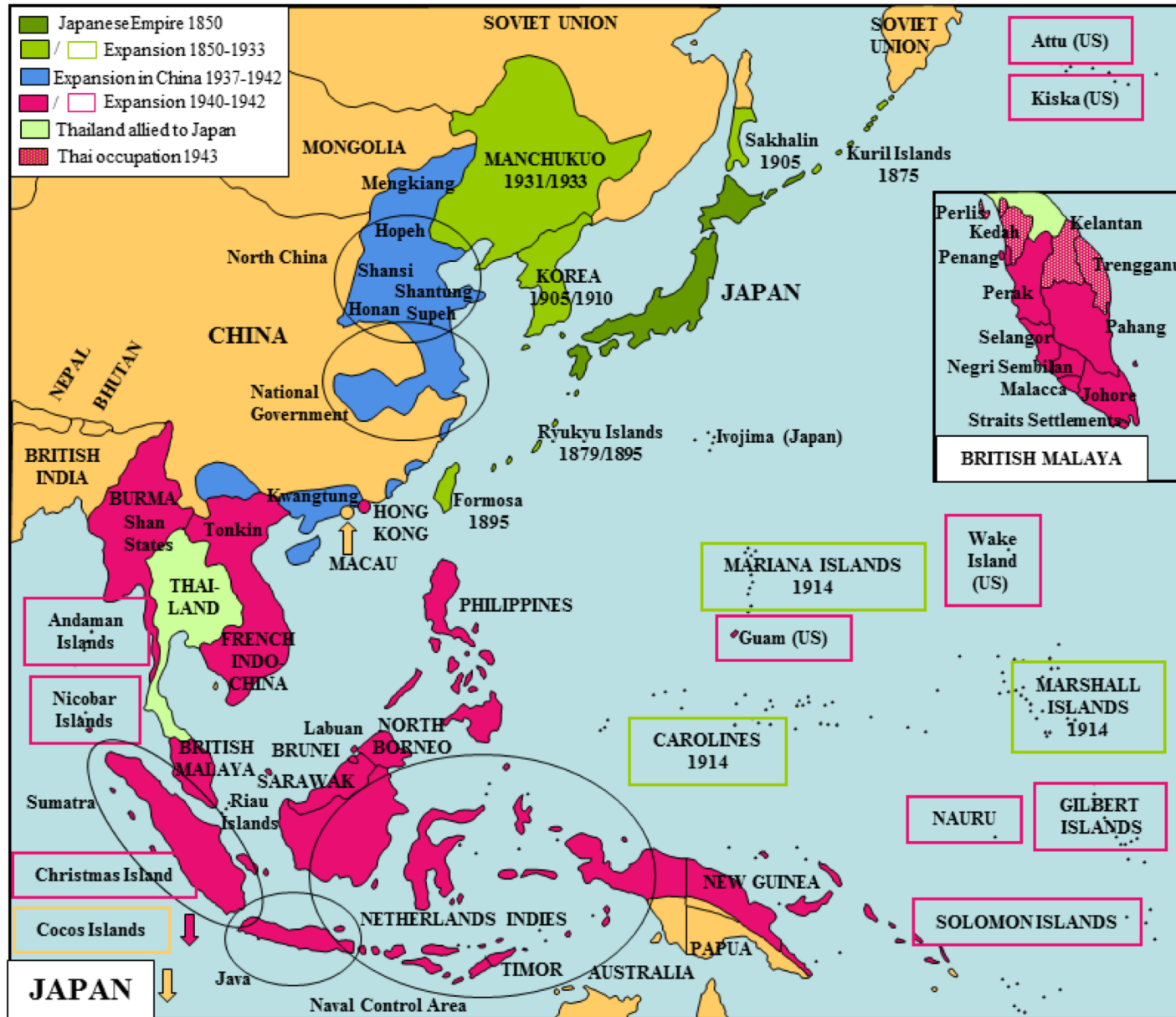


Imperial Faces of Aid

- 1) “Tied Aid”
- 2) “Securitized Aid”
- 3) ”Morality of Aid”
 - Infrastructure
 - Legal Reform
 - Transparency



Japan's Empire to 1945



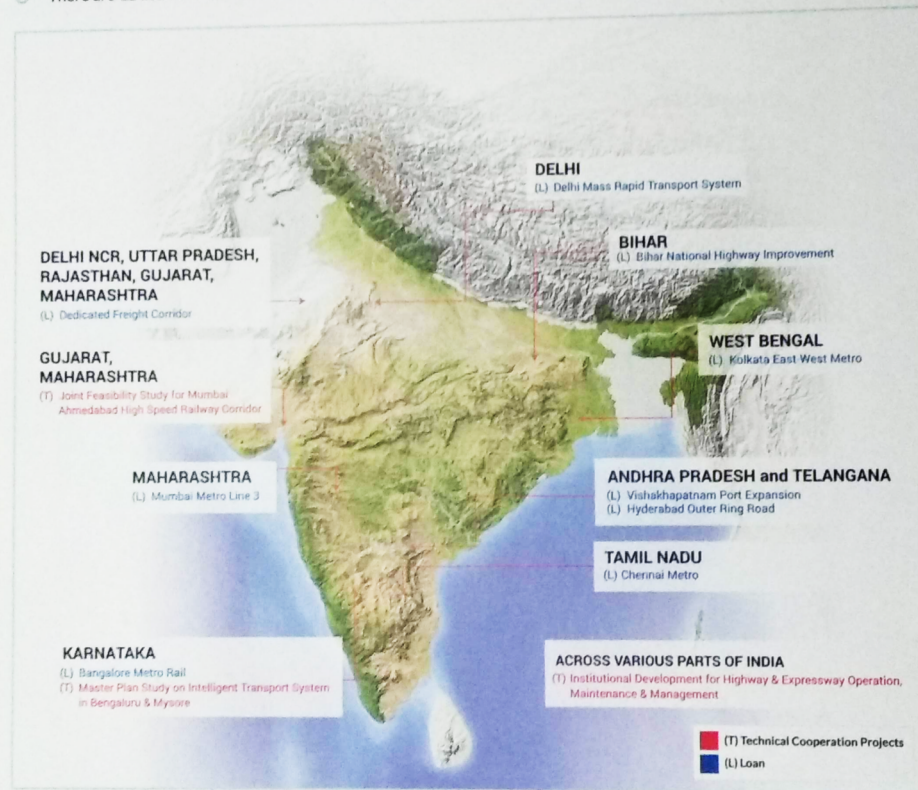
“Tied Aid” = Linking aid packages to profits for the lending nations’ corporations

- Under OECD rules, “tied aid” is prohibited
 - Certain aid recipient nations explicitly prohibit “tied aid” (e.g. Bangladesh, other Heavily Indebted Poor Countries (HIPC)s)
- Increases loan debt by 15-30%
- Issue of dependency on the lending nation
 - Japan can urge that Japanese firms be selected
 - SHIFT: From “Need-based” to marketed aid
 - 2014 Japanese Federation of Businesses (Keidanren) Report
 - 2015 ODA Charter revised
- Critics: “Economic growth will not solve poverty”



Ongoing Projects in Transport Sector

- Total loan amount of 1,391 billion Japanese Yen, equivalent to Rs. 73,000 crore, (as of January 31, 2016) has been committed for development of transport infrastructure in India.
- There are 12 Loan & Technical Cooperation projects under execution in various parts of India as below.



Chennai Metro Project



Bangalore Metro Rail Project



Delhi Mass Rapid Transport System Project



Hyderabad Outer Ring Road Project



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Transport Sector

Japan has introduced

- 1) "Safety culture"
- 2) Technical standards
- 3) Capacity building for NHSRCL (National High Speed Rail Corporation Limited)



Snapshot of JICA's Cooperation in Transport Sector in India

MITIGATING VEHICULAR CONGESTION IN URBAN AREAS



Facilitating development of over **400 KM** of **METRO RAIL NETWORK** across Delhi, Mumbai, Bangalore, Chennai, Kolkata and Ahmedabad.

For instance, Delhi Metro has enabled **390,000 VEHICLES** to remain off the roads in 2014, according to Central Road Research Institute (CRRI).

Facilitating construction of **71 km** of outer ring road at Hyderabad.

Facilitating deployment of Intelligent Transport System (ITS) in Hyderabad & Bengaluru.

PROMOTING REGIONAL CONNECTIVITY

Facilitating development of **ROADS AND BRIDGES** in various parts of India.

For instance, Facilitated construction for **4-laning of 219 km** of National Highway 82 (NH 82) and National Highway 83 (NH 83) in Bihar.

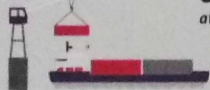
Conducting Study for development of **ROADS, including BRIDGES AND TUNNELS** in the North East.

CONNECTING PORTS WITH INLAND AREAS

Facilitating development of dedicated railway-freight corridor (Western DFC) over **1,483 km** between National Capital Region of Delhi and Mumbai.

The Western DFC is designed for train speeds of **100 km per hour**

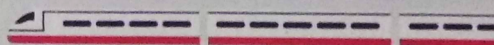
ENHANCING CAPACITY OF PORTS



Facilitating increase in **capacity and efficiency** of cargo handling at the Vishakhapatnam & Chennai ports.

INDIAN RAILWAY'S **VISION 2020** ENVISAGES DEVELOPMENT OF **HIGH-SPEED CORRIDORS** FOR SPEEDS UPTO **350 KMPH**

Conducted joint feasibility study with **MINISTRY OF RAILWAYS**, Government of India for high-speed railway system between Mumbai and Ahmedabad.



JICA has extended Official Development Assistance loan of Rs 73,000 crore cumulatively since 1982/83 for development of transport infrastructure in India.



“Bullet Train”: Mumbai-Ahmedabad High-Speed Rail

“Although the total cost of constructing the high-speed rail will be 40% more expensive than having a Chinese company build it, we considered the diverse benefits of Indo-Japan relations and chose Japan’s *Shinkansen*.” -Indian Official to *Nihon Keizai Newspaper*, Dec. 2015

2017 Indo-Japan Summit:

- A) ODA loan of JPY 100 billion
- B) Support for “Make in India” through tech transfer from Japan



Civil Society Response



Source: <https://indianexpress.com/article/india/bullet-train-project-as-protests-gather-pace-nhsrcl-offers-villagers-clean-water-toilets-5208852/>



Source: <https://indianexpress.com/article/india/this-is-how-indias-first-ahmedabad-mumbai-bullet-train-terminal-will-look-like-5135847/>

- “Bullet train exacerbates gap between rich and poor & increases debt burden”
 - *Fares at 3000Rs economy seats (Mumbai-Ahmedabad) vs. 200 Rs for present Ind. Railways route*
- Yen loans should finance repair/maintenance on current railways
- Bullet train soothes Japan’s national pride after row with China on Indonesian bullet train
 - Loan interest rate of 0.1% (over 50 years)
 - Japan will provide 80% of budget (Rs 88,000 crore out of Rs 1.08 lakh crore)



“Securitized Aid”

- Caveat: “Japan will avoid any use of development cooperation for military purposes or for aggravation of international conflicts. In case the armed forces or members of the armed forces in recipient countries are involved in development cooperation for non-military purposes such as public welfare or disaster-relief purposes, such cases will be considered on a case-by-case basis.”
 - Article B(b), Revised ODA Charter, February 2015



“Securitized Aid”: ShinMaywa US-2 Aircraft

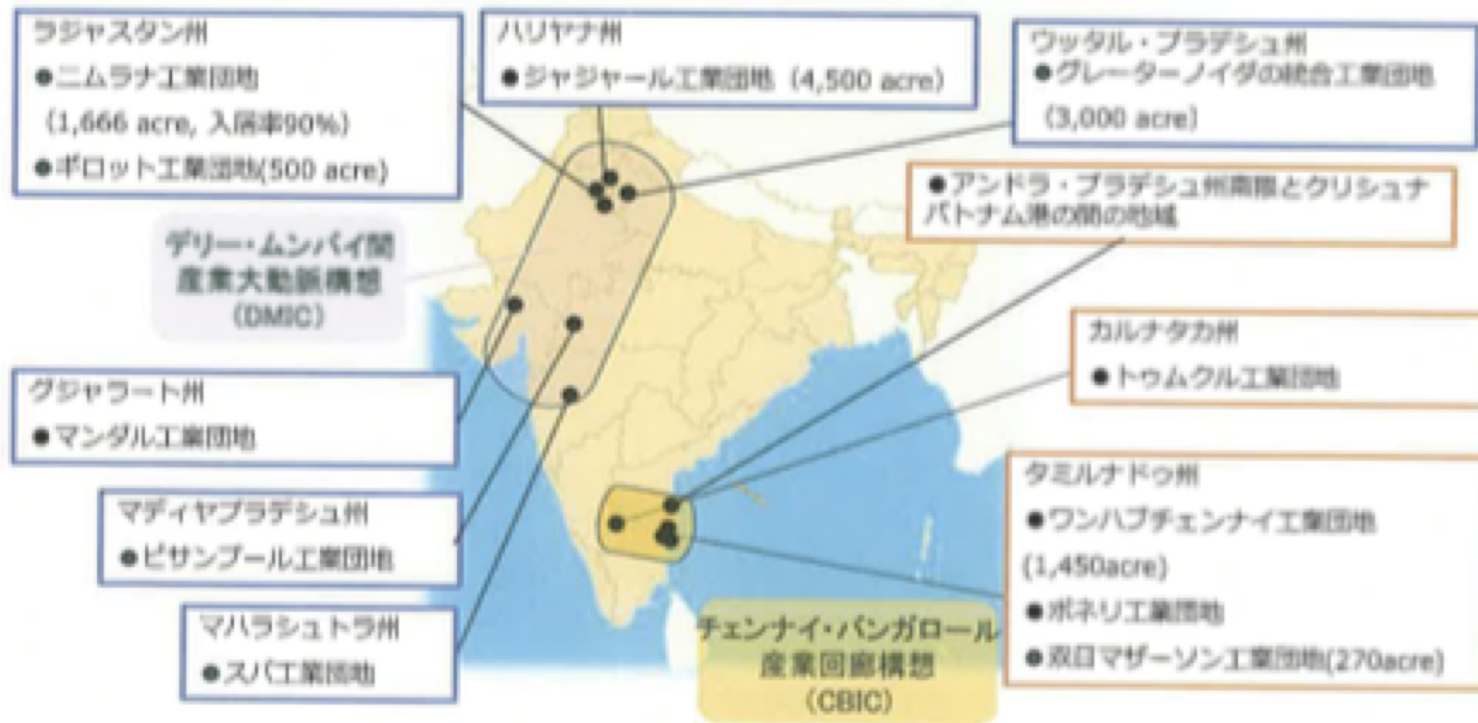


“Moral Aid” and Japanese Industrial Townships

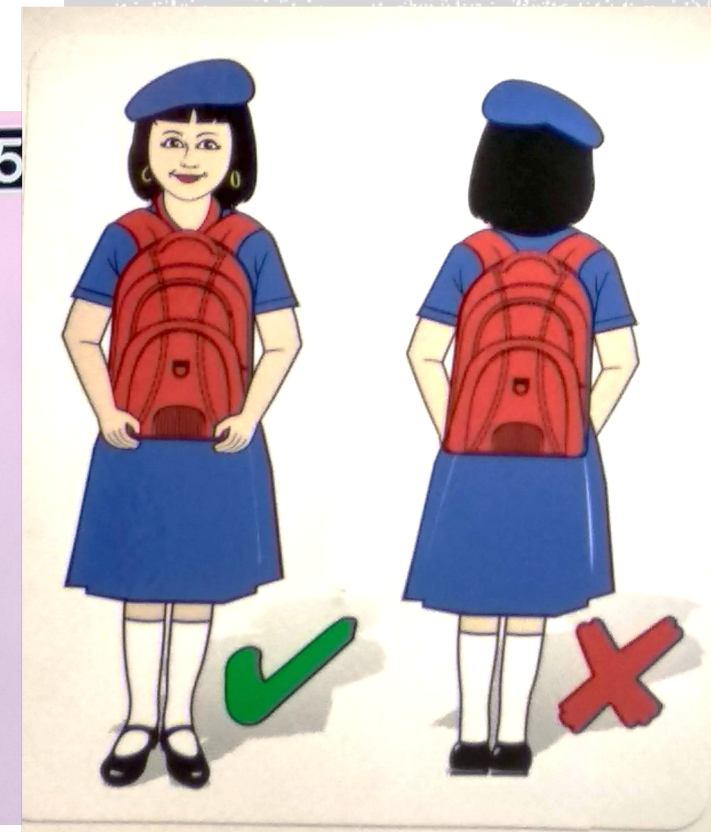
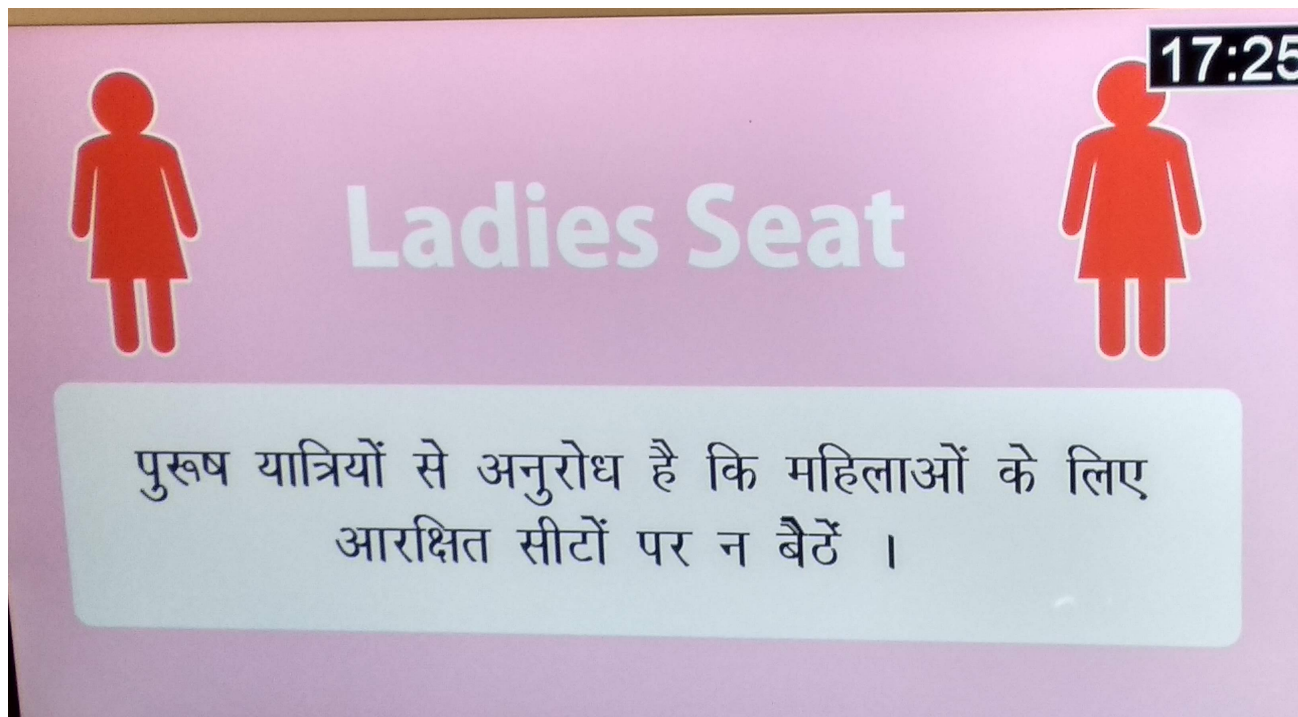


開発が進む工業団地

・日本からインドへの投資を促進するために両国政府間で「日本工業団地」(JIT: Japanese Industrial Township)の12の候補地を選定。(2015年4月に11選定、同年9月にピサンプールが追加。)



Metro Morality: Riding the Metro “Japanese Style”



- “PPPs” (Public-Private Partnerships) - Boon or Bane?



Toward a Conclusion

- “PPPs” (Public-Private Partnerships) - Boon or Bane?
- Development Aid as type of “imperial formation”
 - Promotes vision of granting nation as technologically-advanced and morally virtuous
 - Neither colonial settlement nor state administration needed
 - Culture of moral order through legal structures, infrastructure, and extension of Japan Inc. into Indian soil



धन्यवाद



