

*M. Aynul Islam*

## **MAPPING TERRORISM THREATS IN BANGLADESH**

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### **Abstract**

Terrorism has in recent times emerged as a major challenge to Bangladesh. The discourse on terrorism has changed; it is marked by new trends and the terrorist threats are now more diverse in terms of motivation, financing, and security implications. The government response to terrorism in Bangladesh demonstrates the use of 'hard power' without addressing the root causes and new trends. The government has been strategically, operationally and tactically challenged by the new techniques and technology of terrorism. In such a context, the paper aims to map out terrorism threat in Bangladesh, considering threat indicators and levels, so that a viable anti-terrorism strategy can be developed. Analysing the available threat indicators and applying SWOT tools, the paper argues that the threat of domestic terrorism has been significantly reduced since the dismantling of the leadership pattern of the extremist groups. However, given Bangladesh's limited counter terrorism strengths and the increasing access of the threat groups to many opportunities, the potential threat indicators are still visible on the country's horizon. The paper emphasises on long-term measures such as modernization of religious education system, eradication of social disparities, strengthening of community response, utilization of local knowledge and capacity, and identification of 'strategic communication' tools to interact with extremist individuals and groups in order to develop a

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comprehensive strategy to face the menace of terrorism in Bangladesh.

## 1. INTRODUCTION

Global anti-terrorist security spending has since 2001 been rising by between US\$65 billion and US\$200 billion a year. Today, seven years after the 9/11 incidents, analysing the costs and benefits, it has been claimed that the benefits are still lower than the costs.<sup>1</sup> The recent literature demonstrates new trends and techniques of terrorism world-wide. If someone dismantles operational tactics in one part of the world, the other part moves with even deadlier tactics - the ideological networking. Thus, the new counter terrorism discourse looks for new techniques and understanding in order to reduce the impact of terrorism on society. Moreover, over time, the type, number and lethality of terrorist attacks, the attitudes of terrorist groups, and other factors have changed. A report on *Trends in Terrorism: 2006* by the U.S. Congressional Research Service (CRS) identifies three new trends of global terrorism. First, the emergence of micro-actors with capability of terrorist groups, i.e. reduction in the operational capability of the terrorist groups, but increase in their ideological, motivational, and propaganda ability. The second is the promotion of operational sophistication of terrorist activities, using modern technology and global information flow, finance and ideas in planning, communications, and targeting. As a matter of fact, many analysts consider terrorism a web-directed phenomenon.<sup>2</sup> And the last is the increasing trend of overlapping terrorist activities with transnational crime, using the same supply, transport, and money-moving networks.<sup>3</sup> The world-wide terrorist activities, successive attacks, and propaganda demonstrate new intentions, capabilities, and opportunities for further attacks.

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<sup>1</sup> Todd Sandler, Daniet Arce and Walter Enders, "Transnational Terrorism", Quoted in *the Economist*, 8 March 2008, p.69.

<sup>2</sup> Steve Coll and Susan B.Glasser, "Terrorists Turn to the Web as Base of Operations", *The Washington Post*, 7 August 2005, p.1; Gabriel Weimann, "Terror on the Internet: The New Arena, the New Challenges", The United States Institute for Peace, Washington, D.C., 2006, p. 309.

<sup>3</sup> Raphael Perl, *Trends in Terrorism: 2006*, CRS Report for Congress, 21 July 2006.

Terrorism has been a worrying factor for Bangladesh. It is a lethal offshoot of political use of religion, defective education system and the socio-economic backwardness of the country. It generates national security threats, creating bottlenecks in socio-economic and political development. Despite many operational successes by the government of Bangladesh and law enforcement agencies, they have achieved limited success in disrupting terrorist contrives, ideologies, motivations and networking. Evidently, a few of terrorist groups in Bangladesh have been attempting to regroup, and networking in different names and structure. Some of the new Islamist groups like *Allahr Dal*, *Hizbut Tauhid*, and *Hizbut Tahrir* have emerged in Bangladesh preaching ideologies by training, distributing books and pamphlets among the common people and educational institutions, mainly in rural areas.<sup>4</sup> It has been reported that *Hizbut Tauhid* organised a four-day training programme on board of a Boat on 4-7 April 2007 to disseminate ideologies and operational techniques. The most frightening part is that the group leaders prefer female trainees to motivate the local people, especially the local women.<sup>5</sup> Thus, the recent indicators suggest that terrorist threats to Bangladesh remain foremost among its national security challenges. As such, the government would need to maintain maximum monitoring, and operational and strategic efforts to counter the constant evolution and adaptive capability of terrorist groups in Bangladesh. To support these efforts, one has to understand the threat level, group's intention and capabilities, and risks factors. Such being the necessity, this paper attempts to map out the level of terrorism threats, challenges, risk factors for Bangladesh and the possible responses to minimise its impact on the society.

This paper is split into six sections. The second section attempts to elaborate the concept of threat assessment to understand the threat indicators. The third section examines the threat indicators in the context of Bangladesh in order to create an adequate level of awareness and preparedness that is critically needed for the country.

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<sup>4</sup> The law enforcement agencies captured ten members of different Islamist groups while distributing Jihadi materials. *The Daily Star*, 26 January 2008.

<sup>5</sup> See, for details, Sohrab Hossain, "Militants Preaching Jihad in Patuakhali", *The Daily Star*, 19 January 2008.

The fourth section highlights certain government initiatives and their limitations in facing the menace of terrorism. The fifth section analyses the threat level based on available indicators and applying SWOT<sup>6</sup> tools. In the conclusion, some recommendations are put forward in order to minimise the negative impact of terrorism on the society.

## 2. CONCEPTUALIZING THREAT ASSESSMENT

Terrorism is a threat to a wide range of national security goals. This threat perception is concurrent with terrorists' methods of operation, saliency of enemy and the treatment which is correlated with the counter terrorism efforts. A study focuses on early warning indicators of emerging terrorist threat for effective counter terrorism.<sup>7</sup> So, it is important to understand threat, threat sources, and determinants of terrorism. Although threat differs from place to place and time to time, the perception of threat includes analysis of the indicators and vulnerabilities. Identifying these indicators is the first step in the threat assessment methodology. Risk is the likelihood of a given threat sources exercising a particular potential vulnerability. Many use risk assessment to determine the extent of the potential threat and the vulnerabilities associated with. Vulnerability is a weakness that can be accidentally triggered or intentionally exploited. A threat source does not present a risk when there is no vulnerability. In determining the likelihood of a threat, one must consider threat sources, potential vulnerabilities, and existing preventive mechanisms.

Again, threat assessment is the process of identifying risk, and taking steps to minimise the threat and its impact on the society to an

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<sup>6</sup> A SWOT (Strength, Weakness, Opportunity and Threat) mode of analysis is used to understand the compelling indicators to assist strategic planning process. It is a listing of strengths and opportunities as well as the weaknesses and threats of the current process in order to develop future strategies.

<sup>7</sup> Chrisman Willard George, "Abstract", International Terrorism Threat Analysis, Master's Thesis, Naval Postgraduate School Monterey Calif, available at:  
<http://stinet.dtic.mil/oai/oai?verb=getRecord&metadataPrefix=html&identifier=ADA039928>, accessed on 12 March 2008.

acceptable level. It is the process that allows security experts/law enforcing agencies to secure the state by adopting protective measures. The US Department of Homeland Security defines threat assessment as “a systematic effort to identify and evaluate existing or potential terrorist threats to a jurisdiction and its target assets. Due to the difficulty in accurately assessing terrorist capabilities, intentions, and tactics, threat assessments may yield only general information about potential risks.”<sup>8</sup> A constant and complete threat analysis with the combination of intelligence and technologies is essential for an effective counter terrorism effort.

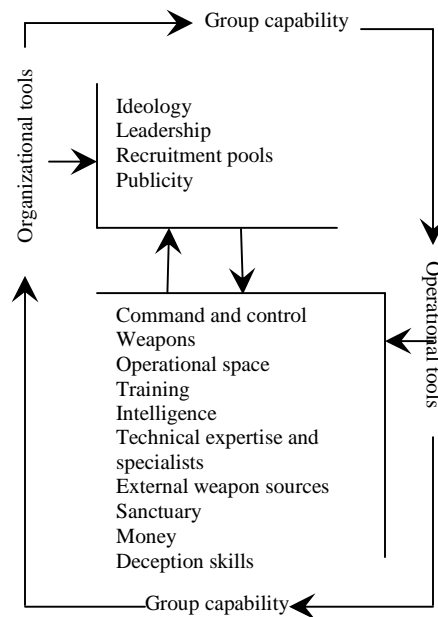


Figure-1: Factors that influence terrorist groups' capabilities<sup>9</sup>

Threat sources are essential part of the threat assessment. The important threat sources are motivation, resources and threat action for carrying out an operation. The analysis of motivation, resources,

<sup>8</sup> Alberto R. Gonzales, Regina B. Schofield, Domingo S. Herraiz, “*Assessing and Managing the Terrorism Threat*”, the U.S. Department of Justice, Office of Justice Programs, September 2005, p. 6.

<sup>9</sup> Prepared by author, based on Kim Cragin and Sara A. Daly, *The Dynamic Terrorism Threat*, RAND, 2004, p. xiv.

and capabilities is required in order to determine the likelihood of threat, and listing the immediate threat sources. One must need to compile those indicators to identify the risk and its level by examining threat sources. For example, although successive attacks in Europe in 2003 demonstrated the al-Qaeda's intentions, capabilities, and opportunities for further attack, the European law enforcement agencies, intelligence, and security forces did not take the threat seriously.<sup>10</sup> As a result, several subsequent terrorist attacks took place in 2004 and 2005 in Europe.

The threat assessment framework must incorporate the comprehensive facts and profiles, review and analysis of trends, and activities of state and non-state agencies and their drivers. The figure-1 shows both organizational and operational factors like ideological motivation, leadership pattern, recruitment pools, publicity, command and control mechanism, operational space, training, technical know how, external weapon sources, and financial sources, etc. have influenced terrorist groups' intents and capabilities.

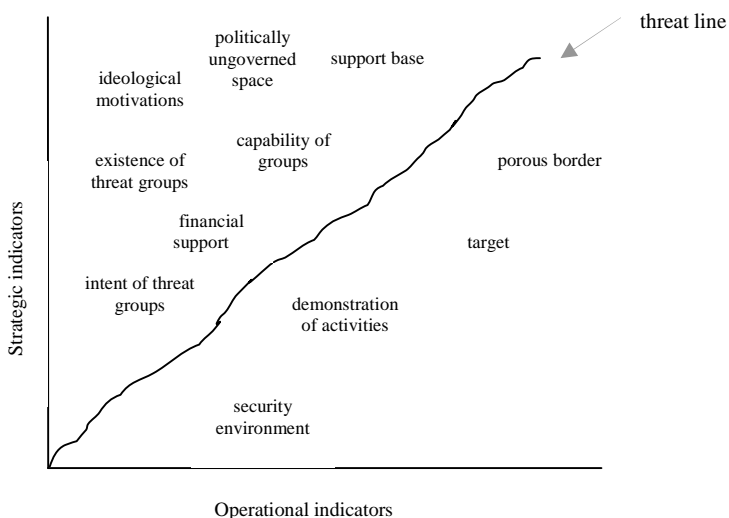


Figure 2: Determining indicators of threat levels

<sup>10</sup> Rohan Gunaratna, "The Post-Madrid Face of Al Qaeda", *the Washington Quarterly*, vol. 27, no. 3, Summer 2004, pp. 91-100.

Figure-2 shows several strategic and operational determining factors of threat level that need to be understood in designing a counter terrorism strategy. An effective terrorism threat assessment framework includes at least seven determining indicators: (i) existence of terrorist group in a given locality, (ii) the capability of a terrorist group to carry out an attack, (iii) evidence of group activities, (iv) intent of a group to conduct terrorist activities, (v) demonstrated terrorist activities, (vi) availability of credible information or intelligence activities that indicates preparations for specific terrorist operations by a suspect group, and (vii) political and security posture of the given area.<sup>11</sup> Therefore, the threat assessment framework must need to take into account all strategic, operational and tactical factors, as well as all new trends in terrorist activities that are increasingly networked, more diverse in terms of motivations, financing, and security implications.

### **3. THREAT INDICATORS FOR BANGLADESH**

According to the above-mentioned indicators, the probability of the potential terrorist threat cannot be ignored in Bangladesh. The existence of the terrorist groups and evidence of their activities are noticeable in the country. According to a study on threat prediction for 2008-2015 for Bangladesh, terrorism scores very high in the lists of threat to national security of the country.<sup>12</sup> Due to the continuous drive by the law and security forces, the extremist groups are moving in slow pace. But many banned militant groups are still regrouping by changing their names and operation techniques. The following section attempts to address current trends of terrorism in Bangladesh to understand the threat in a framework.

The presence of the extremist groups in a certain territory and its neighbours is the foremost indicator to understand the threat of terrorism. Bangladesh fits very well in this ground. Over time, due to

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<sup>11</sup> <http://www.globalsecurity.org/security/systems/threat-assessment.htm>, accessed 12 March 2008.

<sup>12</sup> Lt General ATM Zahirul Alam, “National Security of Bangladesh: Challenges and Options”, the keynote paper for the Independence Day Commemorative Seminar on *National Security of Bangladesh: Challenges and Options*, organized by the Bangladesh Institute of International and Strategic Studies, 30 March 2008.

the political use of religion and the presence of ungoverned political spaces in the state domain, the extremists' activities have increased in Bangladesh. The country has been experiencing two types of extremism. First, the Islamist extremism by the right-wing Islamist groups, and the second is political extremism by the ultra-left-wing political groups. Most of the groups' tactics are to create a fear of violence in Bangladesh by assassinating public figures and bombing public places. The menace of political violence is a historical phenomenon. The ultra-left-wing activities originated since the Independence of the country whereas the religion based violence activities originated before Independence. However, extremist groups are operating in Bangladesh in different names and forms. Although the total number is not reported, the active groups those are pursuing currently their goals are: *Harkat-ul-Jihad-al-Islami-Bangladesh* 9HuJIB:, *Jamaat-ul-Mujahideen Bangladesh* 9JMB:, *Jagrata Muslim Janata Bangladesh (JMJB)*, *Hizbut Tauhid (HT)*, *Allahr Dal (AD)*, *Hizb-ut-Tahrir (HuT)*, *Purba Banglar Communist Party (PBCP)*, *Red Flag (RF)*, *Gono Mukti Fouz (GMF)*, *Biplobi Communist Party (BCP)*, *Purbo Banglar Sabrahara Party (PBSP)*, *Janajuddho*, *Gono Bahini (GB)*, *Mukti Bahini (MB)* etc. Box-1 shows different proscribed groups, many of them are still active in different names and forms. The religion based extremist groups are operating across the country and the ultra-leftist groups are concentrating mainly in the north and south western districts of the country. It has been recently documented that the ultra-leftist groups are trying to expand their networking and activities. For instances, BCP, *Gono Bahini*, GMF and the *Mukti Bahini* are regrouping in the south-western districts to strengthen their capability.<sup>13</sup> It is also alleged that the PBCP has regrouped in Khulna City and establishing network to the different areas of Sirajganj, Natore, Manikganj, Rajbari and Pabna districts.<sup>14</sup>

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<sup>13</sup> See, for details, *The Daily Star*, Internet Edition 4 March, 12 & 14 June, 2008. Available at:

(i) <http://www.thedailystar.net/story.php?nid=25971/>, accessed on 19 June 2008.

<sup>14</sup> *Ibid.*



Box-1: Some of the proscribed groups in Bangladesh

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1. Shahadat-e-Al-Hikma (S-e-H)	9. The Purbo Banglar Communist Party-ML (PBCP-ML)
2. Al Haramaine Islamic Foundation (AHIF)	10. PBCP-Janajuddha
3. Jagrata Muslim Janata, Bangladesh (JMJB)	11. PBCP- Red Flag
4. Jamat-ul-Mujahideen Bangladesh (JMB)	12. PBCP- Communist War
5. Harkat-ul-Jehad Al Islami- Bangladesh (HuJIB)	13. New Biplobi Communist Party (NBCP)
6. Gono Mukti Fouz (GMF)	14. Biplabi Anuragi
7. Gono Bahini (GB)	15. Chinnamu Communist Party (CCP)
8. Biplobi Communist Party (BCP)	16. Sharbahara People's March

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On the other hand, there are two types of area where most of the religion based extremist groups are conducting their activities: (i) the strategic vicinity where groups take decisions, maintain command and control, conduct training and ideological motivations, and regroup when necessary, etc. and (ii) the operational vicinity where they conduct their targeted operations. Strategic environment mainly covers rural and far-flung areas, *chars* and *haors*, etc. These areas are mainly chosen to escape from the security forces. The operational areas are public and cultural places, areas of public institutions and infrastructures, etc. Furthermore, the number of power-seeking extremists is increasing in Bangladesh. They try to capture political and social power through the use of violence in the society. They frequently display their political and economic strength in the form of arranging meeting, procession, and participating in electoral activities in Bangladesh. The power seeking leaders, who want to use religion as a tool, are facilitating extremism in the society. Religious and political ideological contradictions, rigid religious beliefs, socio-economic factors like poverty, unequal job opportunities, hunger, backwardness and unemployment have also significantly contributing to the rise of extremism in Bangladesh.

Beside these rightist and ultra-leftist groups, some insurgent groups such as Parbatya Chattagram Jana Sanghati Samity (PCJSS), Rohingya Solidarity Organization (RSO), etc. are also seen to be active in the Chittagong Hill Tracts. Although the Peace Accord was signed in 1997, there has been concern and possibility of a return to violence. Following the signing of the Accord, any threat assessment

was hardly found to have been done in order to understand the possibilities of threats in the Chittagong Hill Tracts. The RSO is also a formidable group, which has come from Myanmar. It has been alleged that this group has links with extremist groups in Southeast and Central Asia. The India's North-Eastern insurgent groups are also alleged to be engaged in conducting arms training in different areas of Chittagong and Cox's Bazar in Bangladesh.<sup>15</sup>

Groups' activities and capabilities are another significant indicator to understand terrorism threat. It has been observed that many extremist groups have carried out their activities across the country. They recently have changed their recruiting pools. Currently, they are recruiting new members by religious propaganda through distributing pamphlet, handbills, books, CD-ROM, etc. According to the *Daily Star* report, the dispersed members of extremist groups are now regrouping in their former places, mainly in the areas of three south-Western districts namely Kushtia, Meherpur, and Chuadanga.<sup>16</sup> However, the security forces have captured second front-line leaders of different groups and recovered grenades and bombs from different places of the country. A second front-line leader of a proscribed Islamist extremist group HuJIB, Abu Zindal, was arrested from Gazipur on 14 February 2008. Following his statement, security forces also captured Md. Nazrul Islam Gharami from a far-flung village of Satkhira. Subsequently, based on their confession, law enforcement forces carried out raid and recovered 41 Arges powerful grenades from the underside of the ground near a pond. It was alarmingly found that the grenades recovered from Satkhira were recently manufactured, and planned to demonstrate groups' presence and strength, particularly in the situations when the top leaders of the different militant groups were hanged or detained. It has been noticed that some of the comparatively new extremist groups are active and showing their capability. The groups like *Allar Dal* and *Hizbut Tauhid* are trying to

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<sup>15</sup> Abdur Rob Khan, "National Security of Bangladesh: A Non-Traditional Security Approach", paper presented at the Independence Day Commemorative Seminar on *National Security of Bangladesh: Challenges and Options*, organized by the Bangladesh Institute of International and Strategic Studies, 30 March 2008.

<sup>16</sup> *The Daily Star*, 26 January 2008.

reinforce their network. These groups are almost legally operating their activities since they are not yet proscribed by the government. Evidence shows that some of these groups were very active and held public demonstration against the *Shaptahik 2000* and the *Daily Prothom Alo* over the sensitive issues. It has also found that some of the detained activists planned to revolt in Chittagong jail and some also threatened to fire the *Petrobangla* building.<sup>17</sup> Again, three small bombs were found at railway stations in Dhaka, Chittagong and Sylhet. However, all these evidences show the capability and strength of the extremist groups to carry out any fresh attack.

The motivation factors are also important indicator that can be used by the group leaders to strengthen their organizational capability. Mainly, some distorted ideologies and principles which are not supported by the religious scripts have been motivating group members. There are different kinds of motivations and strategic factors causing extremism and violence in Bangladesh, such as (i) ideological motivation, (ii) experimental and destructive motivation, (iii) profit-driven motivation, and (iv) motivation to achieve acknowledgement. There are other related factors that can also generate extremist motivation, like (i) un-uniformed national education structure and curricula, (ii) proliferation of unregulated religion-based institutions and organizations, particularly in rural areas, (iii) rigid religious beliefs and grievances, (iv) misinterpretation of religious ideologies that justifies violence and extreme activities, (v) wide spread poverty and illiteracy of the mass people, (vi) political instability, (vii) violent radicalization of individuals or groups, and (viii) international connectivity, etc. The existing four streams of education in Bangladesh are in contrast with the Constitutional obligations of the unitary form of education. Both secular and religiously fundamental components are inbuilt in education system. The religious schools, approximately numbered 64,000,<sup>18</sup> are divided into two distinct categories. The *Aliya madrassas* are run by the government support and control, and teach Arabic, religious theory and other Islamic subjects as well as English, mathematics, science and history. The *Qaumi madrassas* are

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<sup>17</sup> *The Daily Shamokal*, 12 October 2007 and *the Daily Star*, 11 October 2007.

<sup>18</sup> *The Daily Star*, 19 February 2006.

more traditional, and teach Islamic literature and ideologies, *Sharia* law, Arabic and Urdu languages, etc. In most of the cases, after finishing education, students are incapable of taking up any mainstream profession, and *madrassas* and the religious institutions are main sources of their employment. There are also elementary level religious schools in Bangladesh known as *maktabs*, or *ibtedai madrassas* running since 1978. However, the entire religious education system is poorly equipped to increase the capacity of students. The scope of standard education in *madrassa* is available only to a few. They can be easily motivated by capitalizing religious sentiment to create extremism.

The presence of threat groups and insurgent activities in the neighbouring countries is also a threat indicator. Bangladesh is not immune from these challenges. There are several insurgents groups in the Indian North-eastern areas running their activities very near to the Bangladesh-India border. This problem multiplies due to the porous border, incomplete demarcation and absence of effective border mechanisms, illegal activities on the border, and the lack of mutual trust, etc. In some cases, the difficult hilly terrain makes it more complicated to establish control over the border to check illegal crossing from Myanmar and India. The maritime borders are also not fully protected. Bangladesh's coastal belts are highly vulnerable for two reasons: first, the coastal areas can be used as strategic vicinity to take decisions, training and motivations for terrorist groups' and second, these areas are easily accessible by the foreign sources making the most use of the maritime routes. Particularly, the open Sea Islands are highly vulnerable to the potential use of the threat groups. For instance, among others, *Kutubdia* and *Moheshkhali* are the two likely open Sea Islands that can be extremely exploited by the threat groups.

#### **4. THE GOVERNMENT RESPONSE**

Terrorists take advantages from the weaknesses of a state or a government to finance, organize, equip, train, recruits, carry out attacks, and hide from the capture by the law and security forces. Therefore, understanding the government response is a vital factor to assess terrorism threats for a country. The government is responsible to take the most appropriate steps to protect its citizens from the

threats of terrorism. Again, the government is well placed to assess the threat for the country. The government responses to the threat of terrorism can be seen at different levels – operational activities by law enforcement and security agencies, legislations, international co-operation, tactical methods, new ideas to combat the root causes of terrorism, etc. Thus, the government is in a position to develop a comprehensive counter terrorism strategy with the help of other non-state actors.

The Bangladesh government has been implementing several plans and strategies to counter idiosyncratic nature of terrorism threat in the country. The government initiatives can be categorized into two types: (i) operational drives by the law and security forces, and (ii) legal initiatives. During 2002-2003, operations ‘clean heart’ and ‘spider web’ were launched to capture threat elements in the society. The law and security forces achieved some operational success in disrupting command and control structure of several extremist groups. A large number of extremist leaders and activists have been captured, put on trial and executed. A great deal of arms, explosives and grenades have been recovered. In the past one year, the security forces have arrested 153 leaders and/or activists from both the right-wing and ultra-left-wing extremist groups. But their success in other operational spheres like disrupting financial and support bases, profiling terrorist individuals, groups, and organizations, and mapping out vulnerabilities and opportunities of threat, etc. is limited. In most of the cases, the government has taken coercive, peace, amnesty and negotiating approaches to minimise the terrorist threat.<sup>19</sup>

The government has enacted a few special legislations to counter the threat of terrorism in Bangladesh. On 11 June 2008, the Anti-Terrorism Ordinance 2008 was approved by the government with the provisions of penalty for offences like arms running and financing terror attacks, and committing murders to create panic and endanger the country's sovereignty.<sup>20</sup> The new counter terrorism legislation has kept maximum punishment - a death sentence - for terrorist

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<sup>19</sup> Abul Kalam, “The Challenges of Terrorism: Bangladesh Responses”, in Moni, SD. (ed) *Responding to Terrorism in South Asia*, Monohar, New Delhi, 2006.

<sup>20</sup> *The Daily Star*, 18 June 2008.

activities. Besides, there are provisions to punish individuals for any kind of association with proscribed organizations and for carrying out propaganda on behalf of such organizations. The new law has recognized that financing terrorism is a subject liable to punishment. Any individuals and organizations involved in financing terrorism will be punished. There is a provision for the creation of special tribunals in the new law to prosecute individuals charged under this law. The Bangladesh Bank has been delegated with the responsibility of monitoring and countering the financing of terrorism.<sup>21</sup> Earlier, the Bangladesh government also approved the Anti-Money Laundering Prevention Ordinance 2008 with effect from 13 April 2008.<sup>22</sup> Despite the shortcomings in and confusion over these two Ordinances, Bangladesh has got a strong legal leverage to prevent terror financing activities. It is not enactment, but the problem comes from the implementation deficits. On many counts, different provisions of the laws remain unimplemented.

For that reason, the government institutions have a vital role in implementing strategies and legal provisions. In this regard, the architecture of different institutions and agencies are important to combat the menace of terrorism. The Bangladesh Police, the Rapid Action Battalion (RAB), Bangladesh Rifles (BDR), armed forces and intelligence agencies are mainly responsible for fighting terrorism and insurgency. Apart from keeping the law and order, Bangladesh police is recovering illegal arms and explosive and arresting leaders and activists of different terrorist groups. It has been frequently argued that the police is not that well equipped to deal with the new trends of terrorism which is now more ideology- and technology-centric. Apart from ensuring border security, BDR has been playing an active role in fighting against terrorism related activities in the country. Subsequently, RAB was created to reinforce the operational drive by the government. The RAB has been engaged with the protection of internal security, recovery of unauthorized arms, ammunition, explosive, assisting other law enforcement agencies, intelligence gathering, carrying out surveillance in the crime prone

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<sup>21</sup> *The Daily Prothom Alo*, 13 June 2008. Available at: [http://www.prothom-alo.com/archive/news\\_details\\_mcat.php?dt=2008-06](http://www.prothom-alo.com/archive/news_details_mcat.php?dt=2008-06), accessed on 20 June 2008.

<sup>22</sup> *The New Nation*, 3 March 2008.

areas, etc.<sup>23</sup> Military forces and intelligence agencies are critically important to combat threat of terrorism. The armed forces are mainly providing intelligence gathering support, training support, backing and logistics support to other law enforcement and paramilitary forces. The armed forces of Bangladesh also provide training to police, paramilitary and other law enforcement forces to carry out operations against threat activities. The intelligence agencies are essential apparatus in support of operational activities. Mainly, the National Security Intelligence (NSI), the Directorate General of Forces Intelligence (DGFI), services intelligence, Special Branch of Police and the RAB intelligence wing, etc. have been working in support of civil administration to identify the potential threat sources and conducting operational activities. In May 2004, NSI constituted a separate body called 'counter terrorism cell' to identify specific risk population and areas, and threat groups. The 'counter terrorism bureau', another body under the auspices of DGFI, has been working to evaluate, analyse, and frame counter terrorism policy at strategic and operational level.<sup>24</sup>

As it has been observed, there are several deficiencies at different levels of anti-terrorism manoeuvres. First, the profiling of threat groups and the early detection indicators are not sufficient to face new actors and techniques of terrorism. There is a lack of knowledge and understanding of the ideologies, organizations and operations of the threat groups. Second, the law enforcement agencies do not have close link with the other service sectors to identify suspicious activities to prevent terrorist activities. Third, the government is not strategically, operationally, and tactically fully capable of handling the problem. The Bangladesh government is not sufficiently addressing strategic issues like dismantling motivation, ideologies and support base of the threat groups. Operationally, law enforcement agencies are not adequately developed in dealing with the technology of terrorism. At a tactical level, there is very limited scope for the members of law enforcement, security and intelligence services to be trained or retrained to understand and respond to the threat of terrorism. A number of inadequacies have been identified in

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<sup>23</sup> M. Sakhawat Hussain, "Capacity Building of Law Enforcement and Intelligence Agencies" in Farooq Sobhan, ed., *Counter Terrorism in Bangladesh*, University Press Limited, Dhaka, 2008, p. 61.

<sup>24</sup> *Ibid*, p. 70.

the armed forces, such as short supply of trained manpower in counter terrorism, lack of intelligence gadgets and equipment, inexperience in anti-money laundering, information insecurity, etc. Fourth, there is a lack of general consensus for all-out drive against terrorism and extremism. Fifth, there is a very limited initiative to educate formally and informally professional groups like academics, media community, service sector officials, and political leaders to be aware of and sensitized about the terrorist activities.

Sixth, the overall strategic responses are still inadequate. The counter ideology or motivations and de-radicalization measures are almost absent in the architecture of maximum institutions. In fact, there is hardly any institution in Bangladesh to address different kinds of motivation factors, like ideological and experimental motivation, destructive and profit driven motivation, motivation to gain acknowledgement, etc. Furthermore, there are poor commitments in political society, lack of coordination among the anti-terrorist alliances, insufficient role of academics and media to address the challenges of extremism and terrorism. Seventh, there is a tendency to overemphasise military and coercive approaches in dealing with terrorism issues. There is no dedicated research institution in the government to provide forum for understanding and research on critical issues of terrorism in Bangladesh. Although the counter terrorism bureau of DGFI is responsible for policy related activities, it is barely possible to workout a viable strategy by a body of armed forces alone. Finally, it may be mentioned that, in Bangladesh, strategies and policies are preoccupied with process, highly centralized, overly bureaucratic, too ambiguous, unaccountable and unresponsive. Most of the initiatives are overly focusing on macro issues, not on micro issues and actors like ideology, motivation, and propaganda activities, empowerment of the individual, etc. to promote counter terrorism discourse.

## **5. THREAT LEVEL IN BANGLADESH**

With the threat indicators identified and analysed above, it is now appropriate to determine the level of terrorism threat in Bangladesh, which may help in designing a viable counter-terrorism strategy. If we start with the '*Udichi*' bomb blast of 1999 in Dhaka, the impact of the events of 9/11 and the subsequent US-led global war on terrorism and the continuous operational drive by the law



enforcement agencies, where does Bangladesh stand? Has the risk of terrorism diminished or increased? Have the plans and abilities of radical groups to conduct terrorist acts reduced or increased? What is the possibility of any further attack? This section attempts to address these questions by using the Aon terrorism risk map 2007 and SWOT analysis.

### **Terrorism Risk Map 2007 and Bangladesh**

The Aon Corporation<sup>25</sup> has published terrorism risk map 2007 that provides a visual guide to understand the risk management calculating threats in over 200 countries. It shows the changing trends of the terrorism threat level for 2007 indicating a major downfall of the world wide umbrella groups. Particularly these groups are increasingly splintered and have a hard time in coordinating their plans and activities. This has reduced the terrorism threat in some areas. However, despite increasing cooperation among states and international agencies, the efforts directed against one threat groups in a particular place have not been effective at regional and international level. According to the map, the risk of terrorism since 2006 has decreased in 23 countries and the risk level elevated in 22 countries. Bangladesh falls in the list of states where terrorism threat level has increased along with other states such as India, Iran and four Western countries- UK, France, Norway and Canada (see box-2). In the map, states are coloured according to the level of threat conditions, and various symbols demonstrate different types of terrorist groups. The global cities with high risk are also highlighted.

Box-2: States where terrorism threat level raises

Canada	Nigeria
Norway	Somalia
United Kingdom	Sudan
France	Tunisia
Thailand	Central African Republic
Bangladesh	Ethiopia
India	Morocco
Nepal	Libya
Sri Lanka	Columbia
Iran	Eritrea
United Arab Emirates	Chad

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<sup>25</sup> The Aon Corporation is a London based world leading risk management organization, See, [www.aon.com](http://www.aon.com), accessed on 28 March 2008.

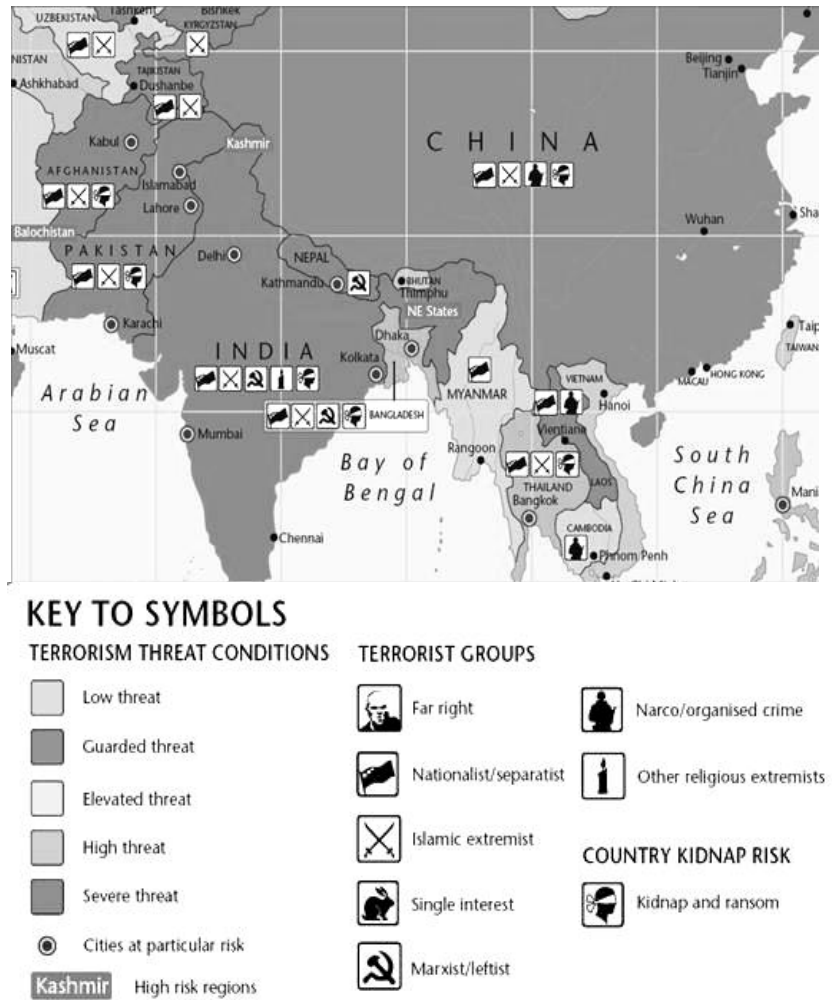


Figure- 3: Terrorism Risk Map 2007<sup>26</sup>

### The Likelihood of Terrorism Threat - SWOT Analysis

The SWOT mode of analysis is a straightforward model for identifying internal factors - the strengths and weaknesses - and external factors - the opportunities and threats presented by the

<sup>26</sup> The Aon Corporation, 2007. Available at: [www.aon.com](http://www.aon.com), accessed on 28 March 2008.

outside environment. It helps provide direction and serves as a basis for developing future strategic plans. This mode of analysis can also be effective to identify strengths and weaknesses of state counter terrorism mechanism and to examine the potential opportunities and threats emanating from threat groups. It focuses on these objectives by identifying the strengths i.e. how the state and law enforcement agencies are doing well; weaknesses i.e. what are the limitations of the counter terrorism mechanisms; and by examining opportunities i.e. potential capabilities and intents of the threat groups; and threats i.e. what are the potential risks for a state. The internal factors may include capability, tactics, legislation and experiences of state, politics, poverty and illiteracy, training and coordination capacity, systemic strength, etc. whereas the external factors include the existence of threat groups in a given locality, groups' capability, intention, ideological motivation, technology of terrorism, support base, etc. The results are often presented in the form of a matrix. However, this section attempts to outline Bangladesh's strengths and weaknesses of the counter threat mechanisms, and opportunities of potential threats.

The first element of a SWOT analysis describes the internal strengths. The figure-4 presents the list of strengths and weaknesses of the process, and opportunities for threat groups, and potential threats for Bangladesh. In terms of the quality of the anti-terrorism drives, from this list, it can be seen that Bangladesh has immensely dedicated and motivated workforce to conduct operation against threat groups. Gradually, the capability, knowledge and experiences of the law enforcement agencies are increasing to deal with the groups. Citizen's awareness is also gradually increasing. This is strength for the government and law enforcement agencies to conduct operation against extremist groups. Furthermore, the government has promulgated two special legislations to address legal loopholes. As mentioned earlier, such umbrella laws include the Terrorism Ordinance 2008 and the Anti-Money Laundering Ordinance 2008. Again, the law enforcement agencies have already achieved operational successes through the dismantling of the groups' leadership structure. Besides, the Bangladesh government has proscribed many extremist groups and their activities in Bangladesh, which has contributed to the decline in the operational capability of the threat groups.

<b>Terrorist Threat to Bangladesh: SWOT Analysis</b>	
<b>Strengths</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>○ Highly dedicated and motivated workforce</li> <li>○ Increasing capability of the law enforcement agencies</li> <li>○ Knowledge/experiences of dealing</li> <li>○ Awareness of the common people</li> <li>○ Special law enforcement</li> <li>○ The terrorism Ordinance 2008</li> <li>○ Anti-Money Laundering Prevention Ordinance 2008</li> <li>○ Operational success</li> <li>○ Dismantling group leadership</li> <li>○ Proscribing threat groups</li> <li>○ Reducing the operational capability of the terrorist groups</li> </ul>	<ul style="list-style-type: none"> <li>○ Politically ungoverned space or lacuna</li> <li>○ Political use of religion</li> <li>○ Lack of coordination among government agencies</li> <li>○ Massive poverty and illiteracy</li> <li>○ Disadvantaged remote and coastal belts</li> <li>○ Insufficient training of security forces</li> <li>○ Procedural and systemic complicity</li> <li>○ Financial resource constraints</li> <li>○ Insufficient research activities</li> <li>○ Insufficient profiling of threat groups and leaders</li> <li>○ Inadequate intelligence services</li> <li>○ Lack of integrated and multi-agency response</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>○ Presence of threat groups</li> <li>○ Existence of threat group in neighbouring countries</li> <li>○ Porous borders</li> <li>○ Capability and intention of the threat groups</li> <li>○ Ideological motivations</li> <li>○ Increasing use of technology in terrorism</li> <li>○ Support base</li> <li>○ Evidence and history of attack</li> <li>○ Misinterpretation of religious ideologies</li> <li>○ Proliferation of un-regulated religious institutions</li> <li>○ Un-uniformed national education structure</li> <li>○ Rampant corruption</li> </ul>	<ul style="list-style-type: none"> <li>○ The emergence of micro-actors in capability of the terrorist groups</li> <li>○ Increasing ideological, motivational and propaganda ability</li> <li>○ Promotion of operational sophistication of terrorist activities</li> <li>○ Use of modern terrorism technology</li> <li>○ Global information flow</li> <li>○ New ideas in planning communications, targeting, and propaganda activities</li> <li>○ Re-emerging and re-grouping</li> <li>○ Networking and connectivity among threat groups</li> </ul>

Figure-4: Terrorist Threat to Bangladesh-SWOT Analysis

The other internal element of the SWOT analysis is weaknesses in the process. From this outline, one can see many deficits that can be exploited by the different threat groups. The systemic loopholes,

political instability, use of religion, etc. have contributed to the growth and nurturing of the activities and operations of extremist group inside the country. Moreover, the government agencies are less coordinated, insufficiently trained, inadequately served by intelligence services, and also suffer from financial constraints. Socio-economic disadvantages such as massive poverty, illiteracy, etc., are also contributing to the rise of extremism in Bangladesh. Moreover, there are geographical difficulties arising from the remote and coastal belts in the country. Such areas are not well monitored or protected. Often it comes to notice that these areas are exploited by different extremist groups. There are poor documentation in profiling threat groups and activities, and insufficient research activities to address terrorism issues. These weaknesses should be left to further research and analysis in Bangladesh.

The first external element of the SWOT analysis is opportunities that can be exploited by the threat groups. The opportunities include any favourable situation in the country that the threat/extremist groups may gain from. These could range from the existence of the threat groups and the use of new technologies to network building to facilitate further attacks. The figure-4 shows a list of several opportunities that can be utilized by the threat groups in Bangladesh. Specifically, the new capabilities and intentions of the threat groups have seen in Bangladesh. The groups are operating ideological motivation activities, networking and connectivity among themselves. Besides, the presence of threat groups in cross-border locations are also a big opportunity for threat groups. The porous and, in some cases, un-protected borders may contribute to the rise of connectivity between threat groups. The final element of the SWOT analysis is examining the threats that the country faces or may face. Figure-4 reveals the potential threat indicators that may need to account by all the stakeholders. The future terrorist attack may be linked with current trends of activities by the threat groups in the country. Currently, many groups are re-grouping, and recruiting new members. The micro-actors are emerging to rejuvenate the capability of the terrorist groups. The ideological, motivational and propaganda activities are gradually increasing. Perhaps, the threat groups may consider using modern technology in their future attacks. The impact of global information flow and new ideas in planning,

communications, targeting, and propaganda activities, etc. may be contributing factor to the rise of terrorism threat to Bangladesh.

Thus, it is important to note that all initiatives and operations may have some strengths, weaknesses, opportunities and challenges. But it is necessary to identify threat sources to develop a comprehensive counter terrorism strategy. According to the analysis of the threat indicators and applying SWOT tools, currently there are no instantaneous terrorism threats in Bangladesh. The threat of domestic terrorism has significantly reduced since the dismantling of the leadership pattern of the extremist groups. However, all the threat factors, indicators and determinants do still exist in Bangladesh. All in all, the country's strengths are limited, while several weaknesses are still there and opportunities are easily accessible by the threat groups. All these factors together have generated 'elevated threat' to the country.

## 6. CONCLUDING REMARKS

The extent and nature of terrorist threats have been changing around the world. Bangladesh is not immune from this challenge. The preceding discussion has analysed the activities of different threat groups, indicators of potential threat, and the government responses in order to understand the level of terrorism threat for Bangladesh. Despite all drives against the terrorist groups, many threat indicators are perceptible in the country. Several groups are operating in different scope, capacity and nature. A number of threat indicators have been identified in Bangladesh. Some of these are (i) operations of known and active groups or networks, (ii) stated aims and objectives, (iii) intent of threat groups, (iv) evidence of terrorist activities, and (v) the increase in strategic and operational capabilities of terrorist groups to stage further attacks. On the other hand, the entire government responses to counter terrorism demonstrate the use of 'hard power'<sup>27</sup> without addressing the root causes and new trends of terrorism. The 'soft power'<sup>28</sup> mechanisms are not being sufficiently addressed in Bangladesh.

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<sup>27</sup> Action by military forces, intelligence agencies, police and law enforcement agencies, etc.

<sup>28</sup> Governance measures, community responses, border control, counter-terrorist financing initiatives, etc.

Taking into account all indicators together, the threat level is increasing in Bangladesh. What should be the way out to face such motivated challenges? Owing to the multi-dimensionality of the problem, it is critically important to explore a viable and effective strategy incorporating short-term, medium-term and long-term goals. The short-term goals include finding out the extremist groups' hideouts, exposing groups' motives, targets, command, control and support infrastructure, responding effectively, efficiently and rapidly by security forces in arresting and bringing them under law, profiling extremist individuals, groups and cases by gathering critical information. These short-term initiatives may contribute to weakening of the threat groups and motivating citizens in combating terrorism. Any failure in this regard may result in further escalation of violence in the society.

The medium-term goals include running an effective oversight and security system, increasing coordination among law enforcement agencies, service sectors, and social forces in order to create an all-inclusive security environment in the country. It is also necessary to ratify and implement regional and international documents relating to the issues of extremism, violence and terrorism. Ultimately, terrorism cannot be prevented by addressing short and medium term goals. There must be long-term and comprehensive goals in order to address the root causes of the problem. The long-term measures should be preventive in nature. It is necessary to establish a general counter terrorism discourse by promoting unity and consensus in the political society of Bangladesh. This unity promoting function is particularly crucial for Bangladesh where ideological zeal, even in a rhetorical form, can provide an outlet for daily social and economic frustrations. Corruption should be addressed on priority basis so that it cannot provide opportunity to further rise in terrorism.

Currently, in the absence of political activities in Bangladesh, the government must look into whether the corrupt money is spent for financing terrorist activities. Some of the long-term goals are (i) modernization of all streams of education; with a view to incorporating substantive secular components. (ii) Reducing economic disparity through social cohesion in order to address the grievances of the deprived citizens. (iii) Promoting microgovernance activities by strengthening community responses, localizing policies,

utilizing local knowledge and capacity. And (iv) identification of 'strategic communication' tools to interact with the extremist individuals and groups to get their message, perceptions and ideas, etc. It can help to design strategic counter terrorism tools in Bangladesh. To defend against these threats and to ensure national security, Bangladesh urgently needs to cope with the shifting trends of terrorism threats, mainly focusing on micro actors and issues.



*Mohammad Humayun Kabir*

*Sufia Khanom*

## **INDIA'S RIVER LINKING PROJECT: POSSIBLE IMPLICATIONS FOR BANGLADESH**

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### **Abstract**

Low-lying, deltaic Bangladesh is a country of rivers where life, living and ecology are critically dependent on their waters. The unique nature of the country's water availability characteristics – plenty in the monsoon period and scarcity in the dry season - and its lower-riparian location in the Ganges-Brahmaputra-Meghna (GBM) river basins render Bangladesh precariously dependent on India for perennial fresh water flow. Bangladesh has been facing the brunt of steady reduction in water flows, particularly in its southwestern region, mainly due to the insensitive diversion of the Ganges waters at Farakka in India. This paper presents the details of India's river-linking project (RLP), highlighting both its Peninsular and Himalayan components. Having as a backdrop the prolonged adverse impact of the upstream withdrawal of the Ganges waters by India, the paper focuses on the likely socio-economic, environmental, political and other implications of the Indian mega-project for Bangladesh, particularly if and when it is implemented in its Himalayan segment. It has been argued here that India's RLP is highly likely to have disastrous consequences for Bangladesh even in greater magnitude and scale covering the

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whole of the country. It has been observed in the paper that regional cooperation is an important instrument to address the current situation in the GBM basins by working together for national development, collective gains and sustainable ecosystem. And, an all-round basin development approach in the eastern Himalayas could be an example of regional cooperation like in the Mekong river basin.

## 1. INTRODUCTION

Bangladesh is a land of rivers, sustaining life, livelihood and ecosystem of the country. An innumerable number of large, medium and small rivers, including the Ganges/Padma, the Meghna, the Brahmaputra/Jamuna, the Teesta, the Karnaphuli, the Surma, the Kushiara, and their tributaries and distributaries have criss-crossed the country. The total catchment area of the Ganges-Brahmaputra-Meghna (GBM) river systems is about 1.75 million square kilometers (km), of which Bangladesh accounts for 7%, China 9%, India 63%, Nepal 9%, and Bhutan 3%.<sup>29</sup> Out of 57 international rivers flowing through Bangladesh, 54 have originated in the Himalayan region and other parts of India. The rainwater in Bangladesh accounts for only 7% of the total fresh water flow. The remaining 93% come from transboundary river sources fed with rain and ice-melting flowing into the riverine system of Bangladesh.<sup>30</sup> All these facts starkly show the dependency of Bangladesh on the upper riparian countries in terms of water resources. Bangladesh is at the bottom of GBM river systems and, therefore, faces the brunt of both excessive and low water flows, occurring alternately during the monsoon (June to October) and the dry season (January to May). India is located in an advantageous position, as it is an upper riparian with most of the catchment area and as it surrounds Bangladesh on

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<sup>29</sup> Qazi Kholiquzzaman Ahmad, "Indo-Bangladesh Cooperation on Transboundary Rivers: Revisiting the the Unrealized Opportunities and Unmitigated Challenges", *Asia Pacific Journal of Environment and Development*, Vol. 10 No. 2, 2003, pp. 45.

<sup>30</sup> Qazi Kholiquzzaman Ahmad, "Water Water Everywhere, How Much Do We Have To Drink", *The Daily Star*, 19 February 2006.

three sides. As such, India has taken advantage of this geo-physical factor in managing the water resources<sup>31</sup> within its territory.

The upstream diversion of the Ganges water at Farakka in India during the dry season has been a major cause for the steep reduction of fresh water flows to southwest Bangladesh, salinity intrusion, desertification, arsenic contamination, and so on. India's recent plan for inter-linking transboundary rivers to create a new national water grid seeks to provide increased amount of surface water to different parts of the country. If the river-linking project (RLP) of India is implemented, it might bring some benefits to India but it is likely to add to the water-related miseries and sorrows in Bangladesh. Some Bangladesh scientists have estimated that even a 10 to 50 percent reduction in the water flow to the country could dry out great areas for most of the year. More than 80 percent farmers of Bangladesh grow rice and depend on water that has flowed from India.

Water experts and environmentalists from different parts of the world have expressed deep concerns about the RLP of India on environmental, socio-political, technical and legal grounds. Agriculture, forestry, fisheries and the entire ecosystem of Bangladesh are dependent on the flow of GBM rivers. It is feared that the very livable existence of Bangladesh would be threatened, if the RLP is implemented as proposed. There are examples of countries such as Russia, the United States of America, China, Spain, etc. that have implemented such country-wide river-linking projects and are paying environmental and socio-economic costs for those links. As such, the major objective of this paper is to assess the likely environmental and socio-economic impacts of the Indian RLP on Bangladesh as well as its political implications for India and other countries such as China, Nepal and Bhutan.

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<sup>31</sup> India constructed and commissioned 2256 dams during 1971-1990 out of the total 4291 dams. Detailed project report for Tipaimukh dam on the Barak in Manipur and Sapta Kosi dam project with Nepal have been completed. Furthermore, there are negotiations taking place between India and Nepal for Mahakhali (Pancheswar) and Karnali high dam project in Nepal without any concern for Bangladesh as a riparian country.

The paper is mainly based on secondary information and sources. As the RLP has not yet been implemented, the considered impacts and implications for both the upstream and downstream areas are only in the realm of possibility. In fact, the study is a reflection of the apprehension and concerns in Bangladesh triggered by the very proposal of RLP by India. The paper is likely to advance an understanding in Bangladesh of the merits and demerits of the Indian project. The second section of the paper gives an overview of the present status of the RLP, while the third section explores the magnitude of the possible implications of the Indian scheme for Bangladesh as also the GBM region. The last section posits some policy options for Bangladesh in terms of national measures and in the context of regional cooperation for water resources management.

## 2. INDIA'S RIVER-LINKING PROJECT: AN OVERVIEW

India's land area is about 329 million hectares (2.45% of the earth) and its population is about 1118.5 million, which is about 5.95%<sup>32</sup> of that of the world. The present availability of utilizable surface and ground water is 690 km<sup>3</sup> and 432 km<sup>3</sup> respectively.<sup>33</sup> The disparities in availability of per capita water utilization are significant between western and southern states of India. Irrigation is the biggest water consumer in that country. In the year 2050, it is likely to consume about 74% and India's food grains requirement by that year is estimated at 450 million tones. Again, the Government of India has projected that the total demand for water for various uses for 2010, 2025 and 2050 would be 813 km<sup>3</sup>, 1093 km<sup>3</sup> and 1447 km<sup>3</sup> respectively.<sup>34</sup> Water experts of India have found a huge gap between the availability and requirements of water resources. They have considered that this gap cannot be diminished by conventional water resources management. As such, they hold the view that river

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<sup>32</sup> Strategic Analysis of India's National River Linking Project, International Water Management Institute, available at: <http://nrlp.iwmi.org/main/Default.asp>, accessed on 12 June 2007.

<sup>33</sup> C.P. Sinha, "Interlinking of Indian Rivers", in M. Feroze Ahmed *et al* (ed.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al.*, Dhaka, 2004, p. 58.

<sup>34</sup> *Ibid.*

inter-linking is the only tangible option for India's water resources management.

The proposal for interlinking of rivers is not new. The history of the proposed project as a concept goes back to the British-Indian government. Sir Arthur Cotton first mooted it in 1839 primarily for promoting inland navigation. He was concerned mainly about navigation, although irrigation was also part of it. The concept did not make any headway during the British Raj. K. L. Rao revived the idea of the Ganges-Cauvery link proposal in 1972. Obviously, the focus shifted from navigation to the issue of water scarcity in the south of the country.<sup>35</sup> He prepared a proposal for the national water grid, which came to be known as the Ganges-Cauvery link. The proposal consisted of a 2,640km-long link that envisaged withdrawal of 1,680m<sup>3</sup>/s of flood flows of the Ganges near Patna, pumping of 1400m<sup>3</sup>/s of this water over a head of 450m for transfer to the peninsular region and utilizing the remaining 280m<sup>3</sup>/s in the Ganges basin itself.<sup>36</sup> However, the proposal was dumped by the Ministry of Water Resources, as the Central Water Commission found it to be grossly under-estimated. In 1977, Captain Dastur proposed construction of two canals, named Garland canal (9,300km long) and Himalayan canal (4,200km long and 300m wide). The southern Garland canal would connect the two systems through pipelines near Delhi and Patna. However, all these proposals were given up due to lack of techno-economic feasibility.

A national perspective for water development was framed by the Ministry of Water Resources of India in 1980. National Water Development Agency (NWDA) was created in 1982 and registered under Societies Act to carry out surveys and prepare feasibility reports on RLP. National Water Policy stated in September 1987 that its prime goal was to inter-link national rivers. National Commission for Integrated Water Resource Development Plan prepared a report for RLP in 1999. Former Indian President A.P.J. Abdul Kalam in his Independence Day speech in 2002 urged the concerned authorities to complete the project within the scheduled time frame. The issue got momentum in political, legislative and civil domains after the

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<sup>35</sup> *Ibid.*

<sup>36</sup> *Ibid.*

Supreme Court of India, in connection with a public interest litigation, passed an order on 31 October 2002 for completion of the project of inter-linking of rivers within a period of 12 years. The orders that were passed by this Apex Court for putting the feasibility reports on website were dated 26 April 2004, 01 November 2004 and 08 April 2005. The advantage of putting the feasibility reports on the website was also indicated in the order dated 08 April 2005.<sup>37</sup> The Bench gave targets for completion of a detailed project report by 2006 and implementation of the same by December 2016. The Bharatiya Janata Party (BJP)-led National Democratic Alliance government came up with a revised National Water Policy in April 2002 and appointed a Special Task Force in December 2002 to monitor the project of inter-linking India's major rivers, with Suresh Prabhu as its Chairperson. The Task Force had the following terms of reference:<sup>38</sup>

- To provide guidance on norms of up-raising of individual projects in respect of economic liability, socio-economic impacts, environmental impacts and preparation of re-settlement plans;
- Devise suitable mechanisms for bringing about a speedy consensus among the states;
- Privatised different project components for preparation of detailed project reports and implementation;
- Propose suitable organizational structures for implementing the projects;
- Consider various funding, modalities; and
- Consider international dimensions that may be involved in some components of the project.

A full-fledged cost benefit analysis would follow the feasibility studies and detailed project reports. The Task Force came up with an immediate action plan by mid-2003. The position of the Congress-led alliance government of India on the RLP is not clear to Bangladesh. However, it is certainly understood in Dhaka that New Delhi has not abandoned the project.

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<sup>37</sup> Indian River Linking in Supreme Court, available at: <http://nwda.gov.in/indexmain.asp?linkid=978&langid=1>, accessed on 15 February 2007.

<sup>38</sup> Task Force for Indian River Linking Project, available at: [www.sdnpsd.org/river\\_basin/bangladesh/national\\_workshop-river\\_linking\\_project\\_india.htm](http://www.sdnpsd.org/river_basin/bangladesh/national_workshop-river_linking_project_india.htm), accessed on 10 September 2006.

The RLP has spawned a series of research programmes involving a broad alliance of some 100-120 Indian researchers and institutions. NWDA has completed 137 water balance studies of basins/sub-basins, 71 water balance studies at diversion points, 74 toposheet studies of link alignments and 31 pre-feasibility studies of links out of which 30 links have been identified for preparation of feasibility reports<sup>39</sup>. NWDA has completed feasibility studies on seven links of the Peninsular component and even provided some technical and environmental information on the rest of the links. The feasibility studies of the fourteen Himalayan links were expected to be completed by December 2005. However, no information is available on those links.

The National Perspective Plan of India for RLP comprises of 2 components, namely – Peninsular Rivers Development and Himalayan Rivers Development.

**1. Peninsular Rivers Development:** The Peninsular rivers development consists of 16 link canals.<sup>40</sup> This development is expected to provide additional irrigation of about 13 million hectares (ha) and is expected to generate about 4,000 megawatt (MW) of power.<sup>41</sup> The scheme is divided into four major parts, such as

- a) Inter-linking of Mahanadi-Godavari-Krishna-Cauvery rivers and building storage at potential sites in these basins: This part involves major inter-linking of the river systems where surpluses from the Mahanadi and the Godavari are intended to be transferred to the needy areas of the south.
- b) This scheme envisages construction of as optimal storage as possible on these streams and inter-linking them to make available appreciable quantum of water for transfer to areas where additional water is needed. The scheme provides for taking water canal to the metropolitan areas in Maharashtra.

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<sup>39</sup> *Report on River Linking*, Institute Water Modeling 2004, available at: <http://nrlp.org/main/reports.asp>, accessed on 16 September 2006.

<sup>40</sup> India's National River-Linking Project, available at: <http://nrlp.iwmi.org/main.asp>, accessed on 05 January, 2007.

<sup>41</sup> The National Perspective of India, Ministry of Water Resources, Government of India, available at: <http://wrmin.nic.in/>, accessed on 05 January, 2007.

- c) Inter-linking of Ken-Chambal: The scheme provides for a water grid for Madhya Pradesh and Uttar Pradesh and inter-linking canal backed up by as many storages as possible.
- d) Diversion of other west-flowing rivers: The high rainfall on the “Western Ghats” runs down into numerous streams which discharge into the Arabian Sea. The construction of an interlinking canal system backed up by adequate storage could be planned to meet all requirements of Kerala as also for transfer of some waters towards east to meet the needs of droughts.

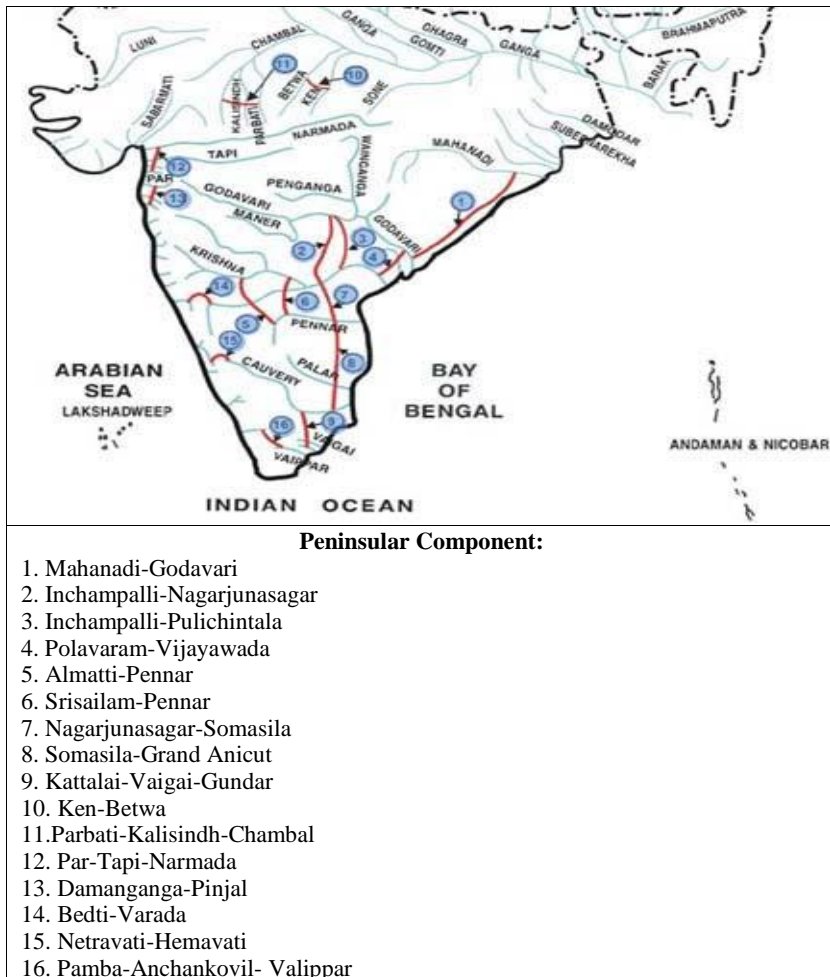
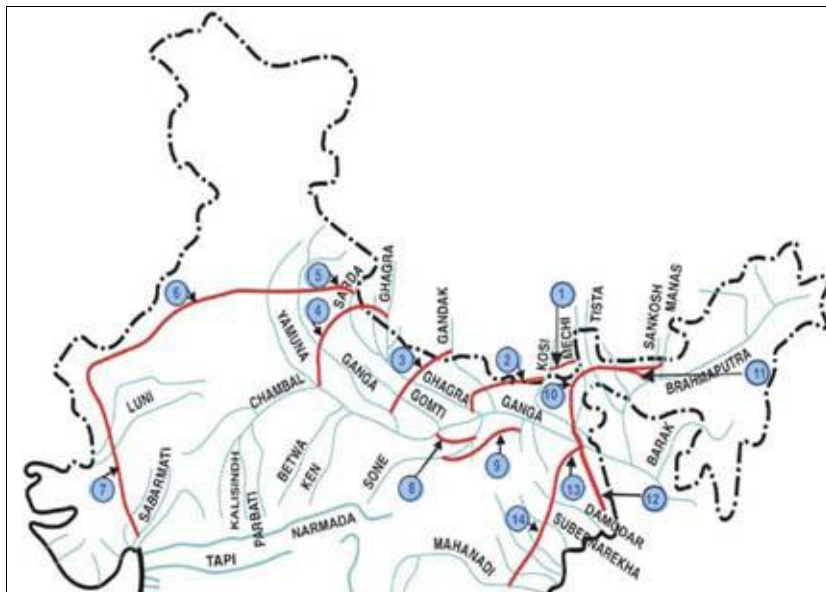


Figure 1: Links of the Peninsular component of RLP.



**2. Himalayan Rivers Development:** The Himalayan rivers component consists of 14 link canals. It envisages construction of storages on the principal tributaries of the Ganges and the Brahmaputra in India and Nepal, along with inter-linking canal systems to transfer surplus flows of the eastern tributaries of the Ganges to the west, apart from linking of the main Brahmaputra and its tributaries with the Ganges and the Ganges with the Mahanadi.



**Himalayan Component:**

1. Kosi-Menchi
2. Kosi-Ghaghara
3. Gandak-Ganga
4. Ghaghara-Yamuna
5. Sarda-Yamuna
6. Yamuna-Rajasthan
7. Rajasthan-Sabarmati
8. Chunar-Sone Barrage
9. Sone dam-Southern tributaries
10. Manas-Sankosh-Teesta-Ganga
11. Jogighopa-Teesta-Farakka
12. Farakka-Sundarbans
13. Ganga-Damodar-Subernarkha
14. Subernarkha-Mahanadi

Figure 2: Links of the Himalayan component of RLP.

This component would provide additional irrigation of about 22 million ha and generation of about 30,000 MW of hydropower, beside providing flood control in the Ganges-Brahmaputra basins. It would also provide the necessary discharge for augmentation of flows at Farakka required to flush the Kolkata port and for the inland navigation facilities across the country.

The RLP has been designed for connecting 38 rivers through 30 links, 9000km-long canals, 74 reservoirs and several embankments by 2016.

The plan is estimated to cost between US\$112 billion to US\$200 billion. According to the speech of Indian President A.P.J. Abdul Kalam on the eve of Independence Day 2002, networking of rivers is under active consideration and first mission of Indian government. Thus, non-resident Indians and people of Indian origin have largely supported the RLP both by giving technical support and as lobbyists for collecting funds. The Indian engineers in the US, headed by Texan power engineer Sam Kannappan, are lobbying President Bush to persuade the World Bank to back the scheme of RLP.<sup>42</sup> They have assurance of assistance from Congressmen of the US that they will assist in the implementation of the Indian project also through USAID. Furthermore, India has a strong lobby inside the World Bank.<sup>43</sup> As a result, it can influence the water projects of the World Bank without any concern (both environmental and socio-economic) for the lower riparian country.

### **3. IMPLICATIONS OF INDIA'S RIVER LINKING PROJECT FOR BANGLADESH**

The proposed RLP of India in its Himalayan section has significant impacts on the socio-economic, ecological, environmental, biological and eventually morphological

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<sup>42</sup> This information was given by the Union Minister of State for Water Resources, Smt. Bijoy Chakravarty in a written reply to a question from Shri B. Mallikarjunappa in the Lok Sabha, available at <http://www.rediff.com>, accessed on 6 December, 2006.

<sup>43</sup> Jasim Uddin, "Upstream Water Diversion: A Disaster for Bangladesh", *The New Nation*, 11 September 2006.

characteristics of the river system in Bangladesh. The impacts that may come are discussed below.

### **3.1. Environmental Impacts**

The natural system of Bangladesh is mostly dominated by its water resources. It is a key, strategic natural resource of the country. The major sources of available water are transboundary rivers (76.5%), rainwater (23%) and groundwater (1.5%).<sup>44</sup> Demand for water allocation and extraction steadily increases due to the huge population growth in Bangladesh. Different stakeholders are competing for meeting up their needs. But due to water diversion by upstream countries (India and Nepal), inadequate quantum of water reaches down to the downstream Bangladesh. Notably, the unilateral and disproportionate water diversion at Farakka has severely affected the natural flow in the downstream reaches of the Ganges. The Ganges and most of its distributaries have been severely suffering from surface water deficit; even some of them have nearly died and some get dried up during the dry season.<sup>45</sup> Agriculture, navigation, irrigation, fisheries, forestry, industrial activities, salinity intrusion of the coastal rivers, ground water depletion, riverbed aggravation, coastal erosion, sedimentation and other economic activities as well as society have been degraded greatly. The western half of Bangladesh has already been severely affected by the Farakka barrage constructed by India on its portion of the Ganges river. Diversion of the flow of the Brahmaputra and other rivers in Indian Himalayan region would spell even a greater disaster for the eastern half of Bangladesh, for the lower riparian receives much more water from these transboundary rivers than from the Ganges. This is likely to have adverse effects on the environment like the following.

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<sup>44</sup> NWMP, National Water Resources Management Plan, Bangladesh, Main Report, Vol. 2, July 2001.

<sup>45</sup> Ainun Nishat and F.K. Pasha, “ A Review of the Ganges Treaty of 1996”, the paper presented at the seminar in the International Specialty Conference on Globalisation and Water Resources Management: the changing value of water, University of Dundee, 6-8 August 2001, available at <http://www.awara.org/proceedings/dundeed01/Documents/Pashafinal.pdf>, accessed on 12 March 2007.

### 3.1.1. Reduction in Water Flow of the River

The withdrawal of water by India at Farakka has induced significant changes in the hydrological system of the Ganges basin in Bangladesh. Up to 40% of the dry season flow of the Ganges has been diverted by India, following the completion of the Farakka barrage in 1974.<sup>46</sup> It is also observed that groundwater sinking rate is at least 0.5 m/year and a total dropping of water table is about 10 metres in the southwestern districts of Bangladesh.<sup>47</sup> The river-linking project would further reduce the inflow of freshwater from the upstream side. Reduction in quantity of surface water flow will also cause reduction in ground water level. Surface water pollution is one of the major problems for Bangladesh. The polluted rivers are the Buriganga, the Sitalakhya, the Balu, the Karnaphuli and the Rupsha.<sup>48</sup> Dissolved oxygen level of these rivers becomes very low during the dry season. The pollution level of these rivers has increased due to low water volume and inadequate flushing. The pollution level of the Jamuna and the Old Brahmaputra rivers may also increase due to decreased water flow once the RLP is implemented in the Himalayan segment.

### 3.1.2. Impact on River Morphology

Almost all the rivers of Bangladesh are characterised by its small bed slope and shallow but very wide section. The combination of erosion and sedimentation in the river channel and on its floodplain causes uplifting of riverbed. As the flow decreases, the power of a river to carry material decreases and the river loses its ability to transport large material. Rivers will gradually lose their water flow

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<sup>46</sup> A. K. Azad and J. Sultana, "Potential Impacts of Indian River-Linking Plan on Ecosystem of the Sundarbans", in M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, p- 175.

<sup>47</sup> Tajkera Khatun, "The Ganges Water Withdrawal in the Upstream at Farakka and Its Impact in the Down Stream Bangladesh", in M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, p-231.

<sup>48</sup> A. A. Rahman *et al*, "Bangladesh State of the Environment 2001" UNEP, Bangkok, 2001, p. 55.

speed and deposit sediment in the riverbed. The sediment carrying capacity of the rivers will thus decrease day by day. Upstream water diversion will turn most rivers into narrow channels with their beds covered with huge sediment. As the steepness of the riverbank decreases continuously, the sediments become very fine consisting mostly of sand, silt and clay. This also causes riverbank erosion. A study on the Tetulia river has found that its riverbed has been lifted up in the course of last 10 years (1994-2004) by 2-3 feet.<sup>49</sup> This observation is indicative of the future of river morphology in Bangladesh, if and when the Indian RLP is implemented.

### 3.1.3. Salinity Intrusion in Coastal Areas

Transfer of water by Indian RLP will cause substantial decrease in the fresh water flow to the downstream region in Bangladesh. As a result, the southern part of Bangladesh will be subjected to greater risks of saline water intrusion and water shortage. A study on the Brahmaputra river shows that decrease in the flows in January, February and March is respectively 40%, 45% and 30% below the 80% dependable flows.<sup>50</sup> Such an extent of reduced flow would be extremely detrimental in terms of saline water. Results from this research indicate what a disastrous situation could arise due to transfer of water from the Brahmaputra basin to other basin in India

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<sup>49</sup> Md. Mashud Hossain and Kazi Madina, "Environmental Impact of Indian River Linking Project in Tetulia Distributary", in M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, p- 204

<sup>50</sup> As per National Water Management Plan of Bangladesh, 5 months period from June to October is considered as wet season and 7 months period from November to May as dry season. In planning studies of Bangladesh, 80% dependable flow is used as a measure of water availability. Prediction of impact of water transfer has been made for 80% dependable flow of Brahmaputra at Bahadurabad by assuming water transfer at constant rate of 1000 m/s. Actual rate of transfer is likely to be much larger, see more in Jahir Uddin Chowdhury and Arpana Rani Datta, "Effect of Transfer of Brahmaputra Water by Indian RLP on Saline Water Intrusion", in M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, pp. 143-156

as proposed in the RLP.

Evidently, diversion of water through the Farakka barrage has drastically worsened the salinity problem in the southwest region of Bangladesh. Decreased freshwater flows down the Padma and its distributaries have resulted in increased saline intrusion, particularly in the dry season. Salinity front has, in fact, travelled up to 280km upstream from sea-coast.<sup>51</sup> The decreased supply of water through the Gorai river is largely responsible for the increase of salinity in the southwest region of Bangladesh. The RLP would further increase the salinity level of both river and ground water not only in the southwest but also across the entire southern belt of Bangladesh.

#### 3.1.4. Arsenic Contamination

Arsenic contamination is a global problem, which now appears to be a serious problem in Bangladesh too. Groundwater of Bangladesh is naturally rich in hardness, iron and manganese. As ground water aquifers start to drop, oxygen immediately fills up the gap. This oxygen exposes for the liberation of arsenic from its complex pyrite ( $\text{FeS}_2$ ) into water.<sup>52</sup> As the ground water table goes down, arsenic contaminated water will come up. Therefore, the content of arsenic in ground water would increase and the risk of arsenic poisoning throughout Bangladesh would also increase. Currently, as many as 61 out of 64 districts of Bangladesh are arsenic contaminated. About 1.5 to 2.5 million tube-wells are estimated to be affected and 35 million people are at risk.<sup>53</sup> A survey conducted by

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<sup>51</sup> During 1975-1992, in the Khulna region, compared to pre-Farakka average, salinity has increased as much as 1800% for some months of dry season, see more in A. K. Azad *et al*, "Potential Impacts of Indian River Linking Plan on Ecosystem of Sundarbans", p-176.

<sup>52</sup> This hypothesis was given by Prof. Dipankar Chakrabarty, Jadavpur University with the advent of irrigation in the 1960s. It was quoted by Md. Abul Kalam Azad and Ashraful Alam, "Environmental Impact of India's River Linking Project on Bangladesh", in M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, p. 215.

<sup>53</sup> Arsenic Contamination of Ground Water in Bangladesh, Final Report 2001, Vol 1: Summary, Department of Public Health and Engineering, Government of Bangladesh, Dhaka, pp. 1-15.

Ground Water Task Force reported that 7 out of 12 most arsenic contaminated districts are located entirely in the Ganges basin where more than 70% tube-wells exceed the permissible limits of 50µg/litre. The implementation of inter-basin river-linking project would only increase the risk to a greater extent.

### 3.1.5. Indian RLP and Climate Change

Climate change is only one of the multitudes of factors likely to affect the natural systems and thus the future development of human society. Rivers of the world are one of the most vulnerable environments that are going to be affected by the process of climate change. According to the United Nations Environment Programme, global average temperature has risen by 0.6<sup>0</sup> Celsius in the last century. It is affecting the ice cover in the poles and the glaciers in the mountains. It is evident from different studies how global warming affects the ice and snow covers in the huge Himalayan river systems. The sea level rise in the Bay of Bengal is about 5 to 7 millimetres per year.<sup>54</sup> Sea level rise has both short-term and long-term influences. In the short run, water flow, storage and discharge will be increased tremendously in the entire river system but these will decrease in the long run due to receding of the mountain glaciers and snow cover in the Himalayan river basins. As much as it would be desirable to reduce flooding by any of the various engineering strategies, the frequency and intensity of flooding are likely to increase in the future.<sup>55</sup> A study on the upper Indus basin has established that the mean flow is expected to increase by 14%-19% in the first decades but it will decline by 30%-90% in the future.<sup>56</sup> The headwaters of the Brahmaputra will also decline gradually. The

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<sup>54</sup> K. O. Emery and D.G. Aubery, "Tide Gauges of India", *Journal of Coastal Research*, Vol. 5, No. 3, 1989 p. 489.

<sup>55</sup> Md. Khalequzaman, "Flood Control in Bangladesh Through Best Management Practices", Feroze Ahmed (ed.), *Bangladesh Environment 2000*, Bangladesh Paribesh Andolon, 2000, pp. 523-535.

<sup>56</sup> See more details in K.W.G. Rekha Nianthi and Jahid Hussain, "Impact of Climate Change on Rivers with Special Reference to River-linking Project" in M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA, *et al*, Dhaka, 2004, p. 271.

situation will not be different in the Ganges basin either. As such, the efficacy of the Indian RLP comes under many critical questions.

### 3.2. Economic Impacts

The main objective of the RLP is to provide additional 22.20 million ha metres of water to increase irrigation coverage from 113 to 135 million ha in India. This will go a long way in producing more food and providing additional generation of about 34,000 MW of hydropower. As great benefits of this project, India is also expecting that this project will improve its flood situation and increase navigability. Furthermore, this will improve ground water level for which they will be able to irrigate an additional 0.8 million ha land. However, the scenario is different for Bangladesh. As mentioned, withdrawal of the Ganges water by India has severely affected the natural flow of the downstream rivers and its distributaries causing severe adverse effects on agricultural production, fisheries, forestry, industrial activities, inland navigation, biodiversity, wetlands, and so on in Bangladesh. This has, in turn, huge economic impact on Bangladesh's national income. The estimated total loss over the period 1976-2004 is about 8, 00,000 million BDT (Bangladesh Taka – BDT - is Bangladesh currency and the exchange rate was 1 \$US=58.50 BDT).<sup>57</sup>

Admittedly, due to the lack of sector-wise data, it is difficult to forecast the total amount of economic loss due to the future diversion of water upstream. However, it is possible, in the light of the present situation, to say as to which sectors are likely to be affected more by Indian RLP. A sector-wise discussion follows.

#### 3.2.1. Loss in Agricultural Production

Soil fertility in Bangladesh has considerably deteriorated and, consequently, the crop yield has decreased. The annual loss from agricultural sector is estimated to be about US\$ 650 million. The government of Bangladesh estimated the loss to be in the region of US\$ 875 million, while the Bangladesh University of Engineering

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<sup>57</sup> S.H. Badsha, "Disinterest of the Government from the Ganges Barrage Project of late Zia: re-initiative to continue the Garai River Project at twenty times cost", *The Daily Inqilab*, 16 June 2004.



and Technology gave a figure of about US\$ 625 million compared to the natural pre-Farakka productivity.<sup>58</sup> It was also estimated, more than a decade ago, that Bangladesh could have been in a position to produce an additional 3.6 million tonnes of food grains annually if there had been natural flow in the Ganges and its distributaries.<sup>59</sup> Understandably, Indian RLP will further adversely affect the agriculture production in Bangladesh.

### 3.2.2. Loss in Navigability

Bangladesh being a riverine country, its waterways has been the principal mode of transportation in the country over the ages. Since the commissioning of the Farakka barrage, the waterways in the Ganges-dependent parts of Bangladesh has been crippled to a great extent, a good length of it having been put out of service. About 685km of waterways were available in the pre-diversion era, which has been reduced to 230 km. As a consequence, the Bangladesh Inland Water Transports Authority ferries are unable to ply in many places in the country. Due to the low flow, the rivers can hardly support the vessels to carry the industrial products and other cargo from one place to another, although waterways are the cheapest mode of transportation. The total loss in the industrial sector alone was estimated to be about US\$37 million for the period 1976-1993.<sup>60</sup> During the pre-diversion period, the Ganges/Padma could be navigated by large steamers even in the dry season. But now, the Ganges can be crossed in some places on foot for 5 to 7 dry months of the year. The situation is the same for other rivers such as the Gorai, the Madhumati, the Bhairab, the Arial Khan, the Kapotakkha and the Mathabhanga. The navigability will be decreased further if

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<sup>58</sup> See for details in M. Q. Mirza, "Diversion of the Ganges Water at Farakka and Its Impact on Salinity in Bangladesh", *Environmental Management*, Vol. 22, No. 5, 1998, p. 719.

<sup>59</sup> Ainun Nishat, "Impact of Water Dispute on Bangladesh in Asian International Waters", A.K. Biswas and T. Hasimoto (eds.) *Ganges-Brahmaputra to Mekong*, Oxford University Press, Bombay, New York 1996, p. 70.

<sup>60</sup> M. Q. Mirza, "Diversion of the Ganges Water at Farakka and Its Impact on Salinity in Bangladesh" *Environmental Management*, Vol. 22, No. 5, 1998, p. 720.

the RLP is implemented. In that scenario, the waterways in the eastern half are feared to be equally affected

### 3.2.3. Loss in Biodiversity

India's RLP will disrupt the entire coastal ecosystem and biodiversity of Bangladesh. The Jamuna river provides 80% of the dry flow of the Meghna estuary. So, upstream diversions of the main flow will have certain impacts on the coastal ecosystem of Bangladesh. Bangladesh has rich and diverse genetic resources of flora (about 5000) and fauna (1500). Out of the 1500 species of fauna, 86 are endangered, 64 are critically endangered and 51 are vulnerable in Bangladesh.<sup>61</sup> Thanks to the RLP, the endangered species will be extinct rapidly from the environment of Bangladesh for disturbance of the habitat and food chain.<sup>62</sup> The Sundarbans, the world's largest mangrove forest (6,000 km<sup>2</sup>), has been severely affected by the flow regulation of fresh water and the saline water intrusion. Many native species like Sundari (*Heritiera fomes*), Gewa (*Exoecaria agallocha*) Keora (*Sonneratia apalata*), Goran (*Ceriops decandra*), etc are now endangered due to inadequate flow from the upstream north and the consequent increase in salinity in the Ganges basin. There is a serious concern in Bangladesh that these valuable forest plants will disappear if the salinity level goes way above the tolerance limit. It may be mentioned that the timber production loss from the 'Sundari' tree was about 1.3 million cubic metres only for the period 1976-82 and the total financial loss from the forest sector was about US\$320 million since the operation of the Farakka barrage.<sup>63</sup> It may be recalled that, due to its significance with respect to global biodiversity, the Sundarbans was declared as a World Heritage site in 1997. And that beautiful, great site is now in danger. The Indian RLP would induce still more harmful changes in the

<sup>61</sup> IUCN 2000, "Red List of Threatened Animals of Bangladesh", *IUCN Bangladesh*, Dhaka, 2000, pp.17-18

<sup>62</sup> Md. Abul Kalam Azad and Ashraful Alam, "Environmental Impact of India's River Linking Project on Bangladesh", M. Feroze Ahmed *et al*, (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, p-218.

<sup>63</sup> M. Q. Mirza, "Diversion of the Ganges Water at Farakka and Its Impact on Salinity in Bangladesh" *Environmental Management*, Vol. 22, No. 5, 1998, p. 720.

hydrological ecosystem of the Sundarbans and drastically worsen its biodiversity.

### **3.3. Social Impacts**

With the growth of population and economic development, demand for water has also grown considerably, creating stress on this finite resource. The satisfaction of one type of water need often makes it difficult to meet other needs. The relationship between people and water is inextricable and very complex. Water is not only essential to life, it is also an integral part of economy, society and ecology. It is not only a part of external situation of a particular society such as agriculture, fisheries, forest, etc but also a part of social organizations and networks. As such, diversion of water from major rivers would cause immense sufferings for the society as a whole.

#### **3.3.1. Loss of Agricultural Practices**

Most of the people of Bangladesh are dependent on natural resources for their livelihood. Any interference with the environment will also tell upon their normal life. Agricultural practices are their main occupation. As mentioned earlier, due to the diversion of river water, flow reduction and lowering of ground water level, agricultural production is diminishing in relative sense. Land is also losing its productivity due to salinity intrusion and low sedimentation carrying capacity of the rivers. One of the grave consequences of all this is that many people are losing their traditional occupations, while many are compelled to take up new trades without required skills. A farmer, rendered landless, is trying his hand in carpentry; an agricultural labourer is becoming a construction worker; yet another land-related person is in masonry. As the fish stock is dwindling gradually from rivers and wetlands, many fishermen are out of fish cultivation. Many boatmen are also out of profession, as some traditional waterways sections have gone dry or become unsuitable for the vessels or even country boats to ply. Shrimp cultivation across the southern, coastal saline zone is very destructive for environment as well as social structures. A study shows that a large number of people are now involved in non-river based activities like rickshaw pulling, etc. The number of professionals in agriculture has

dropped significantly with corresponding swelling of the ranks of rickshaw and van pullers in the countryside as well as in urban centres. For instance, the number of fishermen dropped from 6% to only 0.5%, while that of the rickshaw pullers increased from 1.3% to 5.9%.<sup>64</sup> Jobless and landless village people migrate to cities/towns. As a result, internal migration has assumed unmanageable proportions with multi-faceted ramifications. The impact will be manifold severe if the Indian RLP is implemented.

### 3.3.2. Increase in Water Transmitted Diseases

Water quality depends on the water flow of the rivers. People who are mostly dependent on the surface and ground water for daily use are suffering from some sort of infectious diseases. It is found that one in every four families and 10% of the families are commonly considered asthma patients. It is also reported that an adult daily inhales 20 mg of dust with 20 m<sup>3</sup> of air in Rajshahi region because aridity prevails in northern region and more aerosol dust has been in the air due to indirect impact of low flow in the Ganges.<sup>65</sup> Furthermore, according to World Health Organization experts, 0.05 milligram/liter or 0.05 parts per million is the acceptable level of arsenic in ground water; in some areas of Bangladesh it is up to ten times higher. Many people are affected from drinking the arsenic contaminated water. Arsenicosis is not a single disease. Severe toxicity of arsenicosis causes skin cancer, liver diseases, peripheral vascular diseases, polyneuropathy, lung diseases, etc. Even arsenic can pass on from soil and water into the agricultural products. So, Indian RLP will further increase the arsenic contamination with its impact on health security of the people of Bangladesh.

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<sup>64</sup> See more details in Tajkera Khatun, "The Ganges Water Withdrawal in the Upstream at Farakka and Its Impact in the Downstream Bangladesh", M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, p. 243.

<sup>64</sup> *Ibid.* 244.

### 3.3.3. Obstacle to Cultural Practices

The Hilsha (*Hilsha spp*) is the most popular fish in Bangladesh and it is the national fish of the country. Delicious as it is, Hilsha is part of the Bengali culture.<sup>66</sup> The Hilsha fish stock has dwindled by 99% in the upstream where it is now an anadromous fish. Even biologists are reported to have predicted that after 100 years from now, only a skeleton of this favourite fish will remain in the museum for school children. Other types of fish species will also diminish slowly. As a result, Bangladeshis may have to change their food habit, as fish with rice is their staple food. Rivers have been a perennial source of inspiration and constant subject in the country's literature, art, music and even philosophy of life. Much of the people's creativity and artistic imagination owes its richness and vibrancy from the riverine landscape and soul of the nation. Many Bengali writers have written lots of, and about, music, songs, poetry, literature, culture and philosophy reflecting the contributions of the rivers of Bangladesh. Indeed, they are a real portrayal of the life and livelihood of the people of the river basins.

For more than three thousand years, some rivers have been considered as holy for the Hindu community.<sup>67</sup> All this is threatened to be without a pulsating soul, with many watercourses and water bodies drying up and many related professions disappearing. Furthermore, the Ganges waters turn into natural facilities for swimming, angling, boat racing, and so on. However, these opportunities have rarely been observed since commissioning of the Farakka Barrage. One only shudders to think of the scenario in the event of the RLP implemented.

### 3.3.4. Gender Perspective on Impact of Indian RLP

In the patriarchal settings of Bangladesh, women generally tend to have a subdued voice in decision-making capacities (both formally and informally) and less access to resources. Economic hardship on rural families tends to disproportionately impact women and children

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<sup>66</sup> First *Baishakh* (a Bengali month) is celebrated with *Panta Ilish*. It is a part of *Bangali* culture which is celebrated since long.

<sup>67</sup> The Hindu community usually takes their holy bath in the Ganges (or Padma) and the Shitalakhaya rivers near Langolbanda, Narayanganj.

in much of the Third World countries like Bangladesh. The relationship between women and nature are closely linked with each other. Interestingly, male counterparts oppress both of them. Women in flood-prone, arsenic-prone, salinity- and cyclone- affected, deforested and river-eroded areas are more vulnerable than men. Sometimes, men leave their families or sit idle at times of environmental disasters. But a woman as a mother cannot keep quiet when her children are starving. She collects tree leaves, twigs, food, medicinal herbs for family consumption and survival. Women have to spend more time collecting food, fuel and water. At times, it is too insecure for them. Again, there is a gender dimension in arsenic contamination in water. Women suffer more than men, as they deal with water much more than men. So, it is apprehended that the Indian RLP would intensify women's suffering and hardship.

Let us now discuss the political implications of the proposed RLP within India as also for countries like Bangladesh, Bhutan, China and Nepal.

### **3.4. Political Impacts**

Flood-prone and drought-prone areas or states are considered, from India's RLP point of view, as "water surplus" and "water deficit" zones. The National Task Force (TF) for Indian RLP proposes to transfer water from the water surplus basins - the Ganges and the Brahmaputra, for example - to the water scarce states such as Haryana, Gujarat, Rajasthan, Tamil Nadu and some other southern regions of India. According to the TF, the RLP would greatly reduce the regional imbalance in the availability of water in different river basins and states. However, the impact assessment of massive transfer of water on the "water surplus" basin itself has not been done. Even some experts and donor states (meaning the "water surplus" Indian states] appear to have reservations about the idea of surplus water in international rivers.

#### **3.4.1. Domestic Conflicts in India**

Large areas of India are relatively arid and mechanisms for allocating water are critically important to the welfare of the citizens. Inter-state water disputes are a persistent phenomenon in India. Past experiences show that the central government has very little

influence in this regard over the federating states. Some of the Indian states are even lukewarm in responding to the Supreme Court notice regarding the RLP. The donor states may not be that enthusiastic about sparing the surplus water or even to agree that there are any surpluses. The fact of the matter is that the issue of inland river water in India is a prerogative of the state governments. Since rivers do cross state boundaries, disputes are unavoidable in a federal institutional setting. The Inter-State Water Disputes Act of 1956, legislated to deal with conflicts, included provisions for the establishment of tribunals to adjudicate where direct negotiations have failed. However, states have sometimes refused to accept the decisions of tribunals.

Recent examples like the dispute between the states of Delhi, Haryana and Uttar Pradesh over the Yamuna river, the dispute between Karnataka and Tamil Nadu over the water of the Cauvery, and the sharing of the Ravi-Beas water among Haryana, Jammu and Kashmir, Rajasthan, and Punjab provoked different incidents. Several other disputes over water are still unresolved.<sup>68</sup> Needless to say, not all disputes have had happy endings.

The proposed RLP has already encountered strong opposition.

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<sup>68</sup> The disputes over water not been settled are:

- i. The Krishna - Godavari water dispute among Maharashtra, Karnataka, Andhra Pradesh and Orissa.
- ii. The Cauvery water dispute among Tamil Nadu, Karnataka and Kerala.
- iii. The Narmada water dispute among Gujarat, Madhya Pradesh (MP), Maharashtra and Rajasthan.
- iv. The Tungabhadra project issues other than the high level canal between Karnataka and Andhra Pradesh.
- v. The issue of extension of irrigation from the Rangwan Dam of Uttar Pradesh (UP) between UP and MP.
- vi. The Koymani river dispute between Bihar and West Bengal.
- vii. The dispute over the Keolari Nadi waters between MP and UP.
- viii. The Bandar Canal project, affecting MP and UP. The Krishna-Godavari water dispute among Maharashtra, Karnataka, Andhra Pradesh, MP, and Orissa could not be resolved in spite of negotiations and discussions. Here Karnataka and Andhra Pradesh are the lower riparian states on the river Krishna and Maharashtra is the upper riparian state. The dispute was mainly about the interstate utilization of untapped surplus water.

The examples of the water accord between Tamil Nadu and Kerala, the Narmada agreement, Sultej-Yamuna link project, Madhya Pradesh and Krishna proposal and many more can be cited to highlight the non-implementation or partial implementation of accords signed. The Tamil Nadu government did not abide by the terms and conditions of the Parambikulam Aliyar Project agreement in releasing water into Kerala. This non-compliance might be seen if and when the Indian RLP is implemented. The Kerala state assembly reacted strongly to the proposed linking of three rivers like the Pamba and the Achankvoli to the Valippar river of Tamil Nadu and described it as a discriminatory and unconstitutional scheme. The situation is similar with regard to the Sultej-Yamuna link canal. The Chief Minister of Haryana took the political opportunity and alleged that the Congress-ruled Central and Punjab governments were conspiring to enact an anti-Haryana legislation. He went a step ahead by threatening to cancel the agreement by which Delhi got a share of the Yamuna water from Haryana.<sup>69</sup> Furthermore, the water disputes over the Tehri dam between Bihar and Uttar Pradesh and between Utranchal and Uttar Pradesh may not be ignored by the RLP authority.

The NWDA's assessment that surpluses are available in the Mahanadi and Godavari basins are accepted by the Orissa and Andhra Pradesh governments. However, the states such as Bihar, West Bengal, Punjab and Maharashtra have already shown their disinterest in the project. Even Kerala and Karnataka may object to the idea of eastward diversion of the west-wing rivers. Indeed, Kerala, Bihar, West Bengal, Assam, Punjab, Chhattisgarh and Goa have so far opposed the RLP. Gujarat, Karnataka, Andhra Pradesh, Orissa and Maharashtra have only given a conditional agreement. They have agreed to links where they would receive water but are opposed to those links where they would donate the water. Only Haryana and Tamil Nadu have unconditionally supported the proposal, but then they will be only receiving water from outside.

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<sup>69</sup> Indrajit, "Negotiating Troubled Waters: River-Linking Shared Ecosystems and Regional Diplomacy", M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, pp. 429-430.



Another dispute likely to emerge is related to the issues of rehabilitation and resettlement of the displaced people, compensation for environmental and social harms, and equitable sharing of the cost and benefit of the proposed project. According to the Task Force, about 4, 98,241 people will be displaced due only to the 16 Peninsular links. India is a densely populated country. So, rehabilitation, resettlement and the amount of compensation will create another dimension to the dispute. People's movement due to water diversion is not a new experience for India. In such contexts, public debate on the RLP can only grow louder and keener.

There are examples when India's central government has forced<sup>70</sup> some state governments to implement water related projects. The central government has sometimes intervened directly, but such interventions have been unsuccessful in most intractable cases. It will be even harder to implement such a huge work like the RLP.

### **3.4.2. International Water Disputes and Negotiations**

There are two aspects to the issue of RLP for India to consider for its implementation - inter-state relations within India and international relations in the river basins. Bangladesh, as a co-riparian state and a possible aggrieved party, has expressed grave concerns over India's indiscreet plan to divert water from the Brahmaputra and the Ganges or their tributaries. India's continued insensitivity to the life-and-death issue for lower riparian Bangladesh is likely to aggravate the already strained relationship between the two immediate neighbours. After all, Bangladesh cannot perhaps be faulted if it applies the logic of the Supreme Court of India that has unconditionally ruled that Karnataka (upper riparian state) has to release water to Tamil Nadu (lower riparian state) and that the former cannot keep water for itself at the expense of the latter. The emerging estrangement is not confined to Bangladesh and India; the

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<sup>70</sup> In 1972, Chief Ministers of Madhya Pradesh, Maharashtra, Gujarat and Rajasthan had to sign an agreement stating that Rajasthan would be allotted 0.5 million acre-feet of the Narmada river water annually despite being a non-riparian state. Madhya Pradesh and Maharashtra still have reservations about the agreement and it is clear that they had signed under pressure from the Government of India.

Indian project also concerns the other countries of the GBM basins, such as Nepal and China.

### 3.4.2.1. Nepal

Nepal, an upper riparian vis-à-vis India, has also been encountering problems with its giant neighbour in the south on many water-related issues, including construction of dams in its territory. Nepal has serious reservations about the RLP proposed by India. Nepal's mistrust of India, beside other factors, has been reinforced by what it perceives to be various unequal treaties and agreements - the Sharada Dam construction (1927), the Treaty and Letters of Exchange of 1950 and 1965, the Koshi Agreement (1954), the Gandak Agreement ((1959), the Tanakpur Agreement (1991) and the Mahakali Treaty (1996). Again, without the creation of storage facilities in Nepal, Indian RLP (Himalayan component) is hard to materialize. Interestingly, India has so far not informed Nepal officially.<sup>71</sup>

India has already built extensive canals<sup>72</sup> along the borders with Nepal. The infrastructures developed by India have had adverse impact, particularly inundation and flooding, in the bordering areas of Nepalese territories. Furthermore, the storage building planning in Nepal for Indian RLP will create another problem due to climate change. The average flow of the Himalayan rivers will increase due to ice melting process that can cause a huge disaster like reservoir failure. Nepal has yet to make its position clear on the proposed RLP on the ground that it has not been officially informed by the Indian government. It may be evoked as one of the major irritants in

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<sup>71</sup> See for details, Dwarika N. Dhungel and Shanta B. Pun, "Impact of the Indian River-Linking Project on Nepal: A Perspective of Nepalese Professionals", M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al*, Dhaka, 2004, pp. 27-45.

<sup>72</sup> Such as Bihar's Saran canal, Ghodasan canal, Rajapur canal, Araria canal, Purnea canal, Janaki Nagar canal, Murali ganj canal, Sarada feeding canal, etc.

Nepal-India relations.<sup>73</sup> However, some of the Nepal-related RLP links are already in existence, while some of them are in the process of being linked up. Obviously, the primary concern for Nepal is to ensure that the RLP will not be prejudicial to its water rights both for the present and future Nepalese generations.

### 3.4.2.3. China

China plans to construct a dam at Yarlung-Tsangpo point on the Brahmaputra river in Tibet province to divert 200 billion cubic metres of water annually to the Yellow river.<sup>74</sup> The Yarlung-Tsangpo project is part of China's long-term river inter-linking project to divert water from south to north. China wants to build the dam as water flow of the Yellow river cannot meet up the increased water demand of the people on both sides. There is a possibility of diverting water from north to south for irrigation purposes. Bangladesh is already facing water crisis in its major rivers due to India's Farakka barrage on the Ganges. Some 17 rivers have already died and seven more are awaiting the same fate. About one-third of the water flow in the Brahmaputra-Jamuna would decline if China's dam project is implemented.

However, Bangladesh has not taken any diplomatic initiative up until now, as not much about the Chinese project is known to Bangladeshis, including concerned officials. India has already voiced her concerns about the possible adverse impact in its states of Assam and Arunachal Pradesh. Some experts of India are also concerned about the mega-water-routing of China as well as the dam project. Significantly, India is concerned about its status and rights as a lower riparian vis-à-vis China, while it is planning to implement its RLP in utter disregard for the same of Bangladesh.

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<sup>73</sup> Dwarika N. Dhungel and Shanta B. Pun, "Impact of the Indian River-Linking Project on Nepal: A Perspective of Nepalese Professionals", M. Feroze Ahmed *et al* (eds.), *Regional Cooperation on Transboundary Rivers: Impact of the Indian River-linking Project*, BAPA *et al.*, Dhaka, 2004, p. 35.

<sup>74</sup> Suranith Deabnath, "China Plans To Divert Brahmaputra Waters", *The Daily Star*, 08 May 2007.

### **3.4.2.1. Bangladesh**

The Ganges Water Sharing Treaty of 1996 between Bangladesh and India should serve as the basis for regional watershed management dealing with international rivers between the two countries. According to article IX of this treaty, "...both governments agree to conclude water sharing treaties/agreements with regard to other common rivers". The expression "other common rivers" includes not only the Brahmaputra river but also the 52 remaining common rivers that flow through Bangladesh from India. As per a resolution issued by the Ministry of Water Resources of India, feasibility studies and detailed project reports on the RLP must have been completed by now,<sup>75</sup> although the Government of India has not officially provided any information about it to Bangladesh. This is a gross violation of international law, viewed in the light of the Ganges Water Sharing Treaty of 1996, as well as the current state practice. The Indian RLP has become not only another source of antagonism between the two countries but it also goes against the spirit of the principle of good neighbourly attitude and behaviour.

### **4. Bangladesh's Response to RLP**

A general principle of the United Nations Convention on the Law of Non-Navigational Uses of International Watercourses and the Helsinki Rules represent that the available water must be equitably shared between nations. If the upper riparian countries initiate programmes that may have adverse impacts on the lower riparian nations, they must notify the stakeholder countries of the intended activities. The Indian RLP will transfer huge amount of water from north and northeastern parts to south. The programme has already generated a lot of controversy within India as to its merits and demerits. And, the Indian RLP is a life and death question for Bangladesh. Not only has the Indian government not provided any information about its mega-project to Bangladesh, it remains utterly insensitive to Dhaka's security, development and ecological concerns. Veena Sikri, former Indian High Commissioner to Bangladesh, told that the RLP project was at its conceptual stage,

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<sup>75</sup> The National Perspective 2002, Ministry of Water Resources of India, available at: <http://wrimn.nic.in/interbasin/default8.htm>, accessed on 13 March 2007.

that an unexpected uproar was going on in Bangladesh about the project and that the problem of water sharing could be resolved through bilateral discussions not regional cooperation. She added that Bangladesh's water problem had to do with its mismanagement and that water crisis emerged out of rivers drying up due to silting, lack of dredging, and Bangladesh's incapacity of retaining water during monsoon<sup>76</sup>.

However, there are some non-governmental organizations that disseminate some information about the Indian RLP. International Farakka Committee, Bangladesh Environmental Lawyers Association, Bangladesh Unnayan Parishad, Asia-Pacific Forum of Environmental Journalists, Forum of Environmental Journalists of Bangladesh, Bangladesh Paribesh Andolon, Bangladesh Environment Network, Bangladesh Economic Association, Bangladesh Water Partnership, Bangladesh National Geographic Association, Asiatic Society of Bangladesh, Social Development Network, SAARC People's Forum, different educational institutions and civil society organization in Bangladesh are working on Indian RLP. They are trying to create awareness among the general people and concerned authority in Bangladesh by arranging workshops, seminars, developing websites on it, etc.

While Bangladesh expresses its apprehension about RLP, the Indian government tends to maintain a studied silence over it. What options for Bangladesh then?

#### **4. POLICY OPTIONS FOR BANGLADESH**

The water availability situation in Bangladesh is unique in its characteristics and nature. Considering the annual cycle of water, the country suffers from both surplus (during monsoon from June to September) and scarcity (during the lean season from November to May). Peculiarly, there may be short spells of drought even during the monsoon. There is, thus, an uneven distribution of water in Bangladesh, both spatially and seasonally, which severely constraints

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<sup>76</sup> Veena Sikri told that in a meeting titled "Significance of the Water Sharing in the Ganges-Brahmaputra-Meghna Basin" organized by Bangladesh Institute of International and Strategic Studies (BISS) available at *The Daily Star*, 10 May 2005.

a planned development of the country. The problems for Bangladesh started to exacerbate as India had begun water diversion schemes on the Kosi and Gandak in collaboration with Nepal, the Sharda Sahayak project, the Farakka barrage and other programmes.

India's obsession with bilateralism in negotiations and agreements is a convenient policy of using its weight as a larger state with other neighbouring states in South Asia. But it does not hold in the development and management of international water basins under the UN Convention and for that matter in any inter-state relations in which a number of regional countries have stakes.

With regard to RLP, Bangladesh's strategy needs to be framed in such a way that it takes into consideration all possible contingencies that may arise in the future. Adequate response to safeguard the country's national, particularly economic and security, interests should be paramount in this strategy. Bangladesh may take international, national, institutional, and media level measures to strengthen her position vis-à-vis India in respect of the water related issues.

Let us briefly discuss some of the measures below.

### **International Level Steps**

At the international level, the following measures may be taken:

- The management of international rivers primarily concerns the countries sharing the rivers. So, persistent and consistent negotiations and discussions between concerned governments are essential.
- Parliamentary and civil society delegations from India and other South Asian countries may be invited to see for themselves what is happening in Bangladesh due to the Farakka barrage and other upstream water diversion projects on international rivers.
- The government of Bangladesh may take diplomatic moves at the international level with a view to sensitizing the world public opinion about the problem resulting from the withdrawal of common river water by India through RLP.

- Bangladesh's efforts at resolving water problems may focus on the bilateral and regional levels and, in the event of failure, may lobby on the world stage.
- Bangladesh may take up the issues with international funding agencies in the event of India going further ahead with the project.
- Bangladesh may attempt and persuade India to sign on to the Convention on the Law of the Non-navigational Uses of International Watercourses. On both the countries becoming signatories to the Convention, consultation and negotiations could be easier between them.

#### **Bangladesh's Measures at National Level**

- An in-depth debate in Parliament resulting in a resolution condemning India's unilateral actions, including RLP. This could be one of the ways of displaying national consensus and united political will that is considered by informed observers to be of paramount importance in matters of bilateral and multilateral water resources management in South Asia.
- Bangladesh may strengthen and improve its internal water management. It may acquire the technology for preserving water in the country during the monsoon for use in the dry season. While doing so, the country may also keep in mind the imperative of flood control and of obviating the situations of reduced river flows resulting from upstream diversion by India.
- Conferences, seminars and workshops involving international and local experts could be organized in Dhaka for fixing strategies to meet the challenges of common waters management between Bangladesh and India.
- The government of Bangladesh may gather all necessary information regarding the Indian RLP. The ministries of Foreign Affairs and Water Resources may take the primary responsibilities in doing this. The collected information and data need to be then analyzed and discussed to find out the effects of the RLP on Bangladesh and craft future coping strategies and mechanisms for Bangladesh.

### **Measures at Institutional Level**

- Currently, the Bangladesh-India Joint Rivers Commission (JRC) is not playing its role at the optimum level. Its functionality appears to have become hostage to the swings in the prevailing political mood in both the countries. The JRC lacks authority in identifying and implementing effective solutions. At present, it is simply a recommending body. JRC has to be a commission not in theory but in practice with all the organizational strength and implementing power and authority. In fact, there should be a commission on each of the major rivers concerning Bangladesh and India.
- Relevant research and other organizations in both Bangladesh and India may engage in regular collection and sharing of data on the quantity and quality of common waters. This is important for two reasons. One, it will develop collaboration and friendship between experts and other relevant people of the two countries. And, two, the collected information can be used to set the baselines on existing conditions that help monitor the performance of the treaties/agreements concluded and draft new ones for the future.

### **Media Level Steps**

- Bangladesh may launch an all-out media campaign in the national and international press, radio, television, and web site about the Indian RLP and other water related projects and activities and their effects in Bangladesh. International journalists, television teams and human rights organizations could be invited to see for themselves the havoc created in Bangladesh so that they could screen the same for their viewers.
- The media might be in a better position to get to know and publicize the right and detailed information about the RLP, as the RLP is still not so clear to many. Indeed, the media in both Bangladesh and India could play an important role in awareness building about the project itself as also about its negative fallout on many of its stakeholders.



## 5. CONCLUDING REMARKS

India has shown scant regard for the sensibilities of her co-riparians as well as the domestic stakeholders while developing a gargantuan water scheme like river-linking project. Indeed, India has been less than discreet in terms of transparency about the project with its neighbours, leading to a host of misgivings and concerns within government circles and in the larger societies. The likely adverse effects of the RLP in Bangladesh are all too pervasive, as evident from the foregoing exposition. It is imperative on the part of Bangladesh to take effective steps at the national, institutional and international levels as well as seek cooperation from the media for India to reconsider and its river-linking project that is disastrous to Bangladesh and not beneficial to most stakeholders in India itself.

Bangladesh can create diplomatic pressure on China as per the United Nations Convention on the Law of Navigational Uses of International Watercourses.<sup>77</sup> The Brahmaputra is an international river. China cannot build dams on it without earlier consent of the lower riparians - India and Bangladesh. As such, India's proposed RLP and China's attempt to build dams are potentials for interstate conflicts in the GBM region.

Regional cooperation is an important instrument to redress the current situation in the GBM region by working together for national development, collective gains and sustainable ecosystem. There is already a long history of co-operation on water resource sharing in South Asia between India and Nepal, India and Pakistan, India and Bhutan and India and Bangladesh. India is common to all water resources co-operation arrangements in the region. Currently, there is no joint approach for water resources management involving all the concerned riparian states. Whatever co-operation is there, it is bilateral in nature. Therefore, an all-round basin development approach in the eastern Himalayas could be an example of regional cooperation like in the Mekong river basin.

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<sup>77</sup> The United Nations Convention on Non-Navigational Uses of International Watercourses 1997 disallows countries from barring natural flow of water of any international river.

*Hosna Jahan Shewly*

## **REGIONALISM AND SECURITY CONCERNS POST 9/11: A SOUTH ASIAN PERSPECTIVE**

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### **Abstract**

The September 11, 2001 attacks on New York and Washington triggered a series of immediate, enduring and varied responses from nations to secure their sovereign territories from terrorist attacks or terrorism. At the same time, different regional organisations are also taking additional regional security measures. Since then the EU and the NAFTA have taken Counter-Terrorism Action Plan and security strategies to face new security threats. Therefore, the 9/11 event forced a reassessment of vulnerabilities and the realisation of the benefits of cooperation rather than unilateralism. The event of 9/11 is also significant for South Asia. In the post-9/11 reality, the region became the epicentre of the fight against international terrorism, and the region is experiencing sharp rise in terrorist activities including bomb blasts. Hence, SAARC is concluding different agreements or adopting safeguard measures to stop terrorism. In such context, this paper analyses South Asian security concerns in the post-9/11 period and the SAARC initiatives in response to new security environment. It also focuses on the implementation process of different regional security measures and problems in quest for a new approach to security.

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## 1. INTRODUCTION

The September 11, 2001 attacks on New York and Washington triggered a series of immediate, enduring and varied responses from nations to secure their sovereign territory from terrorist attacks or terrorism. Visibly, the US has taken the lead in defining terrorism as the utmost threat and shaping security measures in response to the attacks. However, their lead has been followed in different degrees elsewhere. As Alan Dupont, Director of the Asia-Pacific Security Programme in Australia says, 'Where the US goes, others will follow'.<sup>78</sup> Among the responses, one of the most prominent ongoing reactions is to enhance surveillance operations through better means of identifying, classifying, profiling, assessing and tracking the population. David Lyon considers that 9/11 shaped a 'new era' of political control that superseded previous legal restrictions on monitoring citizens. Therefore, he states, 'At times, the need for greater vigilance becomes apparent and, in that sense, the events of 11 September acted as a wake-up call'.<sup>79</sup> These are not only individual actions by single states; rather, initiatives have been taken regionally through agreements such as the Smart Border Accord on the US-Mexico and the US-Canada borders. Similarly, EU approved Counter-Terrorism Action Plan and security strategies to face new security threats after 9/11.

The event of 9/11 is also significant for South Asia for two particular reasons. Firstly, it made South Asia the initial theatre of the "war on terrorism" declared by President George W. Bush and reordered US relations with the region.<sup>80</sup> The most substantial and immediate result was the entrance of American security forces in

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<sup>78</sup> David Lyon, *Surveillance after 9/11*, Polity Press, Cambridge, 2003, p. 06.

<sup>79</sup> *Ibid.*, p. 16

<sup>80</sup> P Nayak, "US Security Policy in South Asia since 9/11- Challenges and Implications for the Future", *Occasional Paper Series*, Asia-Pacific Centre for Security Studies, 2005, pp. 1-15, available at: <http://www.apcss.org/Publications/Ocasional%20Papers/USSecurity3.pdf>, accessed on October 25, 2007.

Afghanistan and Pakistan for the first time. Secondly, sharp rise of terrorism and bomb blasts in South Asian region especially in Pakistan. The South Asian Association for Regional Cooperation (SAARC) has taken a range of security measures since its inception to stop terrorism. However, all the South Asian states are declaring terrorism as their utmost adversary in all regional forums since the terrorist attacks of 9/11; hence they are approving a range of different agreements or safeguard measures.

In this context, this paper analyses South Asian security concerns in the post-9/11 period and SAARC initiatives in response to new security environment. It also focuses on the implementation process of different regional security measures and problems in searching for a new approach to security. Hence, this paper starts with discussing the global trends in regional security strategy after 9/11, focusing on NAFTA and EU. Section two will analyse how the post-9/11 reality and accommodation with the US war on terror has shaped regional security concerns within South Asian countries. Section three will highlight the SAARC initiatives to secure South Asia in this period and their implementation process. Finally, the conclusion will highlight the problems in achieving an effective regional security strategy.

This paper does not include Afghanistan mainly because of two reasons. The first is that the regional security measures were undertaken before Afghanistan's inclusion in SAARC in 2007, although no new security initiatives have been undertaken since. And, the other reason is that, due to its international dimension, terrorism in Afghanistan is quite different from that in some other member countries of SAARC.

## **2. GLOBAL TREND IN REGIONAL SECURITY STRATEGY AFTER 9/11**

A security strategy is a policy-making tool which, on the basis of given values and interests, outlines long-term overall objectives to be achieved and the basic categories of instruments to be applied to that end.<sup>81</sup> It serves as a reference framework for everyday policy-making

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<sup>81</sup> Sven Biscop & Rik Coosaet, "The World is the Stage- A Global Security Strategy for the EU", *Policy Paper*, No. 08, Notre Europe,

in a rapidly developing and increasingly complex international environment. The US is the dominant global player defining security strategy, and the other states and organizations follow the US framework of thoughts and promote their own policy priorities in terms of both objectives and instruments. Therefore, this paper emphasizes more on North American anti-terrorism measures after 9/11. The immediate US response to the terrorist attacks included a dramatic heightening of border inspections and toughening of the policy discourse about borders and cross-border flows. Politicians from across the political spectrum have been rushing to demonstrate their commitment to securing border.<sup>82</sup> Accordingly, complex advances in security technologies and the “Smart Border” accords signed by the three countries have emerged as a preferred solution to the problem of screening for terrorists and weapons of mass destruction. However, it disrupted the smooth flow of individuals and goods which come across North America’s frontiers.

The Smart Border Declaration between the US and Canada includes a 30-point plan. It focuses particularly on greater cooperation in areas of immigration, customs and security. It accepted the expansion of an alternative inspection programme called NEXUS. In NEXUS, applicants apply once, are checked by both governments, and receive one card that allows them to cross into either country.<sup>83</sup> Other initiatives include Joint Passenger Analysis Units (JPAUs), compatible immigration databases, officer deployment overseas, and coordination of visa requirements. In addition, the US and Canada currently have common visa policies for 144 countries, leaving only a handful of countries for which differences are of any significance, and they have agreed to consult each other when considering a third country for visa imposition or visa exemption.<sup>84</sup> Both the states have a working process in order to

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December 2003, available at: <http://www.irri-kiib.be/papers/notre-eur.Policypaper8.pdf>, accessed on July 05, 2008.

<sup>82</sup> Peter Andreas, “ A Tale of Two Borders: the US-Mexico and US-Canada Lines after 9/11”, *Working Paper 77*, May 2003, The Centre for Comparative Immigration Studies, University of California, pp. 01-14.

<sup>83</sup> Deborah Waller Meyers, “Does Smarter Lead to Safer? An Assessment of the US Border Accords with Canada and Mexico”, *International Migration*, Vol. 41, No. 4, 2003, pp. 05-44.

<sup>84</sup> *Ibid.*

coordinate the freezing of designated terrorists or terrorist organization's assets. Recently, they established joint teams to analyse and disseminate information and intelligence, and produce threat and intelligence assessments.<sup>85</sup> This joint initiative combines the intelligence and law enforcement capabilities of five agencies to identify and stop the movement of high risk people and goods between these two countries. Therefore, they are trying ensuring comprehensive and permanent coordination of law enforcement, anti-terrorism efforts and information sharing through the Smart Border Agreement.

For Mexico, there are heightened pressures and expectations to contribute to the US anti-terrorism goals. Accordingly, the Mexican government detained and questioned hundreds of people of Middle Eastern origin, restricted the entry of citizens from a number of Central Asian and Middle Eastern origin and provided the US authority with intelligence information on possible suspects based in Mexico.<sup>86</sup> Similar to the US-Canada security measures, the US-Mexico border agreement established a joint Advance Passenger Information System (APIS) to provide better data regarding entries into its own country and prevention as a point of terrorist transit.<sup>87</sup> They are also working on exchanging core data electronically, testing technology, and expanding private sector partnerships as well. The US is not only moving to have border accord with Mexico but also support financially to accomplish her desired security measures. For example, as Mexico lacked the budget and resources for implementation of initiatives, the US Congress approved US \$ 25 million to help Mexico implement the agreement.<sup>88</sup> Other items in the agreement include: joint financing of development and infrastructure at the border and a low risk NAFTA traveler programme at airports.

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<sup>85</sup> James Jay Carafano, "Northern Exposure: The Right Way to Address US-Canadian Counterterrorism", *Backgrounders*, no. 2104, the Heritage Foundation, February 01, 2008, pp. 01-08.

<sup>86</sup> A Tale of Two Borders: the US-Mexico and US-Canada Lines after 9/11, *op.cit.*, pp. 01-14; Peter Andreas, "The Mexacization of the US-Canada Border", *International Journal*, Spring 2005, pp. 449-462.

<sup>87</sup> *Ibid.*

<sup>88</sup> Does Smarter Lead to Safer? An Assessment of the US Border Accords with Canada and Mexico, *op.cit.*, pp. 05-44.

In EU, 9/11 triggered a new era of security that was further enhanced after 2004. The European Union (EU) adopted in 2002 a framework decision to fight more efficiently against terrorism. It contains a definition of terrorist offences, defines infringements linked to terrorist acts, and covers behaviours which may contribute to such acts, approximates the level of sanctions between Member States and explicitly guarantees the respect for fundamental rights. The four-pillars of the EU's Counter-Terrorism Strategy - prevent, protect, pursue, and respond - constitute a comprehensive and proportionate response to the international terrorist threat. Article 29 of the Treaty on European Union specifically refers to terrorism as one of the serious forms of crime to be prevented and combated by developing common action in three different ways: closer cooperation between police forces, customs authorities and other competent authorities, including Europol; closer cooperation between judicial and other competent authorities of the Member States; and approximation, where necessary, of rules on criminal matters. The Strategy sets out their objectives to prevent new recruits to terrorism; better protect potential targets; pursue and investigate members of existing networks and improve our capability to respond to and manage the consequences of terrorist attacks.<sup>89</sup> But the Council also called for a focus upon 'priority third countries where counter-terrorist capacity or commitment to combating terrorism needs to be enhanced'.<sup>90</sup> The EU also enhanced protection of their external borders to make it harder for known or suspected terrorists to enter or operate within the EU through the biometric information in identity and travel documents.

For all the cases, improved border control and sharing of intelligence and high technology play an important role in combating terrorism. Almost all the measures are related to visas, refugees, terrorist watch list and terrorism financing. Additionally, their main concern is their land border and they are trying to best secure their borders through biometrics. Thus, both the regions are trying to

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<sup>89</sup> For detail see, the European Union Counter Terrorism Strategy, 2005.

<sup>90</sup> European Council, "Declaration on Combating Terrorism", brussels, March 25, 2004, available at: [http://www.eu2004.ie/templates/document\\_file.asp?id=10762](http://www.eu2004.ie/templates/document_file.asp?id=10762), accessed on July 03, 2008.

achieve an effective security strategy to prevent external threats. Accordingly, the member states are preparing themselves to support each other. For North America, there is no trilateral security strategy rather all the measures are bilateral. However, both Canada and Mexico are working to increase their own security and that of the US population as well. Consecutively, the main Central American neighbours, in turn, complain that a hardening of Mexico's southern border means Mexico is doing Washington's police work.<sup>91</sup> Nevertheless, the 9/11 event forced a reassessment of vulnerabilities and the realisation of the benefits of cooperation rather than unilateralism.

### **3. SOUTH ASIAN SECURITY AND REGIONAL POLITICS IN THE POST-9/11 PERIOD**

Before the 9/11 event, US security ties to South Asian nations ranged from the minuscule to the non-existent.<sup>92</sup> Conversely, in the post-9/11 reality, the region became the epicentre of the fight against international terrorism, and the US reordered relations with the region.<sup>93</sup> Different factors contributed to such a shift in US-South Asia relations. Firstly, the Post-9/11 policies and practices, especially the war on terror led by the US, provide a sharp focus on the religious extremist's terrorism controlled by Bin Laden and his network. The propinquity with a Taliban-ruled Afghanistan brought the war on terror to the doorstep of South Asia. Secondly, in the current changed atmosphere, states are held responsible for the acts of terrorism carried out by their own non-state actors on their soil or in other countries, which is especially significant for Muslim countries. For instance, the Muslim world, in the eyes of many, appeared to be the breeding ground for all contemporary terrorist activities, and all the South Asian nations are either Muslim or contain a significant Muslim population. Lastly, and most

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<sup>91</sup> *Ibid.*

<sup>92</sup> US Security Policy in South Asia since 9/11- Challenges and Implications for the Future, *op.cit.* , pp. 01-15.

<sup>93</sup> *Ibid.*, p.12; Walter k. Anderson, "A Selective War on Terrorism?", *Strategic Asia*, 2004-05, pp. 227-260, available at:[http://www.nbar.org/publications/strategic\\_asia/pdf/sa04\\_8s-asia.pdf](http://www.nbar.org/publications/strategic_asia/pdf/sa04_8s-asia.pdf), accessed on December 20, 2007.



significantly, President Bush made a tough choice saying ‘... every nation, in every region, now has a decision to make. Either you are with us, or you are with the terrorists’.<sup>94</sup>

Against this backdrop, the key South Asian players, India and Pakistan, stimulated by the hope of strategic gains, offered their all-out support to the US in every possible way.<sup>95</sup> Pakistan President Musharraf’s cooperation with Washington has brought some important gains to his country including the desperately needed international aid from the United States, Japan, Europe and international financial institutions. US humanitarian aid before 9/11 had been viewed partly as a means to keep Pakistan from becoming a ‘nuclear basket case’. The theme after 9/11 was terrorism prevention, including the provision of alternatives to the anti-Western madrassah-based education that has been widely blamed for fueling *jihadism*.<sup>96</sup> On the other hand, with the expansion of US-Indian relations in this period being largely dependent on the respective private sectors’ investments, the big growth area in the official relationship has been a military-to-military tie including high level contacts, joint training, joint patrols, and a variety of exercises. Nevertheless, the other South Asian countries have also provided their full cooperation to the US. Therefore, the South Asian countries decided to join the US-led war against terrorism to seek and secure their political and economic interests.<sup>97</sup> On the other hand, they did not want to be a US target, although the governments’ positions dissatisfied the mass of the people in the region. Therefore, instead of taking practical steps to eradicate causes which promote terrorism,

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<sup>94</sup> President Bush’s address to a joint session of the Congress and the American People, September 20, 2001.

<sup>95</sup> Razia Musarrat, “US War on Terrorism and Its Impact on South Asia”, *Journal of Political Studies*, Department of Political Science, Punjab University, 2007, pp. 01-19, available at: <http://www.pu.edu.pk/polsc/jops/previousissue.htm>, accessed on July 02, 2008.

<sup>96</sup> US Security Policy in South Asia since 9/11- Challenges and Implications for the Future, *op.cit.*, pp. 01- 15.

<sup>97</sup> A Selective War on Terrorism, *op. cit.*, p. 231; Stephen P. Cohen, *India: Emerging Power*, The Brookings Institution Press, Washington DC, 2002.

in most cases the South Asian regimes wanted to oblige the United States in its highly controversial war on terror.

Over the last several decades, almost all of the South Asian states have faced the menace of terrorism, either in the form of ethnic turmoil, political or religious schism. Terrorism in this region is an outcome of large-scale poverty, under-development, and marginalisation of minorities. The rise in religious intolerance and ethnic conflicts in Sri Lanka, Pakistan, India, Nepal and Bangladesh led to acts of violence and terrorism causing instability and insecurity in these countries. In South Asia, terrorism is not a post-September 11 phenomenon, though, while addressing violence, it has been given a new perspective and dimension by the state and non-state actors of the region. The state actors linked the South Asian terrorism with the US-led war on terror and re-labelled the rebel groups as terrorists. Therefore, a major implication of the war on terror in South Asia has been severe curbs on various ethnic and religious movements who were suspected of having links with foreign or transnational terrorist organisations. For example, Nepal was put on the world terrorist map, as the Maoists there were assumed to have links with the Al-Qaeda.<sup>98</sup> Similarly, the Tamil Tigers and splinter Tamil groups in Sri Lanka, the Kashmiri freedom movements in the Indian controlled parts of Jammu and Kashmir, and various extremist religious parties and groups in Bangladesh and in Pakistan were perceived to have links with a network of international terrorism, and in some cases were dubbed as terrorists by their governments.<sup>99</sup>

Terrorism and Islamist factional violence in Pakistan of course predated 9/11, but the war on terror has spurred new cooperation between Islamist groups and terrorists in other South Asian countries as well. In contrast, terrorist attacks and the capture of Al-Qaeda

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<sup>98</sup> Abdur Rob Khan, "Impact of September 11 on south Asia with special reference to Bangladesh, Nepal and Sri Lanka", in F. Sobhan (ed.), *Strengthening Cooperation and Security in South Asia Post 9/11*, The University Press Limited, 2004, pp.221-233.

<sup>99</sup> M Ahmar, "South Asian response to war on terrorism", *Journal of Political Studies*, Department of Political Science, Punjab University, available at: <http://www.pu.edu.pk/polsc/jops/previousissue.htm>, accessed on October 11, 2007.

activists in different parts of Pakistan demonstrate that the *Al-Qaedaism* is spreading. Again, they are relocating themselves to other countries, especially in Pakistan, because of the massive anti-Taliban drive in Afghanistan. It can also be a painstaking consideration that Al-Qaeda's methods of networking, terror strikes and ideology are attractive and spreading among hard-line religious extremist groups in South Asia. For instance, we can consider the rise of religious extremists in Bangladesh like the JMB (*Jamaatul Mujahideen Bangladesh*), who never themselves claimed to be part of Al-Qaeda, followed the same line of terror strikes to accomplish their objectives. Again, the Al-Qaeda's network is not very noticeable in South Asia (except Pakistan), yet it needs to be borne in mind that it grows quietly and is only visible through dynamic and highly innovative attacks. After early July 2007, the Red Mosque incident, killing of Benazir Bhutto (Pakistan's first and only female Prime Minister) and suicidal attacks all over Pakistan substantiate such cohesive networking. It is also impossible to forecast its future course of movement. On the other hand, the general composition of attacks has changed after 9/11; the terrorists are largely relying on deadly bombings more than ever before in South Asia.

Strategically and politically, the implications of 9/11 for South Asia have made it difficult to cut down defence expenditure. Since 9/11, the US has lifted arms sanctions against Pakistan, India, Azerbaijan and Tajikistan, although the reasons for imposing the embargo have remained valid as before.<sup>100</sup> These US sanctions were lifted after 9/11 in order to support Pakistan in the counter-terrorism drive.<sup>101</sup> France is also resuming military ties with Pakistan. However, the assistance was not only provided for direct coalition building, but also for governments in support of their fight against rebel-led movements, most of which were re-labelled as counter-

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<sup>100</sup> Sibylle Bauer, "Arms Exports Post 9/11-and the Flood Gates Open?", *European Security Review*, no. 11, March, 2003.

<sup>101</sup> J Sherman, "U. S. to Pakistan: Focus on War on Terror", *Defense News* (online), October 25, 2004, available at: <http://www.academicinfo.net/terrorismus.html>, accessed on January 03, 2008.

terrorism.<sup>102</sup> In this connection, the arming of South Asia has also manifested itself as a creeping militarisation beyond the official jurisdiction of the state: the arming of ‘non-state actors’ such as local warlords, regional resistance groups and worldwide terror networks.<sup>103</sup> According to the International Action Network on Small Arms (IANSA), the majority of small arms in the region do not originate in South Asia, but in the West and are transported across the golden crescent and golden triangle. Thus, the real threat of weapons proliferation in the region comes from more than 250 militant and insurgency movements spawned in South Asia during the last four decades, about 110 of which are currently active.<sup>104</sup> Accordingly, the global availability and acquisition of illegal small arms and light weapons empowered terrorism in the region since the end of the Cold War.

It is also imperative to analyse the inter-state political relations vis-à-vis foreign policy shifts in the post-9/11 period, which is quite significant for regional security. Yet, an understanding of the regional politics prior to the events of 9/11 is also required. India, because of its size, population and strategic location, has been functioning as a regional hegemon. Almost all of the endemic tensions, mutual distrust and frequent eruption of hostilities are the outcome of the contradictions of India’s security perceptions vis-à-vis those of the smaller neighbours. However, 9/11 intensified mistrust among the states, who blame each other for sponsoring and harbouring the terrorists that affect their neighbours, and which is quite visible in relations between India and its neighbours, especially Pakistan, Bangladesh and Nepal. For instance, India suspects that Bangladesh is becoming a hideout for Al-Qaeda and establishing cross-border networks with Indian extremist groups, while Nepal is alleged to be responsible for a Maoist upsurge in India.

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<sup>102</sup> Impact of September 11 on South Asia with Special Reference to Bangladesh, Nepal and Sri Lanka, *op.cit.*, pp.221-233.

<sup>103</sup> Emrys Chew, “Globalization and Military-Industrial Transformation in South Asia: An Historical Perspective”, *Working Paper Series*, No. 110, Institute of Defense and Strategic Studies Singapore, 2006, available at: <http://www.ntu.edu.sg/RSIS/publications/WorkingPapers/WP110.pdf> , accessed on October 20, 2007.

<sup>104</sup> R Hariharan, “Militancy and Small Arms Proliferation”, *The Hindu*, April 20, 2007.

To overcome such frustrating relations, or after realising that joint efforts are very essential to resolve such issues, some bilateral measures have been taken. For example, the joint initiative between India and Bangladesh to curb terror activities in the Northeast India–Chittagong Hill Tracts border area. However, the long history of mistrust, which has been reinforced following 9/11, often undermines those collaborative efforts. In addition, India and Pakistan always consider each other as an adversary and have been making efforts to establish their strategic superiority by thwarting any gains made by each other. In this connection, India aspired and worked to categorise Pakistan as a ‘harbouring state’ in the light of its known support for groups practising terrorism in Jammu and Kashmir. Nevertheless, the intensification of India-Pakistan rivalry after 9/11 is an equally important security concern for the whole region as, ultimately, it is obstructing most of the regional initiatives under the aegis of SAARC.

#### **4. SAARC INITIATIVES TO CONTROL THREATS IN THE POST-9/11 PERIOD**

As discussed in the previous section, the changed perception of terrorism and global movement concerning non-state actors and the US attitude towards South Asia have demanded various accommodative strategies for the countries in this region. Individually, all the states of the region immediately took initiatives in tackling terrorism and all kinds of illegal activities in their territories. Regionally, SAARC is the only organisation for all the states of this region that pays attention to curbing illegal activities in the region through various regional schemes. SAARC has categorised terrorism as the most terrible security threat since the founding of that organisation, while drug trafficking, arms trade and growing linkages between arms-drug-terrorist activities had been recognised since the 1990s. Because of the sluggish decision making process and frequent postponement of SAARC summits, the ratification and implementation of almost all initiatives and measures takes place, by and large, after a decade or even longer period of time. Therefore, many of the on-going SAARC initiatives are overlapping with post-9/11 concerns and measures.

As mentioned earlier, terrorism has been at the top of the list among the SAARC security agendas both in the pre- and post-9/11 period. The SAARC approved the Regional Convention on Suppression of Terrorism in 1987, which came into force in 1988. The key objective of this convention is to take effective measures to ensure that perpetrators of terrorist acts do not escape prosecution and punishment within the region. The convention has three important components that, in effect, can be very useful measures to tackle terrorism by mutual collaboration. Firstly, any contracting state may try an offender (citizen of any other contracting State) regardless of where the crime (in the case of offences enumerated in the Convention) was committed. For instance, if a person commits a crime in Nepal and is arrested in Bangladesh, then the Bangladesh government will have the power to try that person. Secondly, a contracting state in whose territory an alleged offender is found, shall, upon receiving a request for extradition from another contacting state, take appropriate measures, subject to its national laws, so as to ensure their presence for purposes of extradition or prosecution.<sup>105</sup> Therefore, the convention facilitates extradition or prosecution where necessary, so providing the least opportunity for offenders to escape. The third important section of the convention is the identification of certain serious offences as ‘terroristic offences’, and which, for the purposes of extradition, would not be treated as being of political nature.<sup>106</sup> This was essential to prevent offenders from taking recourse to the plea of political activity. It is fascinating that in 1987 SAARC took some strong and concrete measures to fight against regional terrorism, while terrorism did not receive such concern in other parts of the globe.

William Allen explains that, prior to 9/11, policing the international financial systems focused mainly on the criminal enterprise of corporate fraudsters, drug traffickers, stock swindlers, and all those seeking to segregate their criminal money from their

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<sup>105</sup> Article I and II, SAARC Regional Convention on Suppression of Terrorism 1987.

<sup>106</sup> Article I and II, SAARC Regional Convention on Suppression of Terrorism 1987.

crimes.<sup>107</sup> Immediately after the 9/11 attacks, the US launched a 'war on terror' financing, and Mona Atia mentions that more than 100 countries followed the US lead by introducing new legislation to combat terrorist financing.<sup>108</sup> Interestingly, international law was changed within two weeks of the attacks, and UN Resolution 1373 criminalised all activities falling within the ambit of terrorist financing. In compliance with UN Security Council Resolution 1373, SAARC adopted an Additional Protocol to suppress terrorist financing during the 11<sup>th</sup> SAARC Summit in January 2002. The Additional Protocol on Terrorism was adopted to combat terrorist acts by criminalising the provision, acquisition and collection of funds for such acts.

The measures to prevent terrorist financing cover the establishment and maintenance of a financial intelligence unit, for each member, to serve as a national centre for the collection, analysis and dissemination of pertinent money laundering and terrorist financing information. The financial intelligence unit would work for: (i.) the identification of suspicious customers, and unusually large or suspicious transactions in banks or other financial institutions; (ii.) detecting and monitoring movements of cash, bearer negotiable instruments, and other appropriate movements of value across national borders; and (iii.) establishing and monitoring channels of communication between agencies and services to facilitate and secure rapid exchange of information relating to terrorist financing. Previously, the 1987 convention lacked a mechanism for tackling terrorist financing, and the new convention is intended to put in place formulas similar to the 'follow the money' paradigm. Therefore, South Asian leaders are also trying to view terrorism and terror financing through the lens of the US-led 'war on terror'.

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<sup>107</sup> For detail, see William Allen, "The War Against Terrorism Financing", *Journal of Money Laundering Control*, Vol. 6, No. 4, 2003, pp. 306-310.

<sup>108</sup> Mona Atia, "In whose Interest? Financial Surveillance and the Circuits of Exception in the War on Terror", *Environment and Planning D: Society and Space*, vol. 25, no. 3, 2007, pp. 447-475.

Currently, the concept of cooperative security mechanisms is becoming widespread, as observed in NAFTA, EU or ASEAN. Cooperative security is not the consequence of 9/11, rather that event strengthened or provided more concern for the establishment of such mechanisms. SAARC is also trying to pursue this track; for example, its member states are committed to exchanging information and intelligence and forging cooperation among Liaison Officers (Anti Terrorist Law Enforcement Officers). Cooperative security recommends a mechanism for resolution of conflicts through dialogue and negotiations, together with a heavy and long-term reliance on confidence building measures.<sup>109</sup> On the other hand, police chiefs of the member countries are meeting from time to time and have agreed to share information related to trans-border crimes among police organisations. Further, SAARC is taking initiatives to establish SAARC Police. In addition, the SAARC Terrorist Offences Monitoring Desk (STOMD) has been established in Colombo to collect, analyse and disseminate information about terrorist incidents, tactics, strategies and methods. Such initiatives are derived from the concept that many problems lie beyond the capacity of any one country to resolve. All such measures embody and give a regional focus to many of the well-established principles of international law in combating terrorism.<sup>110</sup>

As part of the ‘war on terror’, measures to combat terrorism financing have blocked significant amounts of money as suspect terrorist ‘sources of money’. Furthermore, a ‘war on drugs’ and ‘war on crime’ have been launched as supporting actions of financial surveillance to constrict terrorist groups’ quest for alternative funds. As Thomas M. Sanderson reveals, while charities and other forms of funding sources have increasingly been shut down, terrorist groups are relying on trafficking and other forms of crime as obvious and

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<sup>109</sup> S Bhardwaj, “India and Bangladesh: border issue and security perceptions”, in Farooq Sobhan (ed.), *Bangladesh-India dialogue: vision of young leaders*, The University Press Limited, Dhaka, 2004.

<sup>110</sup> M. Islam, “Trade between Bangladesh and the Bordering Indian States: A Choice between Legal Trade and Smuggling”, paper presented in the Second Dialogue on Interaction with the Indian bordering States at Bangladesh Institute of International and Strategic Studies, Dhaka, August 16-17, 2000.



easy alternatives.<sup>111</sup> With this in view, the US also pressures countries of different regions of the world to take actions against organised crime. Therefore, strict US vigilance is visible in South Asia in terms of the above mentioned nexus. SAARC is also taking several initiatives to stop human trafficking and combat the nexus between drug and arms trading within the region. For example, the SAARC Convention on Preventing and Combating Trafficking in Women and Children was signed in 2002 that entered into force in 2005.

The scope of the Convention is to promote cooperation amongst member states in order to effectively deal with various aspects of the prevention, interdiction and suppression of trafficking in women and children, the repatriation and rehabilitation of victims of trafficking, and preventing the use of women and children in international prostitution networks, particularly where the SAARC member countries are the countries of origin, transit and destination.<sup>112</sup> The vision of the Convention indicates that it is not formulated as a strategy to stop terrorism financing, rather it frames trafficking as serious violation of basic human rights. Rather, it can be considered as an 'indirect' impact of the US war on terrorism finance. For example, since 2001 the US government has produced annual reports on trafficking by countries that receive US foreign assistance. In the annual report, countries are ranked in tiers, based on government efforts to combat trafficking. Countries in tier 3 are potentially subject to non-humanitarian and non-trade sanctions.<sup>113</sup> Needless to say, all the SAARC members receive foreign assistance, and are thereby directly subject to US pressure to control trafficking.

According to the 2002 Convention, a Regional Task Force has been constituted by the SAARC member states to implement the

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<sup>111</sup> Thomas M Sanderson, 'Transnational Terror and Organized Crime: Blurring the Line', *SAIS Review*, Vol. 24, No.1, 2004, pp. 49-61.

<sup>112</sup> For detail, see 11<sup>th</sup> SAARC Summit Declaration, 2002.

<sup>113</sup> Sandra I. Keefer, "Human trafficking and the impact on national security for the United States", *USAWC Strategy Research Project*, Strategic studies Institute of the U. S. Army War College, March, 2006, available at:  
<http://www.strategicstudiesinstitute.army.mil/pdffiles/ksil389.pdf>, accessed on December 30, 2007.

Convention. The first meeting of this Task Force was held in New Delhi on July 26, 2007, which decided to: (i) exchange ideas of best practices by the respective governments, NGOs and members of civil society to combat trafficking, (ii) develop a standard operating procedure to implement the various provisions of the Convention, and (iii) and accept an offer of the Government of India to conduct relevant training programmes in capacity building for stakeholders of SAARC Member States. It is generally accepted that trafficking is a serious problem for the region and which cannot be eradicated by any single state, therefore the SAARC Convention is seen as a milestone on the path to coordinated interventions against trafficking at the regional level. However, as the definition of trafficking provided in the Convention does not address trafficking from a general perspective but only focuses on prostitution, the text of the Convention needs to be reviewed in order to broaden its scope. Furthermore, the main problem is that the issue has been discussed in all the SAARC Summits, but no joint step has been taken yet. A national action plan and a road map have been developed in all of the SAARC countries, but implementation has never been undertaken.<sup>114</sup>

## 5. CONCLUSION

The events of 9/11 presented a unique set of circumstances and challenges, due to the resulting new constellations of world and regional powers. In the post-9/11 period, South Asia is at a crossroads of the war on terror, religious militancy and a huge arms trade. The 9/11 attacks added new security concerns, and the US policies in the existing intra-state conflict dynamics also created pressure on the countries of the region to control all kinds of terrorism. Therefore, 9/11 brought some changes in South Asian security issues. Firstly, the 9/11 attack and subsequent US policies popularised the Al-Qaeda movement and religious extremism among Muslims in the region.

Secondly, a US branded 'risk perception' and 'focus on terrorism' have been transmitted to South Asia. Discourses that addressed the combating of terrorism pre-dating 9/11 did not narrow their scope onto Islamic terrorism; rather concerns were focused on

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<sup>114</sup> See, *The New Nation*, July 28, 2006.

Liberation Tigers of Tamil Eelam (LTTE), Maoist movement, North East India insurgents, and so on. By contrast, post-9/11 discourses, in most cases, are pushed by different anti-terrorism measures linking existing terrorist concerns with the new threat from Al-Qaeda. Finally, the first US anti-terrorism effort following 9/11 was the attack on Taliban-led Afghan government that, eventually, intensified the US involvement in South Asia. Since then, the US State Department has been vigilant on a range of issues, like human trafficking, terrorism and so on, and has been publishing annual reports on them. Therefore, states are more concerned to satisfy the US and, accordingly, are shaping their counter-terror drives to accord with the US war on terror.

While terrorism is on the rise, the regional security measures are not effective in South Asia. Undeniably, all the conventions on terrorism and human trafficking have some very noteworthy procedures to check such activities within the spirit of regionalism. However, none of the conventions is a complete code by itself, and any specific request invoking provisions is to be implemented by the state parties. For that reason, all the contracting parties need to adopt some domestic legislation to implement all these conventions, which has not been done yet. The heads of state have reiterated their firm commitment to combating these activities in the region since 1985, but this has not yet been accomplished, and this certainly raises questions about their political will. For instance, security measures which were ratified in 1988 could not be implemented even two decades later because of the lack of domestic legislation in all member countries. The position is similar for the SAARC Terrorist Offences Monitoring Desk (STOMD) and the SAARC Drug Offences Monitoring Desk (SDOMD) in Colombo, because both have failed to maintain a regular flow of relevant information so as to function the desks effectively. These are interesting examples of how a security 'vision' is incomplete, contested and always subject to politics. It tells us that the member states fall short in achieving mutual trust to move towards a common security vision. Each state wants to get back its own terrorists while refusing to do the same for the others. Thus, the regional security recipe, which was drafted about one and half decades before 9/11 and was boosted in the aftermath of those attacks, has not been a very successful effort in terms of implementation.

Alternatively, the SAARC has been proceeding with some very pragmatic agreements or initiatives to check terrorism in both the pre- and post-9/11 periods, while at the same time they think terrorism in South Asia is trans-national in nature and eradication is quite impossible without joint actions. However, small states perceive India's invisible hand involved in the persistence of their problems, while India blames other members for working to destabilise India. Hence, a sense of 'insecurity' or mistrust on joint security measures prevails among the members. Thus, South Asian security policy lacks direction, determination and consistency.

Now, if we look back to EU and NAFTA, the post-9/11 policy initiatives should be viewed as trust and confidence building measures. The primary success has been the increased cooperation and coordination between the governments which is absent in South Asia. All of the NAFTA and EU agreements take specific steps to address the on ground day to day challenges through the use of new and innovative programme. On the other hand, both the organisations are united for terrorism which they consider as external threats. For South Asia, terrorism is intra-regional and cross-border in nature. Therefore, the decades old suspicion among the South Asian neighbours blocks any regional security initiatives. However, the growing instability and security risks call for immediate cooperation among the members. As the US failed to secure its territory by unilateralism, South Asian countries need to learn a lesson or two from such experience.

*Mohammad Rafiqul Hasan Siddiqui\**

## **QUANTITATIVE ANALYSIS OF SAFTA: A BANGLADESH PERSPECTIVE**

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### **Abstract**

The South Asian Free Trade Area (SAFTA) is the first FTA implemented in the South Asian region. The paper explores and analyses quantitatively the impact of SAFTA on trade flows and customs revenue of Bangladesh by using Partial Equilibrium (PE) framework. The paper also analyses in details the trade and revenue effects on some selected commodities at the aggregate level, and products have been selected for simulation on the basis of trade complementarity and export specialisation. The economic characteristics of South Asia and the salient features of the SAFTA agreement suggest that FTA alone may not generate substantial economic benefit for the countries of the region. The current trade structure reveals that there are only few commodities that demonstrate high trade complementarities and export specialisation between Bangladesh and other South Asian countries. The paper finds that the estimated trade generation by SAFTA is not substantial for Bangladesh and that the overall trade expansion is mostly driven by trade creation. Another finding is that most of the expanded trade would be generated by the efficient producer in the region. The likely consequences of SAFTA for Bangladesh's revenue would not be significant and the amount of any revenue loss would be at a manageable level for the country.

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## 1. INTRODUCTION

The economic doctrine prevailing in the present era of international trade is the theory of comparative advantage. According to this theory, international trade must be dictated by the comparative advantage of each country in producing certain products, and thus every nation would benefit from such trade.<sup>115</sup> In order to reap benefits from international trade it is essential to create a situation that is free from all trade barriers. Virtually, all countries of the world have sought to exploit the advantages of free trade through multilateral institutions under the aegis of WTO and regionally by forming regional trading arrangements (RTAs). South Asian countries have not stood aside from the trend towards RTAs.<sup>116</sup> They are either participants or potential participants in RTAs, and some of them participate simultaneously in several such agreements. The first initiative towards regional cooperation in South Asia was the South Asian Association for Regional Cooperation (SAARC) that was established in 1985. The SAARC countries started their economic integration with SAARC Preferential Trading Arrangement (SAPTA) that came into force in December 1995 and then moved towards even deeper economic integration - South Asian Free Trade Area (SAFTA). SAFTA was signed in 2004 and it came into operation from 1 July 2006.

SAFTA is the first FTA that came into operation in Bangladesh, as well as in the rest of the region. FTA is a matter of lively debate among politicians, non-governmental organizations (NGOs), businessmen, intellectuals and policy makers. Much of this debate is often fuelled by perceptions rather than careful review of the analytical framework or empirical foundations. Critics have pointed out that joining SAFTA exposes the poorer countries to the whims of the advanced countries that benefit more from this open access,

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<sup>115</sup> Bo Sodersten and Geoffrey Reed, *International Economics*, MACMILAN Publishers, London, 1994, pp. 5-9.

<sup>116</sup> In this paper, SAARC countries, SAFTA countries and South Asian countries are used as substitutable and these countries are Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

leading to unequal exchange and exploitation. The popular view is that the potential benefits accrued from the SAFTA would be minimal. Most of these critics have pointed their fingers to the limited complementarities in the region, the informal trade between member countries, the minimal intra-regional trade, the SAARC countries' western-directed trade, the inadequate preconditions for SAFTA, and the possibility of substantial trade diversion by SAFTA.

Another concern for Bangladesh is the possible loss of revenue due to the implementation of SAFTA. It is worth mentioning that Bangladesh's revenue to GDP ratio remains among the lowest in the world and most of its revenues come from import related taxes. Due to the low revenue collection, public investment in infrastructure and human capital has been inadequate in Bangladesh compared with most countries in the world.<sup>117</sup> Although the concerns of the least developed countries (LDCs) in this regard are reflected in the SAFTA agreement, as it includes the mechanism for compensation of revenue loss to be incurred by LDCs, the debate over revenue loss and compensation mechanism has not yet abated.

The objective of the paper is to analyse the impact of SAFTA on the trade flows and customs revenue of Bangladesh in the light of this regional trade arrangement and thus contribute modestly to the debates. Before going to examine the impact of SAFTA, it is desirable to analyse in brief the SAFTA agreement itself. The agreement is the blueprint of shaping future trade relations in this region. Although SAFTA is in operation, a careful investigation at the product level is also required to know the probable opportunities or losses for the product. The paper aims to analyse in details the trade and revenue effects for selected commodities at the aggregate level. Against such a backdrop, the paper is organised in six sections, including the introductory one. The second section discusses about the methodology and data required for the quantitative analysis of SAFTA. A brief overview of South Asian trade patterns and an analysis of SAFTA agreement are highlighted in the third and fourth sections respectively. Section five presents a quantitative analysis of trade gains and revenue loss in the context of Bangladesh. The final

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<sup>117</sup> Trade Policy Review: Bangladesh, WTO, 2006, available at: [http://www.wto.org/english/tratop\\_e/tpr\\_e/tp269\\_e.htm](http://www.wto.org/english/tratop_e/tpr_e/tp269_e.htm), accessed on July 4, 2008.

section highlights certain limitations of the paper and ends with some concluding remarks.

## 2. METHODOLOGY

The paper has used partial equilibrium (PE) framework while analysing one product, with all other markets remaining constant. The SMART simulation technique, jointly developed by the UNCTAD and the World Bank (WB) and widely utilised by negotiators of both bilateral and multilateral trade agreements, is used to quantify trade gains. The PE model developed by Hoekman and others (2001), modified to incorporate domestic taxes into the import demand and revenue, is used for simulations and calculations of revenue effect.<sup>118</sup> The paper is based on the cross sectional data covering the year 2005. The major sources of data for the estimation are WITS (World Integrated Trade Solution), ITC Trade Map, Tariff and Trade Database of OECD, and the National Board of Revenue (NBR) of Bangladesh.

For quantification of the effects on trade flows, partial equilibrium model (see Methodological Appendix-1) is applied with different trade indexes, explaining in details with all main equations, the analytical tools and the steps required to arrive at the final results. For the quantitative analysis, the author has applied simulation only for four member countries of SAFTA - Bangladesh, India, Pakistan and Sri Lanka - and has analysed the data on bilateral basis and not treating the SAFTA as a group. Like Calfat and Flores (2006), a filtering mechanism is used to assess prospective products for trade effect. The following criteria are used as filters<sup>119</sup>:

- i. Complementarity between one country as exporter and another country as importer;
- ii. World comparative advantage (for the exporting country);

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<sup>118</sup> Bernard Hoekman, *et.al.*, "Eliminating Excessive Tariffs on Exports of Least Developed Countries", *Policy Research Working Paper 2604*, World Bank, 2001, Washington, D.C.

<sup>119</sup> G Calfat and R.G.Jr Flores, "The EU-Mercosul Free Trade Agreement: Quantifying mutual gains" *Journal of Common Market Studies*, Issue 44, No. 5, 2006, pp. 865-1116.



iii. The tariff the product faces in the importing country is equal or more than 6 per cent;

iv. The product is not in the sensitive list of the importing countries under SAFTA.

If the product scores high in the first three dimensions, it is considered to have prospective gains from the agreement. Trade Complementarity Index (TCI) and Revealed Comparative Advantage (RCA) are used to assess the first two requirements. For the third requirement, tariff data is used for the simplicity that tariff liberalisation will apply only on tariff. The quantitative analysis is performed at six-digit level of the Harmonized System (HS) code. Calculation of TCI, RCA, and trade creation (TC) and trade diversion (TD) is based on the data of 2005. Before going to present the outcome of calculation, one thing should be mentioned that the calculation is based on statistics of formal data. Considering tariff lines, in which no trade occurred before liberalisation, the calculation would project no trade after liberalisation either. When the absence of trade is caused by a lack of comparative advantage of the commercial partner, this is the course of a perfectly acceptable projection. Absence of trade is not only due to the lack of comparative advantage but also due to prohibitive tariffs, non-tariff barriers, stringent rules of TBT, SPS and rules of origin and many other reasons. If non-tariff, para-tariff and other barriers are withdrawn and informal trade directed through formal channel, the simulation would be an underestimation.

On the other hand, to calculate revenue effect the paper has incorporated excise taxes and other surcharges and VAT into the import demand and revenue equation in the model (see Methodological Annex-2) developed by Hoekman and others. The impact of implementing FTA on customs revenue is examined on the basis of the country's tariff level prior to joining the FTA, the trade liberalisation programme under FTA and import demand elasticity. Based on the trade flows and trade policy data in 2005, the revenue effect is estimated only for Bangladesh.

### **3. SOUTH ASIAN TRADE: A BRIEF OVERVIEW**

There are enormous variations in South Asian countries in terms of the size of their population and the size and other characteristics of their economies. Table 1 illustrates the points by presenting population, GDP, trade per capita, trade to GDP ratio and share in the world trade of the seven South Asian countries in 2005. The SAARC countries' total population is almost 1.56 billion and their combined gross domestic product is US\$2.6 trillion measured at current rate. India is by far the largest economy in South Asia, followed by Pakistan and Bangladesh. India alone represents 80 per cent of the region's GDP and 76 per cent of the its population. This region is one of the most densely populated and poorest regions in the world. South Asia accounts for merely 2 per cent of global GDP whereas almost one-fifth of global population lives here.<sup>120</sup> The economic size of the region remains tiny; this region accounts for 2.53 per cent of world exports and 2.55 per cent of world imports. If India is excluded, the share of South Asian exports in the global total becomes 0.31 per cent and the share of South Asian imports in the world import becomes 0.47 per cent. The trade GDP ratio of India, Pakistan and Bangladesh is not as much as other small economies in the region. As the region remains poor and the trade is not contributed much to the GDP, trade per capita for most of these countries is also poor. Bangladesh, Bhutan, Nepal and Maldives are Least Developed Countries (LDCs), designated by the UN, while India, Pakistan and Sri Lanka are considered as developing countries. As of 2007, all South Asian countries, except Bhutan (Observer), are members of WTO. Considering the economic characteristics of South Asian countries - mainly small regional market relative to the world both in terms of GDP and trade flows and the high level of external protection – the World Bank (2007) envisages that regional integration may not generate the beneficial productivity and growth in the region<sup>121</sup>.

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<sup>120</sup> "India Country Note South Asia Regional Economic Cooperation: Private Sector Perspectives", *World Bank Annual Program*, 1 October, 2004, Washington, D.C.

<sup>121</sup> "South Asia: Growth and Regional Integration" WB, 2007, Washington D.C., available at :

**Table 1: Population, GDP and Trade Related Indicators of South Asian Countries, 2005**

	Population (In thousand)	GDP		Trade Per capita *	Trade to GDP ratio *	Share in world trade	
		PPP (Current US\$ m)	Current US\$ m			Exports	Imports
Bangladesh	141,822	283,225	59,958	153	38.0	0.09	0.13
Bhutan	918	----	840	593	73.2	0.00	0.00
India	1,094,583	3,815,553	785,468	235	36.6	2.22	2.08
Maldives	329	----	817	3,982	166.3	0.00	0.01
Nepal	27,133	41,485	7,346	128	51.3	0.01	0.02
Pakistan	155,772	374,313	110,732	172	33.1	0.15	0.23
Sri Lanka	19,582	89,481	23,479	831	78.3	0.06	0.08

**Source:** WTO Statistics database, 2007

--- denotes 'Not Available'

\* denotes that trade per capita and trade to GDP ratio data are in 2003-05.

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<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/0,,contentMDK:21224087~pagePK:2865106~piPK:2865128~theSitePK:223547,00.html>, accessed on 07 July 2008.

It is evident from the trade statistics (Table 2) that the intra-regional trade in South Asia did not increase substantially during the 1980s. It has steadily increased after 1990. Unilateral trade liberalisation policies took place in India, Pakistan, Bangladesh and Nepal in the 1990s and these unilateral policy reforms contributed to a more rapid expansion of trade not only outside but also between each other. The total intra-South Asian export was US\$ 640 million in 1980, which went up to US\$ 861 million in 1990. In 1996, the total intra-regional export increased to US\$ 2,242 million - just within 6 years. It further promisingly increased in 2005 and stood at US\$ 7,062 million. Nevertheless, it is noteworthy that despite such increment in export, it did not contribute much to the growth of intra-regional export, as evident from the share of intra-regional export in global export of South Asian countries. It was only 4.9 per cent in 1980, which remained almost the same in 2005 with 5.5 per cent.

**Table 2: Intra-regional Export in South Asia since 1980 (In million \$ US)**

Country	1980	1985	1990	1996	2001	2003	2005
Bangladesh	68.5	77.4	60.0	60.9	92.1	109.2	186.5
Bhutan				97.1	106.7	116.9	
India	307.0	22.0	487.0	1,650.0	2,051.0	2,785.0	5129.0
Maldives	2.1	4.1	7.0	11.0	17.0	15.7	17.2
Nepal	23.9	45.8	15.0	74.1	243.8	335.2	343.7
Pakistan	165.7	145.4	223.0	240.0	264.0	342.0	733.0
Sri Lanka	73.2	53.3	59.0	109.0	157.7	350.1	653.4

Grand Total	640.0	551.0	861.0	2,242.1	2,931.7	4,054.0	7,062.7
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**Source:** IMF Direction of Trade Statistics, 2006.

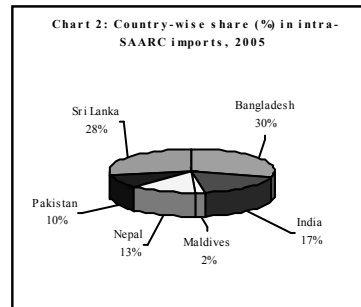
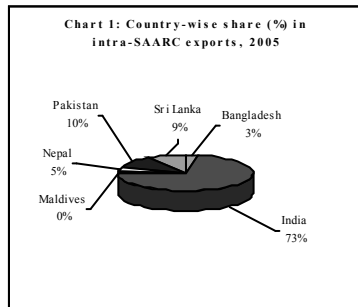
On the other hand, intra-regional import in South Asia did not register any significant growth during the nineteen eighties, which stood at US\$ 603 million in 1980 and US\$ 729 million in 1990. In the 1990s, a steady increase was observed, having gone up to US\$ 2,866 million in 1996. By 2005, the total intra-regional imports went up to US\$ 7,103 million. However, intra-regional import over total import of South Asian countries represented 2.4 per cent in 1980 and 3.83 per cent in 2005.

**Table 3: Intra-regional Import since 1980 (In million US\$)**

Country	1980	1985	1990	1996	2001	2003	2005
Bangladesh	96.7	87.8	257.0	1,129.7	1,299.1	1,608.1	2119.0
Bhutan				80.6	152.4	193.4	
India	141.0	125.0	97.0	198.0	504.0	754.0	1241.0
Maldives	4.7	6.5	18.0	60.6	93.2	114.2	129.3
Nepal	104.9	96.7	52.0	457.0	178.5	238.1	921.6
Pakistan	124.5	95.1	121.0	293.0	295.0	314.0	711.0
Sri Lanka	131.3	117.9	184.0	647.0	712.5	1,175.4	1981.1
Grand Total	603.0	529.0	729.0	2,866.0	3,234.6	4,397.1	7,103.1

**Source:** IMF Direction of Trade Statistics, 2006

Bangladesh is the leading regional importer in South Asia (Chart 1). A careful analysis of intra-regional trade reveals that whatever increase is observed in intra-South Asian export during the 1990s and thereafter was due to a sharp increase of exports of India to other South Asian countries, notably to Bangladesh and Sri Lanka. In fact, the increasing trend of imports to Bangladesh was observed throughout the period between 1990 and 2003 due to trade liberalisation measures initiated by Bangladesh in the early 1990s. On the other hand, import of Sri Lanka from India increased since 2000 because of the commencement of Indo-Sri Lanka Free Trade. Chart 2 reveals that regional export is dominated by India and it accounts for three-fourths of the intra-regional exports. Apart from Maldives, Bangladesh is the lowest exporter in South Asia as far as regional exports are concerned.



Intra-regional trade in the SAARC region as a share of total merchandise trade of SAARC region is very low, even less than 5 per cent. Insignificant bilateral trade between India and Pakistan persistently resists expanding of intra-regional trade in South Asia. Compared to other regions, intra-regional trade as a share of GDP was also lowest for the South Asian economies<sup>122</sup>.

<sup>122</sup> Global Economic Prospect 2005, World Bank.

#### 4. SAFTA AGREEMENT: AN ANALYSIS

A circumspect view of the SAFTA agreement reveals that the agreement is implemented through a number of core instruments such as trade liberalisation programme (TLP), rules of origin, institutional arrangements, consultations and dispute settlement procedures, safeguard measures, technical assistance for LDCs, revenue compensation mechanism, etc. SAFTA consists of arrangements relating to tariffs, para-tariffs, non-tariff measures and direct trade measures.

##### 4.1. Trade Liberalisation Programme

Trade liberalisation programme (TLP), which is the most important part of the agreement, has three components: period and pace of tariff reduction, product coverage and provisions for addressing para-tariff and non-tariff barriers. The TLP provides for different time frame for tariff reduction by LDCs and non-LDCs. It also requires accelerated tariff reduction by non-LDCs for the products of LDCs. Tariff will be reduced from MFN tariffs applied on 1 January 2006, which are considered as the base rates. Thus, the agreement requires tariffs to be reduced to zero to five per cent by non-LDCs among them, following the next schedule:

**Table 4: Pace of Tariff Reduction by non-LDCs to non-LDCs**

Tariff lines	SAFTA tariff on 1 July 2006	SAFTA tariff on 31 December 2006	SAFTA tariff on 31 December 2007	31 Dec. 2008 to 31 Dec. 2012 (SL 2013*)
Lines >20%	$(t-20)/4$	$(t-20)/4$	$(t-20)/2$	(0-5)% in 5 equal instalments (SL 6 Instalments)
Lines < 20%	5% MoP	10% MoP	10% MoP	

- MoP means margin of preference ,  $t$  denotes the MFN tariff applied on 1 January 2006

\* For Sri Lanka 1 extra year.

The non-LDCs are required to reduce their tariffs to zero to five per cent within three years for the products of LDCs. The agreements provide longer time frame for LDCs to reduce their tariff. They are required to reduce their tariffs for both LDCs and non-LDCs by 31 December 2015. It is evident from the TLP that LDCs have been given sufficient flexibility to reduce their tariffs in terms of longer time period. Moreover, LDCs will be provided market access opportunity within shorter periods by non-LDCs. So, it can be deduced that the agreement takes care of the vulnerability of the economies of LDCs, on the one hand, and gives increased opportunity, on the other, for export products of LDCs in non-LDC markets.

***Sensitive List***

The extent of benefits to be accrued under SAFTA largely depends on the size of the sensitive lists and their product coverage since tariffs on the products covered by the sensitive lists are not subjected to reduction. The sensitive lists shall be reviewed after every four years with a view to reducing the number of items.

**Table 5: Size of the Sensitive Lists under SAFTA**

Country	Total number of products in Sensitive List (6-digit HS)		Coverage of Sensitive List as % of Total HS Lines (6-digit HS)	
	For LDCs	Non-For LDCs	For LDCs	Non-For LDCs
Bangladesh	1,254	1,249	24.0%	23.9%
Bhutan	157	157	3.0%	3.0%
India	865	744	16.6%	14.2%
Maldives	671	671	12.8%	12.8%



Nepal	1,335	1,299	25.6%	24.9%
Pakistan	1,191	1,191	22.8%	22.8%
Sri Lanka	1,079	1,079	20.7%	20.7%

**Source:** Author's own calculation from SAFTA Sensitive List<sup>123</sup>

A detailed analysis of the sensitive lists shows that Bangladesh is not willing to open up the sectors like textiles and clothing, base metal, electrical appliances and miscellaneous industrial products, while Bhutan tries to protect prepared foodstuff, vegetable products, mineral products and wood products. On the other hand, most sensitive products for India are vegetable products, apparel and plastic and rubbers, while Nepal gives importance to animal products, vegetable products, prepared foodstuff, plastic and rubber and textiles and clothing. Pakistan has given importance to plastic and rubber products, textiles and clothing, machinery and electrical appliances, base metal and articles. The major items included in the sensitive list of Sri Lanka are vegetable products, prepared foodstuff, plastic and rubber products, animal and animal products and base metal and products. Maldives basically gives importance to plastic and rubber products and base metal.

#### ***Tariff Rate Quota of Garments***

Under tariff rate quota (TRQ), India agreed to provide duty free access from 1 July 2006 for readymade garments, which are covered by sensitive lists in the following manner:

- 3 million pieces made of fabrics, yarn of Indian origin;
- 3 million pieces made of fabric produced either in Bangladesh or India; and
- 2 million pieces by satisfying the SAFTA rules of origin.

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<sup>123</sup> "SAFTA Sensitive List", available at: [www.saarc-sec.org](http://www.saarc-sec.org), accessed on 4 July, 2008

Moreover, India agreed to remove specific duty on 99 tariff lines of textile sector from the date of implementation and 105 tariff lines of textile sector on which specific duty would be removed within three years of implementation.

#### **4.2. Rules of Origin**

The Rules of Origin (ROO) agreed under SAFTA are general in nature (i.e. single criterion for all products). In order to enjoy preferential market access under SAFTA a product must undergo sufficient processing for changing the tariff heading from the non-originating inputs and for having value at least 40 per cent value addition of fob value. However, value addition requirements are lower for LDCs - 30 per cent of fob value – while 35 per cent of fob value for Sri Lanka. Moreover, regional cummulation rules are applied if the aggregate value addition is 50 per cent and the exporting country has at least 20 per cent value addition and sufficient processing for changing the tariff heading from the non-originating inputs.

#### **4.3. Mechanism for Compensation of Revenue Loss**

A mechanism has been established to compensate the probable revenue loss to be incurred by the LDCs due to reduction in tariffs. The compensation will be paid in cash in US dollars and partial. Revenue loss will be estimated using a formula and compensation will be available for four years (for Maldives compensation will be available for six years). The extent of compensation for each of the LDC contracting members is different only in percentage of the customs duty collected from SAARC import in 2005 - 1 per cent for the first year, 2 per cent for the second year, 5 per cent for the third year and 3 per cent for the fourth year; for Maldives it is 5 per cent for the fifth and sixth years. It is only an apparent success for LDCs that such type of provision is there in the agreement considering their vulnerability, for the extent of compensation is not that impressive.

### **5. A QUANTITATIVE ANALYSIS OF SAFTA: BANGLADESH PERSPECTIVE**

### 5.1. Impact on Trade Flows

RTAs are likely to succeed in strengthening intra-regional trade if the trade structures of member countries exhibit strong complementarities. However, the existing South Asian trade structure shows a limited number of products with high trade complementarities. High trade complementarity of Bangladesh exports in other SAARC countries is summarised in the following table 6.

**Table 6: Trade Complementarities of Bangladesh Products in Other SAARC Countries**

Importing country	No HS lines (6-digit HS)	Major Products
India	27	Jute, jute yarn, jute twine, jute sacks, anhydrous ammonia, cotton waste, leather, vegetable fats etc.
Sri Lanka	14	Jute fabrics, terry towel, coriander seeds, textile products, Jute twine, Jute sacks, Jute yarn, etc.
Pakistan	15	Jute, tea, vegetable products, textile machinery, urea, bamboo, synthetic fibres, jackets, etc.

**Source:** Author's own calculation

The outcome of TCI for certain products like jute, jute yarn, twine, rope of jute, jute sacks is surprisingly high, as Bangladesh is one of the major producers of jute and jute products in the world. South Asian countries are the major importers of those products. On the other hand, other South Asian countries have high trade complementarities mainly in cotton, fabrics, and textile materials in Bangladesh market that can be seen in the following table 7. Pakistan and India produce high-quality cotton and they export good volume of cotton and textiles all around the world. On the other hand, readymade garments are the prime export items of Bangladesh and

Bangladesh imports most of its textiles and accessories from rest of the world, including South Asia. The trade complementarities show the intuitive results for these products. India being one of the major import sources of Bangladesh shows high trade complementarity in wide range of products. The TCI shows that Sri Lanka has high trade complementarities in copra, coconut oil, textile labels, enzymes, etc.

**Table 7: Trade Complementarities of Other SAARC Countries' Products in Bangladesh**

Exporting country	No HS lines (6-digit HS)	Major Products
India	181	Yarn, cotton, woven fabrics, textile materials, lentils, turmeric, machinery, onions, aluminium wire, steel tubes, chemicals, foods, ores and basic metals, etc.
Sri Lanka	27	Woven fabrics, cotton, copra, crustaceans, labels, coconut oil, enzymes, insecticides, etc.
Pakistan	101	Cotton, fabrics, textile materials, cumin seeds, motor-cycles, nuts, etc.

**Source:** Author's own calculation

Export specialisation of Bangladesh in other SAARC countries and other SAARC countries' export specialisation in Bangladesh are shown in the table 8 and 9 respectively. Jute and jute products are the main areas of Bangladesh's specialisation. Although Bangladesh exports its RMG to many countries of the world, very few are exported to South Asia, particularly to India. Why is it so? It is found that most of Bangladesh's apparel and textile products are facing compound tariffs in these countries; in such a case the imported product is subjected to the higher ad-valorem or specific duties (5.3 per cent of Indian tariff line). Moreover, import of Bangladesh's textile and textile articles are facing technical regulation in that these

products shall not contain any of the hazardous dyes whose production, carriage or use is prohibited by the Government of India. This type of non-tariff barriers (NTBs) in Indian trade policy thwart Bangladesh's exports to India.

**Table 8: Export Specialisation of Bangladesh in Other SAARC Countries**

Importing country	No HS lines (6-digit HS)	Major Products
India	20	Jute, jute twine, jute sacks, jute yarn, anhydrous ammonia, cotton waste, saltwater fish, etc.
Sri Lanka	8	Jute fabrics, terry towel, jute twine, jute sacks, jute yarn, etc
Pakistan	7	Jute, tea, jute fabrics, vegetable products, urea, bamboo, jackets, etc.

**Source:** Author's own calculation

Although India is one of the major sources of imports for Bangladesh, it has trade complementarity in 181 HS lines while only 36 HS lines have high export specialisation. It means that imports of Bangladesh from India are not coming from the most competitive source since these products do not show a high export specialisation. Pakistan demonstrates high export specialisation in 53 HS lines and most of these products are textile related and few others from motorcycles, nuts, cumin seeds, etc. Sri Lanka has high export specialisation in only 9 HS lines.

**Table 9: Export Specialisation of Other SAARC Countries in Bangladesh**

Exporting country	No HS lines (6-digit HS)	Major Products
India	36	Yarn, cotton, lentils, turmeric, onions, machinery for sugar, woven fabrics, textile materials, aluminium wire, steel tubes, chemicals, foods, ores and basic metals, etc.
Sri Lanka	9	Copra, crustaceans, woven fabrics, cotton, labels, coconut oil, enzymes, etc.
Pakistan	53	Cotton, fabrics, textile materials, cumin seeds, motor cycles, nuts, etc.

**Source:** Author's own calculation

Before going to check the opportunities for Bangladeshi exportable products to different SAARC countries, the products that have already enjoyed the preferential access in different SAARC countries need to be identified (Table 10). It is evident that Bangladesh has already got preferential access in other SAARC countries. Most of its exportable products include jute and jute products, fertiliser, etc at different rates.

**Table 10: Products with Preferential Access Enjoyed by Bangladesh in Other SAARC Countries under SAPTA and APTA**

Country	Products
Bhutan	Preparation of cereals, soap, ceramic products, footwear, tea, pharmaceutical products,

India	Fish, edible oil, Fertiliser, Sugar confectioneries, biscuits, preparations of vegetables, pharmaceutical products, paints and varnishes, cosmetics, soap, Plastic products, Leather products, textiles and clothing, Jute and jute products, footwear, ceramic products, artificial flower, electrical goods, Clocks and watches, Furniture, etc.
Nepal	Fruit juices, pharmaceutical products, cosmetics, cotton fabrics, footwear, ceramic products, etc.
Maldives	Leather goods, paints and varnishes, etc.
Pakistan	Cotton yarn and fabrics, tea, jute and jute yarn, clocks and watches, silk yarn and fabrics, bamboo, molasses, tobacco, betel leaves.
Sri Lanka	Glycerol, cosmetics, leather, jute fabrics, jute carpets, etc.

**Source:** Based on Consolidated National Schedule of Concessions

Through the four steps of filtering process, it is found that Bangladesh exhibits trade opportunities for 13 HS lines at 6-digit level in India, 1 HS line at 6-digit level in Pakistan and 1 HS line at 6-digit level in Sri Lanka. These selected 13 HS products account for 40 per cent of the total export of Bangladesh to India. The highest number of opportunities of 5 HS lines exists in the jute sector. In case of Pakistan, the only opportunity is bamboo that accounts for an insignificant share of total Bangladeshi export to Pakistan. The only opportunity in Sri Lanka is jute bag that accounts for 3.6 per cent of total Bangladesh's export to Sri Lanka. Those HS lines have high trade complementarity and export specialisation for Pakistani and Sri Lankan market; most of these products are facing very low tariff protection therefore they were screened out by the filters. Table 11 shows number of opportunities for Bangladesh in the South Asian market and table 12 shows the frequency of opportunities for Bangladesh.

**Table 11: Opportunities for Bangladesh’s Export in Other SAARC Countries**

Importing country	No of opportunities (6-digit HS level)	% of total exports
India	13	39.63
Sri Lanka	1	3.60
Pakistan	1	0.11

**Source:** Author’s own calculation

Among the three countries, Pakistan has the highest number of trade opportunities in Bangladesh; the opportunities contain 22 HS lines, which cover almost half of its export to Bangladesh. India and Sri Lanka have opportunities in 19 HS lines and 1 HS lines that do not cover significant share of their own exports to Bangladesh. The numbers of HS lines at 6-digit level that have high complementarity and export specialisation but screened out by the filter of sensitive list of Bangladesh under SAFTA are as follows: for Pakistan 27 (out of 53), for India 13 (out of 36) and Sri Lanka 8 (out of 9).

**Table 12: Frequency Distribution of Opportunities for Bangladesh**

HS 2-digit	Description	No of opportunities (6-digit HS level)		
		India	Sri Lanka	Pakistan
14	Vegetable plaiting materials, vegetable products			1



15	Animal, vegetable fats and oils, cleavage products, etc	1		
17	Sugars and sugar confectionery	1		
52	Cotton	2		
53	Other vegetable textile fibres, paper yarn and woven fabrics of paper yarn	5		
56	Wadding, felt, non-wovens, yarns, twine, cordage, etc	1		
63	Other made textile articles, sets, worn clothing etc	1	1	
65	Headgear and parts thereof.	1		
79	Zinc and articles thereof.	1		
Total		13	1	1

**Source:** Author's own calculation

**Table 13: Opportunities for Other South Asian Countries in Bangladesh**

Exporting country	No of oppourtunities (6-digit HS level)	% of total exports
India	19	7.27
Sri Lanka	1	16.84
Pakistan	22	48.27

**Source:** Author's own calculation

The most frequent opportunities for other SAARC countries are in the cotton sector; 20 HS lines of Pakistan, 6 HS lines of India and only 1 HS lines of Sri Lanka are in this sector. India has opportunities in wide range of sectors. The other frequent opportunities are related also to the textile sectors.

**Table 14: Frequency Distribution of Opportunities for Other South Asian Countries in Bangladesh**

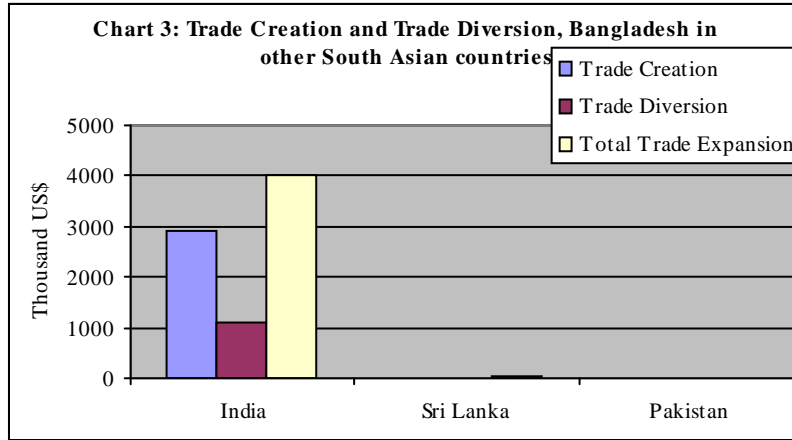
HS 2-digit	Description	No of opportunities		
		India	Sri Lanka	Pakistan
09	Coffee, tea, mate and spices			1
13	Lac, gums, resins, vegetable saps and extracts	1		
25	Salt, sulphur, earth, stone, plaster, lime and cement	1		
26	Ores, slag and ash	1		
32	Tanning, dyeing extracts, tannins, derives, pigments etc	1		
48	Paper & paperboard, articles of pulp, paper and board	1		
52	Cotton	6	1	20
54	Manmade filaments	2		
55	Manmade staple fibres	3		
60	Knitted or crocheted fabric			1
72	Iron and steel	1		

73	Articles of iron or steel	1		
84	Nuclear reactors, boilers, machinery, etc	1		
Total		19	1	22

**Source:** Author's own calculation

### ***Bangladesh's Gains in Other SAARC Countries***

Market access simulations are performed for a subset of the products exhibiting trade opportunities. For the simulation, consideration is emphasised on only a full tariff liberalisation, which means that the final tariff would be per cent ad-valorem. Trade expansion with the category of TC and TD of the selected Bangladeshi export products is depicted in chart 3. For India, the 13 HS Bangladeshi export product show a total trade expansion of 4 million US dollars in which TC effect of almost 2.9 millions of US dollars and TD effect is 1.1 millions of US dollars. The scenario reflects that after full implementation of SAFTA (3 years for LDCs products in Non-LDCs) for the selected 13 products would generate 4 million dollars of additional exports. Bangladesh's current export of these 13 products is 50.54 million US dollars, which represents 8 per cent increase over their actual export volume towards India. Moreover, in such a case, trade creation dominates over trade diversion.



**Source:** Author's own calculation

On the other hand, trade expansion for the selected products in Pakistan and Sri Lanka is insignificant - only 9 thousand and 29 thousand US dollars respectively. However, for the selected products export to Pakistan and Sri Lanka will be increased by 12 per cent and 9 per cent of the pre-SAFTA amount. In case of bamboo exports, expansion is driven by trade diversion effect in the Pakistani market.

At the product level, trade expansion of Bangladeshi selected exportable products in India is presented in table 18. The highest export in terms of volume will be generated in jute sacks - almost 1.2 million US\$ followed by jute - and these products have higher trade creation effect implying that Bangladesh will be the cheapest source of import for these categories of products. The highest export in terms of percentage will be generated in zinc waste and hat. On the other hand, trade diversion will be generated by jute twine and unbleached woven fabrics. This implies that Bangladesh will export to India, although it is a relatively high cost producer.

**Table 15: Bangladesh's Gains in India (In thousand US \$)**

HS Code	Description	TC	TD	Total effect	% Cha
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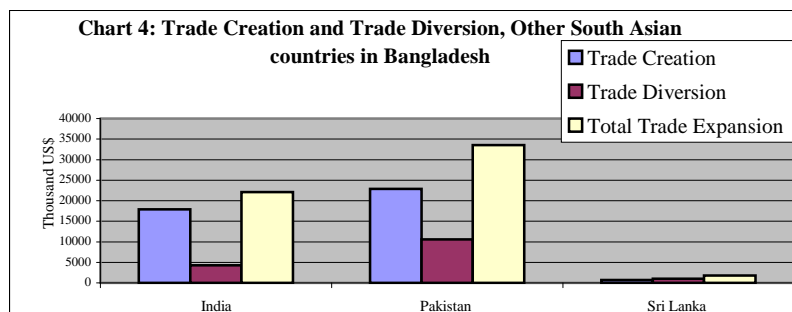
					<b>nge</b>
1520 00	Glycerol, crude; glycerol waters & lyes	15.16	28.22	43.38	27.4 6
1703 10	Cane molasses rsltd frm extrctn/rfng of sugr	92.47	154.4 5	246.9 2	28.1 9
5202 99	Other cotton waste	124.59	114.8 3	239.4 2	15.5 7
5211 22	Mxd cotn fabrics of blcd & 3 thrd or 4-thrd twl incl cross twl wegng> 200gsm	6.80	3.30	10.1	14.2 3
5301 10	Flax raw or retted	0.01	0.05	0.06	0.05
5303 10	Jute & othr txtl bast fbrs,raw or retted	622.20	2.03	624.2 3	2.96
5307 10	Yarn ofjut & othr txtl bast fbrs, single	406.70	19.95	426.6 5	8.15
5307 20	Multiple folded or cabled yarn of jute	122.88	22.44	145.3 2	9.19
5310 10	Unblehd woven fabrics of jute/other textile bast fibres	139.89	180.7 2	320.6 1	17.8 0
5607 10	Twine, cordage, rope & cables, of jute or othr textile bast fbrs of headng no 5303	266.11	283.3 3	549.4 4	16.0 4
6305 10	Sacks & bags for packing, made of jute or of othr txtl bast fbrs of hdg no.5303	1,018. 69	168.8 1	1,187 .5	8.36
6501 00	Hat-forms-hat-bodies & hoods of felt nthr blkcd to shape nor wth made	27.26	12.74	40	40.4 0

	brims plateaux & manchons (incl slit manchons) of felt				
790200	Zinc waste and scrap	46.34	83.75	130.09	42.51
<b>Total</b>		<b>2,895.52</b>	<b>1,102.95</b>	<b>3,833.63</b>	<b>7.59</b>

**Source:** Author's own calculation

### *Other South Asian Countries' Gains in Bangladesh*

Other South Asian countries' potential trade gains are also simulated in a scenario with zero final tariffs. However, Bangladesh will reduce tariff up to zero to five per cent by the end of 2015. That means the simulated trade expansion will take place in 2016. Among three South Asian countries, Pakistan has the potential to gain more in Bangladeshi market as the estimated trade expansion for selected 22 products at 6-digit level amounts to a total of 33.5 million US dollars, from which US\$ 22.9 million is trade creation and 10.6 million is trade diversion. The current export volume of these 22 products represents 113.5 million US dollars; as such, the estimated export expansion of these products represents a 30 per cent increase in the export trade. Almost all of this trade will be generated in the cotton sector. Though overall trade creation dominates over trade diversion, one-third of the newly generated export will come from Pakistan, which is a high cost producer. On the other hand, India has more TC effect as it will generate exports of US\$ 22 million, of which TC accounts for 18 million and only 4 million from TD for its 19 products at 6-digit HS level. Most of this trade will be created by cotton, aluminium ware, steel tubes and fabric dyes. In case of Sri Lanka, only one product - woven fabrics of cotton - will produce a trade worth US\$ 1.75 million and most of the generated trade will fall into trade diversion. This means that Bangladesh will import woven fabrics of cotton from high cost producer, Sri Lanka. From the product level analysis, it can be determined that most of other South Asian countries export will be generated in cotton, fabric and textile related sector.



**Source:** Author's own calculation

From the estimated trade expansion, it is found that Bangladesh has high export expansion in India compared to Pakistan and Sri Lanka. On the contrary, Pakistan has a high potential to gain in Bangladeshi market. Comparing net trade gain between Bangladesh and other countries reveals that it is always against Bangladesh. Contemporary economic literature uses different approaches to determine the impact of South Asian integration and comes up with different outcomes. As the study was based on static data, the used method was unable to capture the impact of SAFTA on those products, which have not been recorded in trade figure. Current trade structure reflects that there are limited trade complementarities and export specialisation between Bangladesh and other SAARC countries. Bangladesh has limited scope of trade expansion. Unlike other studies, this estimation shows that trade creation is dominant over trade diversion in most of the cases for the selected products.

## 5.2. Impact of Revenue

Tariffs and other duties on imports presented in table 16 show that Bangladesh has lowered its import tariffs substantially over time. As part of rationalisation of tariff structures, maximum tariff has been reduced from 350 per cent in 1990-91 to 25 per cent in 2005-06. Number of tariff slabs reduced from 18 in 1990-91 to 4 in 2005-06. In 2005-06 MFN tariffs are applied in four slabs zero, 6 per cent for basic raw materials, 13 per cent for intermediate goods and 25 per cent for finished products. Now, all tariffs are *ad valorem* type and

this simplified tariff structure makes it more transparent reducing the administrative burdens of dealing with a complex and high number of tariff slabs. Bangladesh maintains other border charges and levies at import stages like infrastructure development surcharge (IDSC), advance income tax (AIT), etc. for additional protection. IDSC is applied at the rate of 4 per cent of the c.i.f. values on all import products except 257 HS lines (at 8-digit level) and AIT is levied on all imports at the rate of 3 per cent of the c.i.f. value of imports. Value added tax (VAT) is levied at the rate of 15 per cent on all imports and domestically produced goods except 774 HS lines (8-digit level). The advance trade VAT is introduced on 1 September 2004 at 1.50 per cent on almost all imports and domestically produced goods. Supplementary duties (SD) are, in principle, imposed on imports of luxury goods, and production and supply of goods and services are considered undesirable on social, moral and religious grounds. Three highest SD rates of 100 per cent, 250 per cent and 350 per cent are applied for alcoholic beverages, tobacco products, and road transport equipment, and parts. Regulatory duty (RD) is levied on 1 HS lines at the rate of 12 per cent. (WTO Trade Policy Review 2006: Bangladesh)

**Table 16: Tariff and Other Duties on Imports, 1999-00 and 2005-06**

	1999-00		2005-06	
Customs Tariff				
Number of tariff bands	18		4	
Maximum rate (%)	350.00		25.00	
	<i>Ad valorem</i> rate (%)	Coverage (% of tariff lines)	<i>Ad valorem</i> rate (%)	Coverage (% of tariff lines)
Customs tariff	0-37.5	100.0	0-25.0	100.0



Other border charges				
IDSC	2.5	98.4	4.0	96.2
AIT	2.5	100.0	3.0	100.0
LCA/IP fee	2.5	89.6	n.a.	n.a.
Internal taxes				
VAT	15.0	93.7	15.0	88.3
Advance trade VAT	n.a.	n.a.	1.5	92.3
SD	5.0-270.0	6.6	20.0-350.0	15.8
RD	n.a.	n.a.	5.0-30.0 (2003/04) or 12.0 (2005/06)	334 tariff lines or 1 tariff line

**Source:** WTO, 2006

Bangladesh has been persistently facing the problem of low revenue collection since 1988-99 and the revenue to GDP ratio remains among the lowest in the world, around 10 per cent, owing to narrow tax base and problems encountered in tax collection. Almost 80 per cent of the country's revenue come from tax revenues and mainly from import-related taxes.<sup>124</sup> Import related tax accounts for more than half of Bangladesh's total revenues. In 2004-05 the total revenue of Bangladesh was around 5 billion US dollars, of which import related revenue accounted for 2.5 billion dollars. Again, most

<sup>124</sup> Trade Policy Review: Bangladesh, World Trade Organization, 2006, Geneva. Online available at: [http://www.wto.org/english/tratop\\_e/tpr\\_e/tp269\\_e.htm](http://www.wto.org/english/tratop_e/tpr_e/tp269_e.htm) accessed on July 4, 2008.

of this tax was generated from customs duty (1.3 billion US dollars) and VAT (0.9 billion US dollars). This heavy dependence on import related taxes remains a concern for the country in terms of further tariff liberalisation either unilaterally or via implementing RTAs. It is intuitive that implementation of RTAs will adversely affect the revenue sources. Revenue source is directly related to public finance, which depends on infrastructure, human development, and many other development related issues.

**Table 17: Tax Revenue Receipts by Sources, 1998-99 to 2004-05 (In million US \$)**

	1998 -99	1999- 00	2000 -01	2001- 02	2002 -03	2003 -04	2004- 05
Total Tax Revenue	3,094	3,005	3,479	3,521	4,085	4,444	4,879
Income tax	492	517	647	658	731	800	922
Tax on imports	1,779	1,644	1,861	1,824	2,083	2,235	2,459
Customs duty	987	844	946	940	1,152	1,204	1,288
VAT	634	610	682	655	711	747	873
SD	161	189	233	232	221	284	302
Tax on domestic goods	780	811	943	1,011	1,230	1,360	1,454
VAT	377	418	501	563	633	733	829
SD	356	340	393	398	560	600	605
Excise duty	46	51	52	49	37	27	24
Other taxes	43	33	28	28	41	49	39

**Source:** Bangladesh Bank

The import revenue collected from SAARC countries' imports are shown in the table 21 based on NBR data. Though the data do not represent total import and total revenue collected from import, it is an indication of revenue collected from SAARC countries' import. Due to unavailability of data this is the only source of revenue data. The table shows that India is one of the major sources of imports and the revenue collected from Indian import is also important. The table shows that Indian imports register revenues of 332 million US dollars, which is 14 per cent of total import revenue. Other taxes collected at import stage are also in line with that. However, the import share of Pakistan and Sri Lanka is not substantial and the revenue collected from imports of these countries is not noteworthy. The current structure of revenue suggests that if most of the Indian imports get tariff preference, Bangladesh's import revenue would be dependent on Indian import.

**Table 18: Import and Collected Customs Duties and Other Taxes from Import of SAARC Countries, 2004-05 (In thousand US \$)**

Country	Import	Collected CD	Collected SD	Collected AIT	Collected VAT	Collected IDS C	Import revenue
India	1,554,236	133,356	27,586	116,805	27,955	16,176	332,169
Pakistan	207,645	5,091	2,840	4,507	1,025	770	14,624
Sri Lanka	11,663	9	1	15	5	4	35

**Source:** NBR database<sup>125</sup>, Bangladesh

According to the SAFTA agreement, Bangladesh has already reduced its tariffs for the period between 1 July 2006 and 30

<sup>125</sup> This data does not include information regarding EPZ's import and other special import.

December 2006 by 2.5 per cent of the tariff applied on 1 January 2006 on 4741 products defined at 8-digit level. The tariff reduction scenario of Bangladesh is shown in table 19. The table shows that only 1499 HS line at 8-digit level are subjected to tariff reduction under SAFTA whereas 3,238 HS lines at 8-digit level are out of any reduction under the agreement. Moreover, these products are under tariff reduction process and most of these are going to reduce insignificant amount in absolute proportion point. It can be inferred that as there is no significant reduction for most of the products, the implication on revenue may not be huge.

Analysis of NBR data shows that the sensitive list of Bangladesh covered 51.37 per cent of the import volumes, 79.73 per cent of customs duty, and 80.28 per cent of total revenue in FY 2005. In fact, these products have high trade, and revenue coverage is included in the sensitive list. The trade data of ITC Trade Map shows that in 2005 Bangladesh imported from different SAARC countries in 1836 HS lines at 6-digit HS level, in which 654 HS lines are in the sensitive list of Bangladesh that covers 56 per cent of import from SAARC countries. Only 46 per cent of traded HS lines are under tariff reduction, and many HS lines are excluded from the tariff reduction. It is noteworthy that the impact of revenue is likely to be minimal due to the sensitive list, which covers most of the traded and revenue sensitive goods.

**Table 19: Extent of Tariff Concession by Bangladesh under SAFTA**

Number of HS line (8-digit level)	Tariff as of 1 July 2006	SAFTA tariff between 1 July and 30 December 2006	SAFTA tariff between 31 December 2006 and 30 December 2007	Remarks
440	0	0	0	No SAFTA concession
1	0	12.675%	12.35%	No SAFTA

				concession
2	12%	24.675%	23.75%	No SAFTA concession
52	5%	12.675%	12.35%	No SAFTA concession
3	0	5.850%	5.70%	No SAFTA concession
1290	5%	5.850%	5.70%	No SAFTA concession
1450	12	12.675%	12.35%	No SAFTA concession
1493	25%	24.675%	23.75%	Concession in absolute percentage points (0.625% and 1.25%)
2	12%	5.850%	5.70%	Concession in absolute percentage points (6.15% and 6.3%)
1	25%	12.675%	12.35%	Concession in absolute percentage points (12.33% and 12.65%)
1	25%	5.850%	5.70%	Concession in absolute percentage points (19.15% and 19.3%)
2	14.9 US\$/LTD	14.53 US\$/LTD	14.16 US\$/LTD	Concession in absolute percentage points (0.37 US\$/LTD and 0.74 US\$/LTD)

**Source:** Author's own calculation

Delgado (2007) by using gravity model examines the effects of SAFTA on trade flows and customs duties and ranks trade effects of other RTAs for individual South Asian countries and SAFTA. The analysis shows that SAFTA has a minor effect on regional trade flow and the impact on customs duties would be manageable for most members. The tariff collection could be decreased by up to 2.5 per cent of GDP for Bhutan, 1.5 per cent of GDP for Maldives and less than 0.2 per cent of GDP for Bangladesh<sup>126</sup>. The available literature also indicates that the likely impact of SAFTA on revenue loss is small. Generally, the estimation of the impact of implementing FTA on customs revenue is misjudged as the FTA has effects on duty revenue from the change in tariff rates as well as the effect on domestic tax receipts (excise and VAT) collected on imports. It is essential to capture both of the effects to assess the likely impact of SAFTA on tariff revenues by using a partial equilibrium model. On the other hand, the estimation of revenue effect is overestimated as imports are getting special preference like duty drawback, bonded-warehouse facilities, and special facilities for EPZs that also calculate for the revenue effect. Bangladesh also uses such types of export-incentive schemes like bonded warehouse facilities for RMG, specialised textiles, leather and other industries, duty drawback, duty free import machinery, special facilities for EPZs, etc.

For the selected commodities the paper estimates the baseline scenario where Bangladesh could receive highest amount of revenue of US\$ 177.3 million from importing 22 products from Pakistan. It is impractical that the tariff revenue collected from 22 products is much higher than the total collected revenue. Most of these products are in cotton sectors, which are imported as raw materials for Bangladesh's export-oriented RMG industries. Though for domestic consumption, these products are currently facing highest tariff of 25 per cent ad valorem and other surcharges SD at @<sup>127</sup> 20 per cent, IDSC @ 4 per cent and AIT @ 3 per cent. This paper has no information regarding import for domestic consumption and export-oriented industries; it is essential to use the total import values and calculate the revenue effects. The estimated total revenue from importing 19 products of

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<sup>126</sup> D. R Rodríguez-Delgado1, "SAFTA: Living in a World of Regional Trade Agreements", IMF working paper No.P-07-23, 2007.

<sup>127</sup> In this paper @ indicates at the rate of.

India is 62 million, which is almost one fifth of the collected revenue from the total import of India to Bangladesh. It is also exaggerated as these 19 HS products represent 7.27 per cent of the total export of India to Bangladesh and a good number of products are also cotton and textile products. Most of these products are facing average tariff@ 13 per cent and no SD. Bangladesh's import of only one HS line from Sri Lanka could generate total revenue of 52 million US dollars.

**Table 20: Customs Revenue Baseline (In Thousand US\$)**

HS Lines (6-digit HS)	Country	Tariff Revenue	Excise Revenue	Revenue from VAT	Total Revenue
19 HS lines Total	<b>India</b>	18,208	16,504	27,019	61,732
22 HS lines Total	<b>Pakistan</b>	50,617	66,927	59,768	177,312
1 HS lines Total	<b>Sri Lanka</b>	15,523	21,836	14,917	52,276

**Source:** Author's own Calculation

For the simulation we considered full tariff liberalisation, meaning that the final tariff would be 0 percent ad valorem tariff and other import taxes including Para-tariffs will remain, as there is no specific time frame for the removal of Para-tariff in the SAFTA accord. The results implied the revenue loss after the full implementation of SAFTA -that means 2016 for Bangladesh. Estimated result shows that the maximum revenue loss will be incurred from Pakistani import of 22 HS lines to the tune of 77 million US dollars, which is 43.6 per cent of pre-FTA revenue. It implies that Bangladesh will have lost 77 million US dollars of revenue from importation of selected 22 products from Pakistan in 2016 and the estimated loss of revenue is 43.6 per cent of 2005 revenue. The major revenue shock

will come from following HS lines 521213, 521031, 520532, 520511 etc. On the other hand, SAFTA will affect Bangladesh revenue by 32 million US dollars for the importation of 19 HS products from Indian import and this loss is 52 per cent of pre-FTA revenue. The highest amount of revenue from Indian import will be lost in single cotton yarn (520511) and it is almost 12 million. Other importing products that generate major revenue losses are synthetic dyes (320416), steel products (720719), steel tubes (730590), etc. The only one HS line importing from Sri Lanka guided to US\$14 million in revenue loss that is 27 per cent of the pre-FTA of revenue. If it is considered that Bangladesh has to abolish its para-tariff, the revenue generated from SD, IDSC, AIT will be forgone.

**Table 21: Customs Revenue loss of Bangladesh (In thousand US\$)**

HS Lines	Country	Revenue loss	Change (in %)
19 HS lines Total	<b>India</b>	-31,893	-51.66
22 HS lines Total	<b>Pakistan</b>	-77,301	-43.59
1 HS lines Total	<b>Sri Lanka</b>	-14,061	-26.89

**Source:** Author's own calculation

The estimated revenue loss to Bangladesh from these selected products is almost 123 million US dollars, which represents 2.5 per cent of the country's total revenue and 35.54 per cent of the revenue collected from SAARC countries. The revenue compensation under SAFTA will offer only 15.4 million US dollars in four years, which is far below than calculated revenue (only 12.5 per cent). It is estimated that the likely effects of SAFTA on Bangladesh's tariff revenue by capturing both the effects of tariff change and the domestic effects of domestic tax receipts collected on imports (such as excise and VAT). However, the estimation fails to take into account the special preferential imports like bonded warehouse, EPZs, etc. due to the unavailability of data in this regard.



## 5. CONCLUDING REMARKS

For investigating trade complementarities and export specialisation two types of indexes have been used. These indexes are based on comparative advantages that are of a revealed type. The indexes could be biased due to the existing trade policy barriers, subsidies, geography, tastes and foreign direct investment, which are not uniform across sectors and countries. Moreover, these indexes only consider trade opportunities when the corresponding tariffs are different from zero rather the level of the existing tariffs. Here two different partial equilibrium models for the paper are also used. The main strengths of the PE models are straightforward, thus simplifying the task of constructing and evaluating alternative phase-out scenarios. The calculations are providing an indication of the projected outcome of the phase-out of tariffs on both exports and imports at the highest disaggregated level data. The calculation is based on the dataset that does not include substantial volume of informal trade, trade under different condition like quota, special incentives for export-oriented industries, non-tariff barriers and other trade policy issues. That is why, the paper could not capture the trade expansion and revenue loss for these special circumstances.

The SAFTA agreement reveals that it offers sufficient flexibility for the LDCs to share economic benefits deriving from trade. While current trade structure shows very few numbers of commodities' high trade complementarities and export specialisation between the countries, the product coverage in the sensitive lists raises the question of real benefit under SAFTA. The estimated trade effect is not substantial for Bangladesh but the overall trade expansion is mostly driven by trade creation. Unlike in many other studies, the estimation in this paper shows that most of the trade will be expanded by efficient cheap producer in the region. The likely effects of SAFTA on Bangladesh's revenue show that Bangladesh may lose about 123 million US dollars, which is 2.5 per cent of its total tax revenue and 36 per cent of the import revenue from SAARC countries. This results are proximate to Delgado's (2007) who estimated Bangladesh's revenue loss to be in the region of 0.2 per cent of its GDP. The revenue loss is manageable for Bangladesh, as the economy will have ten years to adjust such amount of revenue.

The goal of SAFTA is to promote and enhance mutual trade and economic cooperation among its members through eliminating trade barriers and facilitating cross-border movement of goods. Nevertheless, the sensitive lists of the member countries are a threat to the promotion of trade in this region. Member countries should consider reviewing their sensitive lists with the intention of reducing or even eliminating the lists. Another threat is the protection under para-tariff and non-tariff measures. Although the agreement contains the vague provision of reducing these barriers, definite procedure and time frame should be implemented to reduce all these barriers that resist expanding trade in the region. Some other measures can support and complement SAFTA to fulfil its objectives. These measures include harmonisation of customs classification, removal of restrictions on intra-regional investment, macroeconomic consultations, and development of communication systems, transportation, infrastructure, trade facilitation, etc. This type of measures will help reduce the real transaction costs involved in the formal trading.

## Methodological Appendix – 1

### 1.1. Trade Complementarity and Related Indexes

Opportunities are identified at 6-digit HS level with the help of Trade Complementarity Index (TCI) and Revealed Comparative Advantage (RCA). TCI measures the similarity between the export supply of a country and import demand of its partner, the greater this similarity the more likely trade between them is<sup>128</sup>. If the TCI demonstrates values greater (less) than one, it implies the existence of strong (weak) complementarity between the export specialisation of the country and the import specialisation of its partner. TCI can be defined as:

$$TCI_{ij}^a = \frac{X_i^a / X_i}{M_{World}^a} \cdot \frac{M_j^a / M_j}{M_{World}^a}$$

<sup>128</sup> M. Vaillant and A. Qans, “Preferential Trading Arrangements between the European Union and South America: The Political Economy of Free Trade Zones in Practice”, *The World Economy*, Vol. 25 No. 10, 2002.

(1)

Where,

$X_i^a$  = country  $i$ 's exports of good  $a$ ,

$X_i$  = total exports of country  $i$ ,

$M_j^a$  = country  $j$ 's imports of good  $a$ ,

$M_j$  = total imports from country  $j$ ,

$M_w^a$  = world imports of good  $a$ ,

$M_w$  = total world imports.

The TCI can be decomposed into two, the RCA of the exporting country  $i$  and the Revealed Comparative Disadvantage or Import Specialisation Index (RCD) of the importing country  $j$ , which can be expressed as:

$$RCA_i^a = \frac{X_i^a / X_i}{M_{World}^a / M_{World}} \quad (2)$$

$$RCD_j^a = \frac{M_j^a / M_j}{M_{World}^a / M_{World}} \quad (3)$$

RCA shows the export specialisation of a country. If RCA is greater than 1, the country is more export oriented in that particular good than the "world average" and, therefore, it displays a *revealed* comparative advantage in that particular product. On the other hand,

when RCD is higher than 1, the country reveals a comparative disadvantage in that good. Therefore, for identifying product for trade opportunities for each country, the following criteria are set:

- i. TCI (Exporting country to importing country) is higher than 1;
- ii. RCA (for the exporting country) is higher than 1;
- iii. The tariff equivalent the product faces at the importing country is equal or superior to 7 per cent;
- iv. The product is not in the sensitive list of the importing countries under SAFTA.

## **1.2. Partial Equilibrium Model Specification**

The simulation technique applied here is based on the SMART simulation developed by UNCTAD Secretariat in cooperation with the World Bank for quantification of the effects on trade flows induced by changes in market access negotiations. The impact comprises of two components, namely trade creation and trade diversion.

### ***Trade Creation (TC)***

It measures the increase in other SAARC countries' imports from Bangladesh, owing to a decrease in the relative price of these imports vis-à-vis domestically produced goods, resulting in a net increase in India's total imports and a net decrease in other SAARC countries' domestic production.

### ***Trade Diversion (TD)***

It measures the increase in other SAARC countries' imports from Bangladesh, owing to a decrease in the relative price of these imports vis-à-vis imports from other countries (third countries, not a party of SAFTA) whereby imports from Bangladesh increase at the expense

of imports from other sources, with no change in total SAARC countries' imports.

***Notation***

M	Imports
X	Exports
P	Domestic price
RP	Relative price
$E_m$	Elasticity of import demand with respect to domestic price of imports
$E_s$	Elasticity of substitution between imports from Bangladesh and imports from other sources
TC	Trade creation
TD	Trade diversion
$T_0$	Pre-SAFTA tariff
$T_1$	Post-SAFTA tariff

***Calculation of Trade Creation***

The step by step calculation is used to clarify the underlying analysis. TC depends on three factors<sup>129</sup>:

- i Current volume of imports from the relevant commercial partner ( $M$ );
- ii Elasticity of import demand ( $E_m$ ), and
- iii Change in the tariff.

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<sup>129</sup> J. Viner, "The Customs Union Issues (1950)", New York: the Carnegie Endowment for International Peace.

TC can be expressed in the following equation (1):

$$TC = E_m \times M \times \frac{T_1 - T_0}{T_0} \quad (4)$$

**Calculation of Trade Diversion**

To calculate TD, the process divides into two steps: the change in relative prices (*dRP/RP*) and then calculation of TD. Due to the preferential liberalisation of tariffs on imports from Bangladesh brings to zero while retaining a positive tariff on imports from other sources, the price of imports from Bangladesh relative to the price of imports from other sources will fall proportionally to the reduction in the tariff. Relative price change can be expressed as follows (2):

$$(dRP^{bd}/RP^{bd}) = \frac{1 + T_1^{BD}}{1 + T_0^{BD}} - 1 \quad (5)$$

Considering that there is no change in the tariffs applying to imports from other sources, the expression reduces to equation (3):

$$(dRP^{BD}/RP^{BD}) = \frac{1 + T_1^{BD}}{1 + T_0^{BD}} - 1 \quad (6)$$

By using relative price trade diversion can be calculated by applying the following formula (4):

$$\begin{aligned}
 & M^{BD} \times M^{other} \times (dRP^{BD}/RP^{BD}) \times E_s \\
 TD^{BD} = & \frac{\hspace{10em}}{M^{BD} + M^{other} + M^{BD} \times (dRP^{BD}/RP^{BD}) \times E_s} \quad (7)
 \end{aligned}$$

The calculation of TD and TC gives the value of US thousand dollars that portrays the market access gains for each identified product. The “total value” results from adding up two effects - trade creation and trade diversion.

The simulation is based on cross sectional data covering the year 2005. Trade data is used from the Trade Map, ITC, and the applied tariff data has been taken from the TRAINS, UNCTAD via WITS. Three different levels of elasticity are used to grasp the impact of tariff liberalisation. The central value has been taken from the “Tariff & Trade” Data Base, OECD (2003), and an upper and lower band by multiplying and dividing the central value by 1.5 respectively. To some extent, it is verified with WITS. The sensitive lists of member countries under SAFTA are used from SAARC Secretariat<sup>130</sup>.

## Methodological Appendix – 2

### 2.1. Partial Equilibrium Model Specification

In order to assess the likely effects of Trade Liberalisation Program (TLP) under SAFTA on tariff revenue and flows, a modified version of a model developed initially by Hoekman and others (2001) has been used. This is a partial equilibrium model of total import demand disaggregated at a 6-digit HS level. The model assumes perfectly competitive markets and homogeneous products. For the present analysis, like Castro et al. (2004) the model was tailored in order to include tariff exemptions, excise taxes, and other surcharges. The

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<sup>130</sup> Available at <http://www.saarc-sec.org/main.php?t=2.1.6>, accessed on 05 September 2007.

main modification with the original model developed by Hoekman and others (2001) is the incorporation of excise taxes and other surcharges<sup>131</sup> and value-added taxes (VAT) into the import demand and revenue equations. Taking into account surtaxes, import demand for each 6-digit HS product of country  $i$ = Bangladesh is given by:

$$M_i = \frac{A_i}{[(1+T_i)(1+\tau_i)]^E} \quad (8)$$

Where,  $T_i$  is MFN tariff rate in country  $i$ ;  $A_i$  is a demand parameter in country  $i$ ; and  $E$  is the demand import elasticity.  $\tau_i$  is an excise duty, surcharge, or any other discriminatory tax imposed on imports.

To capture direct and indirect effects of SAFTA, the author has used different equations for tariffs, excise duties, and other surtaxes and value-added taxes (VAT). Tariff revenue at pre-SAFTA period is given by:

$$TR_0 = T_i (M_{tot} - M_{i-j}) + M [T_i (1 - \tau_{i-j})] \quad (9)$$

Where,  $M_{tot}$  is total imports and  $M_{i-j}$  is imports of country  $i$  from country  $j$ .  $\tau_{i-j}$  is the level of tariff preference granted by country  $i$  to exports from  $j$ . Thus, if  $\tau_{i-j} = 0$ , imports of  $i$  from  $j$  have to pay country  $i$ 's MFN tariff. Likewise if  $\tau_{i-j} = 1$ , exports from  $j$  enter duty free into  $i$ .

The initial excise duty revenue is given by:

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<sup>131</sup> L. Castro, *et.al.*, "Regional Trade Integration in East Africa: Trade and Revenue Impacts of the Planned East African Community Customs Union", *Africa Region Working Paper Series No. 72*, World Bank, 2004.



$$ER_0 = \tau_i [(M_{tot} (1+T_i) + M_{i,j} (1+T_i(1-\tau_{i,j})))] \quad (10)$$

Where,  $\tau_i$  represents various surtaxes such as excise duties and suspended duties.

Finally, the original revenue from VAT on imports is defined as:

$$VR_0 = \tau_i [(M_{tot} + TR_0 + ER_0)] \quad (11)$$

Where  $\tau_i$  is the VAT rate on imports.

Therefore, total customs duty revenue is calculated as follows:

$$R_0 = TR_0 + ER_0 + VR_0 \quad (12)$$

Tariff, excise and surtaxes, VAT, and total customs duty revenues after implementation of SAFTA are given by:

$$TR_{SAFTA} = T_{SAFTA} (M_{SAFTA}) \quad (13)$$

$$ER_{SAFTA} = \tau_i [(M_{SAFTA} (1+T_{SAFTA}))] \quad (14)$$

$$VR_{SAFTA} = \tau_i [(M_{SAFTA} + TR_{SAFTA} + ER_{SAFTA})] \quad (15)$$

$$R_{SAFTA} = TR_{SAFTA} + ER_{SAFTA} + VR_{SAFTA} \quad (16)$$

Thus, the change in tariff revenue is simply:

$$TR = TR_{SAFTA} - TR_0 \quad (17)$$

The changes in excise and surtaxes (  $ER$ ), VAT (  $VR$ ), and total revenues (  $R$ ) can be estimated by the same specification. Change in total revenue is given below:

$$\mathbf{R} = \mathbf{R}_{\text{SAFTA}} - \mathbf{R}_0 \quad (18)$$

*Mohammad Towheedul Islam*

## **BREAKING GENDERED CONSTRUCTION OF INTERNATIONAL SECURITY: SECURING THE UNSECURED**

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### **Abstract**

This paper attempts to explore the discourse of international security largely defined in terms of political realism and problematise it from a feminist perspective. In this pursuit, it has explored and examined constructions of the key concepts and institutions related to the contemporary discourse of international security such as state, national, nationalism, citizenship, military, and war. A gender-sensitive reading of these concepts and institutions reveals that the constructions of these concepts and institutions have been detrimental to women's security because they are based on masculine ethos. In fine, the paper attempts to re-conceptualise the discourse from a feminist perspective based on a comprehensive notion of security. In this conceptualisation, security is viewed beyond the premises of nation-state; in global perspective. To mainstream such a conceptualisation, the paper argues that there is a strong need for feminist scholarship to engage with other non-feminist scholars of other disciplines.

### **INTRODUCTION**

Women's voices largely remained unheard in the academic circles of social sciences until the late twentieth century. As a discipline of social sciences, the ripples of feminist movements touched the International Relations (IR) only recently - in the early 1990s - resulting in a gender-sensitive reading of its core concepts

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and theories.<sup>1</sup> However, at the beginning of the twentieth century, even before the emergence of the discipline itself, a visionary social reformer of Bengal, Begum Rokeya Sakhawat Hossain, wrote about interstate relations to the extent of war and trade in her famous utopian fantasy – “Sultana’s Dream.”<sup>2</sup> She painted a picture of a ‘Lady-land’, a world where the presence of women is as visible as possible in all aspects of statecraft, including running of the government and waging a war. Although her work is inspirational<sup>3</sup>, it has depicted an alternative picture of how interstate relations and international security can be maintained. However, even after a century, we are yet to observe any visible presence of women as agents at various levels, be it state level, regional or international. This is not to suggest that women, who constitute half the world population, have no roles in the process of politics, nation building and security; rather the argument is that their contributions are not duly recognised and thus they remain marginalised. Cynthia Enloe’s works substantiate this argument in which she attempts to demonstrate that women are and have always been part of international relations - if one is really interested to see them there.<sup>4</sup>

Hence, it can be argued that IR represents a ‘fragmented and distorted version’<sup>5</sup> of the world. Its core concepts viz. power, security, state, and sovereignty are gender-biased as they are neither generic nor neutral; rather they have originated from a social and political context where ‘the problem of patriarchy is repressed.’<sup>6</sup> This

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- <sup>1</sup> Christine Sylvester, *Feminist Theory and Gender Studies in International Relations*, available at <http://www.femisa.org/sylvesterpaper.html> accessed on 18 June 08.
- <sup>2</sup> Begum Rokeya Sakawat Hossain, *Sultana’s Dream*, (Dhaka: Narigrantha Prabantana).
- <sup>3</sup> Rita Manchanda, Redefining and Feminising Security *Economic and Political Weekly*, vol-xxxvi June 2, 2001, p-1956.
- <sup>4</sup> For an excellent account of IR in feminist perspective, see Cynthia Enloe, *Bananas, Beaches and Bases: Making Feminist Sense of International Politics*. (London: Pandora Press, Harper/Collins, 1989).
- <sup>5</sup> Rebecca Grant And Kathleen Newland, “Introduction” in Rebecca Grant And Kathleen Newland (ed.), *Gender and international relations* (Open University Press: Buckingham, 1991) p-1.
- <sup>6</sup> Jacqui True, “Feminism” in Scott Burchill et al (ed.) *Theories of International Relations* (Palgrave: New York, 2001) p-247.

paper attempts to analyse the gender bias inherent in the discourse of international security and thereby feminising this discourse in which women's voices would be heard and Sultana's dream would come closer to reality.

With this end in view, the paper has been divided into three sections. The first section deals with the conceptualisation of international security, analysing contending approaches. The second section highlights the gender construction of various concepts and institutions related to international security, while the third focuses on the re-conceptualisation of security in feminist terms and the task ahead.

## **1. CONCEPTUALISING AND PROBLEMATISING INTERNATIONAL SECURITY**

The thinking about IR is related with the phenomenon called war - the Peloponnesian War, the Thirty Years War, the First World War, etc. E. H. Carr, one of the renowned scholars of IR, contends that 'international relations began with Thucydides and the conflict amongst the Greek city-states two and a half thousand years ago.'<sup>7</sup> This validates that the concept of 'security' is an integral part of IR. Yet the very term 'security' is a complex and contested concept of the discipline. The term 'security' is clearly linked to war, peace and power, because states enhance power and, if necessary, engage in war to protect their core values and thereby secure them vis-à-vis each other. The following discussion will shed light on the dominant approach to conceptualising international security and how the approach has been challenged in recent times.

Political realism is the most dominant approach in the study of IR. Most of the foreign policy practitioners and national security analysts see the world through the lens of political realism. Realism emerged as a strong approach in the post-World War II period in reaction to idealism that had a strong reliance on international law and was the predominant approach in inter-war period. The main focus of realism is on power-politics instead of international law as far as the conduct of international relations is concerned.

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<sup>7</sup> Quoted in Terry Terriff *et al.*, "*Security Studies Today*", (Blackwell Publishers: USA, 2001) p-10.

Applying the positivist methodology of the ‘natural sciences’ to the study of IR, Hans J. Morgenthau, one of the most prominent realists, in his six principles of political realism portrayed some objective laws derived from human nature that is unchanging. To him, men are essentially selfish, self-seeking and eager to accumulate power and so are states in the international system, characterised by anarchy, a condition where there is no higher authority to regulate their relations with one another. According to the realists, power means military power, which is a crucial factor for the protection of the state security and the national interest. The realists consider that security is a zero-sum proposition defined in terms of the stability provided by sovereign militaristic states and is examined only in the context of the presence and absence of war between and among sovereign states. States must have sufficient military power to “prevent the outside – difference, irrationality, anarchy and potential conflict – from conquering the inside of homogeneous, rational and orderly states.”<sup>8</sup> It denotes that security that can only be achieved at the expense of their neighbours has been seen as the prime task of states. Hence, argues John Baylis, realism views interstate relations as a struggle for power as states constantly attempt to take advantage of one another.<sup>9</sup> The quest for power (read as security) makes the states trapped into the ‘security dilemma’ defined as a ‘structural notion in which the self-help attempts of states to look after their security needs tend regardless of intention to lead to rising insecurity for others as each interprets its own measures as defensive and the measures of others as potentially threatening.’<sup>10</sup> In explaining how states become trapped into the security dilemma, Lord Grey, a British statesman, once commented, “The distinction between preparations made with the intention of going to war and precautions against attack is a true distinction, clear and definite in the minds of those who build up armaments. But it is a distinction that is not obvious or certain to others. Each Government, therefore, while resenting any suggestion that its own

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<sup>8</sup> True *op. cit.*, p. 256.

<sup>9</sup> John Baylis “International and global security in the post-cold war era” in John Baylis and Steve Smith (ed.) *The Globalization of World Politics* (Oxford University Press: Oxford, 2001) p-256.

<sup>10</sup> Herz, J. (1950) ‘Idealist Internationalism and the Security Dilemma’, *World Politics*, vol. 2 no. 2, p 157.

measures are anything more than for defence, regards similar measures of another government as preparation to attack.”<sup>11</sup> During the Cold War period, such formulation of security led to the emergence of theories of ‘Balance of power’ and ‘Balance of terror’. The two rival super-powers were engaged in struggle for power having been trapped into security dilemma.

The end of the Cold War ushered in a new era of cooperation, putting an end to the intense ideological confrontation between the two superpowers. Moreover, new intra-state strife, and ecological degradation have become important in global politics. In this backdrop, many scholars thought that realism based on power-politics would not be able to explain these new developments and such an understanding led security theorists to develop alternative security paradigms. In this period, ‘broad’ understanding of security studies has emerged with Barry Buzan and others playing a pioneering role. According to the broad definition, security might be ‘a state of being secure, safe, free from danger, injure, harm of any sort.’<sup>12</sup> Broad-school theorists suggest that it is not possible to bound security by nation-state borders and by the parameters of rational thought. For example, ecological concern is becoming the increasing concern of security. Although the work of broad-school theorists is important, at least in challenging the notion of realist security, feminist theorists hold the view that broad-school can portray only partial understanding of security and that a comprehensive understanding of security will be possible only when gender perspective of security, which is excluded from the realist school, would be recognised. To develop a comprehensive understanding of security, feminist scholarship came up with new ideas and new visions. Their main criticism is that the dominant realist theory has constructed an approach that builds on assumptions and explanations based on behaviours associated with masculinity, which is a social construction.

Human beings are socialised through the institutions of family, education and society and through this process they come to know that attributes of objectivity, reason, rationality, autonomy, control

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<sup>11</sup> Quoted in John Baylis *op. cit.* p. 258.

<sup>12</sup> Jill Steans, *Gender and International Relations: An Introduction*, (Polity Press: Cambridge, 1998), p. 106.

and domination are associated with masculinity. Rousseau in his book *Emile* narrates that man is rational and is the perfect complement for an 'emotional woman'. Thus, man through socialisation becomes rational, choice making citizen. Because of their physical strength, they have been considered to be the protector of their nation, women and children and their activities have been concerned with the public realm of politics, which is more related to 'high politics.'<sup>13</sup> On the other hand, the private or domestic realm has been considered to be of women where they have reproductive role, act as care givers to their children and husband.

In her attempt to examine the androcentrism in IR, feminist theorist J. Ann Tickner says that IR theorists attempt to show men as atomistic, competitive, aggressive, and rationally self-interested and project these attributes onto the state, which is the unitary, rational, and competitive, and the primary actor of international politics. To them, she writes, the bridge between the individual and the state is citizenship, which is constituted by (male only) military and property-owning qualifications.<sup>14</sup> Feminist theorists argue that Hobbesian 'war of every man against every man' has played a crucial role in international politics and it produces a continuous 'security dilemma' where each actor in international politics increases its own security and that makes the other actors insecure. Hence, it is argued that women's experiences are totally excluded in conceptualising security and politics and thus Hobbesian rational male citizen and Rousseau's rational man accords men and masculinity a privileged position in society and politics. Such an exclusionary conceptualisation of security has negative consequences as far as women are concerned. The masculine nature of security discourse very often increases the insecurity of women both in public and private spheres.

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<sup>13</sup> Amena Mohsin, "Conceptualizing International Security: Where are the Women?" in Imtiaz Ahmed (ed.) *Women, Bangladesh and International Security: Methods, Discourses and Policies* (University Press Limited: Dhaka, 2004) p-15.

<sup>14</sup> Tickner, summarised in Spike Peterson, "Feminism and International Relations" in Sinha et al. (ed) *Feminism and Internationalism*,( Oxford University Press: Blackwell, 1999) p-239.



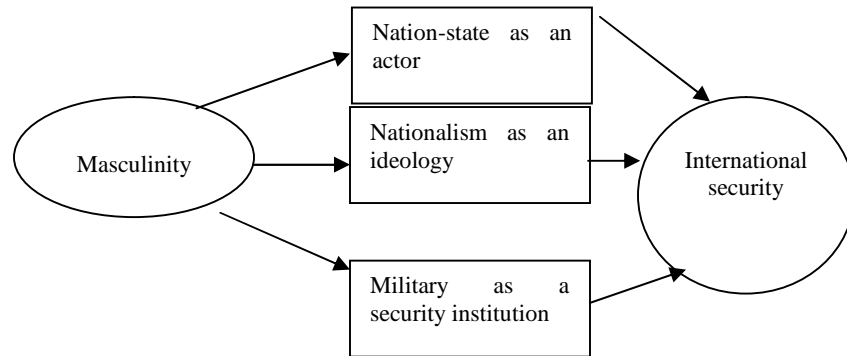


Figure1: The factors that influence international security are based on masculinity.

The very construction of nation-state, the prime actor of international system and the main reference point of international security, is also a gender construction. Its ideology of nationalism and its security institutions are detrimental to women’s security, as they are also based on masculine ethos. The subsequent section will make these points clear.

## 2. GENDER CONSTRUCTION AND INTERNATIONAL SECURITY

### *Nation, Nationalism and Women*

The modern states are regarded as nation-states. Nation is a collective form of human beings who constitute a collective identity for the people who belong to it. This collective identity emerges from shared belief in common ancestry, history, culture, language and a set of boundary collectives. This nation or collective has been linked to a clan or kinship. Thus, the authenticity of the clan members has become important. In order to ensure this authenticity, women are used and they become the property and symbols of the nation. There are five major (although not exclusive) ways in which women are important to maintain this authenticity as far as state practices are concerned.<sup>15</sup> These are:

<sup>15</sup> Floya Anthias and Nira Yuval-Davis, “Women and Nation-State” in John Hutchison and Anthony D. Smith (ed.) *Nationalism* (Oxford University Press: Great Britain, 1994) p-313.

1. as biological reproducers of members of ethnic collectivities;
2. as reproducers of the boundaries of ethnic/national groups;
3. as participating centrally in the ideological reproduction of the collectivity and as transmitters of its culture;
4. as signifiers of ethnic/national differences in focus and symbols in ideological discourses used in the construction, reproduction and transformation of ethnic/national categories; and
5. as participants in national, economic, political and military struggles.

The first two roles are relevant to our discussion and hence I will limit myself to these two. Firstly, the state has often controlled the body of women by imposing various regulations on reproduction rights and duties since they are regarded as the biological reproducers of the nation. In some cases, where the state tries to limit the number of people born within specific ethnic groups, it applies a number of policies ranging from forced sterilisation to massive mobilisation of birth control. On the other hand, the state sometimes limits women choices by encouraging them to bear more children of the 'right kind' in order to protect the nation or race from 'demographic holocaust'.<sup>16</sup>

Limiting the choice of women has been a hallmark of masculine values prevailing in the society. For example, the choice made by Western women in the early 1970s to limit the family size is now attacked by increasingly virulent 'pro-life' campaigns. Here one of the basic concerns of the campaigners is the social and economic dislocation caused by increasing autonomy of women over their bodies and reproductive capacity. In all these cases, governments and society attempt to control women's choices, increasing their dependency and insecurity.

Female bodies and their reproductive choices are also strictly controlled, as their reproductive and sexual capacities are regarded to be significant markers of male-defined ethnic identity.<sup>17</sup> They are

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<sup>16</sup> *Ibid.* p-313.

<sup>17</sup> Lori Handrahan, "Conflict, Gender, Ethnicity and Post-Conflict Reconstruction" *Security Dialogue* Vol. 35, no: 4, 2004 p-437.

controlled in a way that they will reproduce the boundaries of the symbolic identity of their group or that of their husbands by allowing them to have sexual relations with men of their own community. A woman may be deserted by her own community if she has 'allowed' penetration by the ethnic 'other'. This is particularly because she has become ethnically contaminated and is no more qualified as a reproducer of ethnic identity of her community.<sup>18</sup> As the community puts emphasis on such kind of ethnic purity, women are subjected to rape by the enemy combatant during war, as the enemy nation tries to abolish national identity of the opposing nation. Here, the women have to pay double price. On the one hand, they lose their chastity that they value and, on the other, their own nations or societies based on masculine values show reluctance to recognise their sacrifices in nation-building process. A case in point is the reluctance of Bangladesh as a state, and Bangladesh society at large, to recognise the sacrifices of its war heroines. According to Susan Brownmiller, about 200,000 Bengali women had been raped by Pakistani soldiers in 1971. However, at present no proper record of the rape victims is available. It was because the rehabilitation centre set up in the aftermath of the war did not maintain any records of the affected women so that they could be rehabilitated as early as possible. The society was not ready to accept them, let alone their babies. The Father of the Nation, Bangabandhu Sheikh Mujibur Rahman, once said, "I do not want to keep that polluted blood in this country".<sup>19</sup>

As the construction of nation or nation-state is gendered, so is its organising ideology - nationalism. Historically speaking, the creation of state boundaries in Europe was closely linked with the concept of nationalism as a strong ideology. This ideology has profound implications for international security in a sense that it is a reactionary ideology that leads states to war to preserve their national identity. Nationalism often uses the jargons such as home, blood and kin that have a familial connotation.<sup>20</sup> The nation is assumed to be female and represented as a woman under threat of violation or

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<sup>18</sup> *Ibid* p-438.

<sup>19</sup> Quoted in Mohsin, *op cit* p-20.

<sup>20</sup> Jan Jindy Pettman, 'Gender Issues' in John Baylis and Steve Smith (ed.) *The Globalization of World Politics* (Oxford University Press: Oxford, 2001) p. 592.

domination to be saved by her citizen-sons.<sup>21</sup> Due to such representation, regardless of what men or women do, men become the agents of nationalism while women are considered to be national possessions in need of protection. When actual fight starts, the image of *nation-as-women* changes into the image of women as *mother-of-nation* who sends their citizen-sons to the battlefield to face the enemy- the ‘other’ - to save the motherland, women and children.<sup>22</sup> The Kargil war, fought between India and Pakistan, brought in its wake a series of Bollywood films containing such images. Thus, the nationalist ideology confers on women a ‘place’ within the broader political and social order but it is a place that takes a woman a prisoner.<sup>23</sup> Although gendered nationalism is detrimental to women, women sometimes being members of the nation support the belligerent movements, which may affect the security of women belonging to other ethnic or religious groups or nations. For example, many Serbian women supported the Serbian nationalist cause, which applied systematic violence against women as part of ‘ethnic cleansing.’<sup>24</sup>

### **State’s practices & Women’s security**

The modern state, that makes the international system, enjoys sovereignty - the formal principle that institutionalises *public* authority in mutually exclusive domains and assumes boundaries between us and them, order and anarchy, domestic and international, public and private.<sup>25</sup> It inherited the public-private dichotomy from the Greek city-state. This inherent dichotomy of the modern state led to such a notion of citizenship that relegated women to the private sphere. The citizen of the modern state was expected to be objective and rational. Historically, however, rationality has been identified with masculinity. Hence, initially the citizenship was extended only to men. Women were excluded from citizenship as they were considered dependent, irrational, subjective and part of the private,

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<sup>21</sup> *Ibid.*

<sup>22</sup> *Ibid.*

<sup>23</sup> Jill Steans, *Gender and International Relations: An Introduction*, (Polity Press: Cambridge, 1998) p. 67.

<sup>24</sup> Pettman, *op. cit.*, p. 592.

<sup>25</sup> True, *op. cit.* p. 239.

rather than independent, autonomous persons in their own right. Women were excluded from the right to vote, stand for election, and hold public office. Therefore, the construction of women as 'dependants' who are identified only in terms of their relationship to men, as wives and mothers, plays a significant role in restricting the rights of women as citizens. With time, the notion of universal franchise developed. At present, every state in theory recognises women's equal rights as citizens. However, in practice, women most of the time cannot enjoy their rights in patriarchal states. The highest duty of a citizen is, as it is considered to be, sacrifice one's life for one's country. This is also a masculine notion for in conventional wisdom war is men's domain while women are associated with peace. Culture and religion have often been used to curtail women's citizenship rights. They have been forced to remain indoors (right to movement), not to speak for their rights (right to speech), not allowed to marry the persons of their choice.<sup>26</sup> In many cases, even their right to vote has been prevented through *fatwas*. Moreover, the citizenship laws are also mostly gendered. For instance, citizenship in Bangladesh is determined through paternity; in other words it is mediated through a male. Thus, modern state has through citizenship silenced women and made them dependent and insecure.

In this context it is essential to note that the experiences of women of developing countries are far different from those of developed countries. Women of developing countries have much bitter experience than that of developed countries. They could hardly struggle for equality with men as the latter themselves are 'oppressed' in class terms, given the high level of poverty in these countries. They are rarely involved in the public sphere; in fact very few who are able to involve themselves in the public sphere are invisible. Hence, they remain underrepresented at the highest decision-making level of the state. Ahmed argues that in South Asia about 50% of the population are women, but only 6.6 percent of them have representation in the parliament. According to him, even this 6.6 percent are illusive because it is based on reservation or nomination. The reserved seats are 30 in Bangladesh and 20 in Pakistan. Without the reserved seats, female participation in

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<sup>26</sup> Mohsin, *op. cit.* p. 22.

Bangladesh and Pakistan comes down to barely 1.3.<sup>27</sup> In developed countries women's presence in the decision making process is not remarkable either. Even in the USA, where men and women have equality in terms of access to power, no female president has ever been elected.

Women constitute only one percent of the heads of state or government, seven percent of the government ministers and eleven percent of the parliamentarians in the world, with many of them happening to be in South Asian.<sup>28</sup> Politics, be it national or international, is highly dominated by men. In the context of national politics, Cynthia Enloe argues, women are allowed selectively. This observation holds more in the South Asian context where "these selected women are widows, wives and daughters of male politicians."<sup>29</sup> This discrimination restricts women's ability to acquire skill for wider participation in public life and thus they remain weak and dependent on their men folk and make them vulnerable to various forms of male violence: *fatwa*, rape and acid violation, to cite a few. Although states are sometimes forthcoming in ensuring women's empowerment, it is the vested quarters of the society in question that attempt to thwart such initiatives. A glaring example of this is the recently-staged nationwide demonstrations by some Islamist outfits against the proposed National Women Development Policy in Bangladesh. The new policy aims at, amongst other issues, ensuring women's equal rights to property. However, the Islamist groups branded the policy as anti-Shariah and demanded its withdrawal.<sup>30</sup> This epitomizes the gendered attitude of society that negates women's empowerment and attempts to silence them in the name of religion.

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<sup>27</sup> Imtiaz Ahmed, 'On securing Women's Security: Perspective from South Asia', in Imtiaz Ahmed (ed.) *Women, Bangladesh and International Security: Methods, Discourses and Policies* (University Press Limited: Dhaka, 2004) p-35.

<sup>28</sup> See Ingeborg Breines, Dorota Gierycz and Betty Reardon (ed.) *Towards a Women's Agenda for a Culture of Peace* (Paris, UNESCO publishing, 1999).

<sup>29</sup> Rita Manchanda, *op. cit.* pp. 1956-1960.

<sup>30</sup> *The New Age*, Islamic groups brand women dev policy anti-Shariah. <http://www.newagebd.com/2008/mar/15/front.html#6>.

### *Military, War and Women*

The notion of national security is directly linked to the security of nation-state. Ensuring national security is the prime duty of the state and thus of its citizens. To ensure national security, states systematically have developed the institution of the military. The purpose of this institution is to protect the state from the attack of the enemy i.e. other states or to fight other nations for conquering the latter. Hence, war and military are inter-linked. To realists, the security dilemma that the modern-state faces in the anarchical international system most often essentialises strengthening of the military, an institution based on masculine ethos such as violence. Such an understanding has its roots in the cultural construction of masculinity that has passed down. Statesmen use the language of masculinity in order to express the vigour of their military strength. For example, in October 2001, when relations between India and Pakistan became strained, President Musharraf sent a message to the Indian leadership: “We in Pakistan have not worn bangles and we can fight India on our own.” Prime Minister Vajpayee replied saying, “In Punjab where bangles are popular, people also wear ‘khada’ [steel bracelet]”. The two leaders, argues Chenoy, berated each other for being feminine to the extent of wearing bangles and thus by implication being incapable of protecting their country or honour.<sup>31</sup> It shows that women are considered passive and too weak to protect themselves. It is the male members or the sons of the nation who play the role of protector when the security of the ‘motherland’ is threatened. Thus, it is discernible that men are to play the central role in the entire gambit of war machinery while women are denied access to the decision-making regarding war, although it has an adverse effect on them. To illustrate this point, a recent example<sup>32</sup> can be cited. In India, a high level Group of Ministers (GOM) has been formed to examine national security in its entirety. Its composition is obvious - the ministers of home, external affairs, defence and finance (all men) - given that the tasks are border management, defence, intelligence and internal security. This

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<sup>31</sup> Anuradha M. Chenoy, “Gender and International politics: The Intersection of Patriarchy and Militarisation” *Indian Journal of Gender Studies*, 11:1 (2004) p-32.

<sup>32</sup> Rita Manchanda, *op cit* p-1956.

example is enough to depict that in security discourse women are absent as they are traditionally identified with ‘soft’ politics not with ‘high politics’ of security.

Although women are denied access to decision-making about war, an ‘impact-on’ analysis reveals that they are the worst victims of male-initiated war and weaponry. Nuclear and small arms impact women more negatively than men. In Hiroshima and Nagasaki women are still giving birth to deformed babies because of the fall out of radioactivity. Besides, exposure to radiation may damage the foetus of the pregnant women. This may also damage the eggs within the ovaries of women of child bearing age. With men, the sperm continually reproduce and healthy sperm rapidly replaces sperm damaged by radiation.<sup>33</sup> “Of 49 conflicts during the 1990s, 46 were fought primarily with small arms resulting in four million deaths—90 percent of which were civilians and of 80% women and children.”<sup>34</sup> A gender sensitive analysis of recent global war on terror also reveals that this war is gendered and thus detrimental to women. The intensification of the military with the establishment of US military bases in many countries has led to spiral militarisation and prostitution in these countries. Therefore, Cynthia Enloe observes that “when the US promotes military institution as the solution for stability, security and development, the result is deeply gendered. With such a policy, the politics of masculinity is made to seem ‘natural’ and the male grasp on political influence is tightened, while most women’s voices are silenced and join those of the marginalised”.<sup>35</sup>

A gender sensitive analysis of armed conflicts shows that women have to undergo sufferings at various stages of war and conflict. At the pre-conflict stage, women suffer from an intensification of structural violence.<sup>36</sup> This is what was the case with most of the

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<sup>33</sup> Dilara Choudhury, Women and Weapons: Nuclear, Conventional, And Small Arms in Imtiaz Ahmed (ed.) *Women, Bangladesh and International Security: Methods, Discourses and Policies* (University Press Limited: Dhaka, 2004) p. 97.

<sup>34</sup> Quoted in Dilara Choudhury, *op. cit.* p. 101.

<sup>35</sup> Quoted in Chenoy, *op. cit.* pp. 30.

<sup>36</sup> Cynthia Cockburn ‘*Gender, Armed Conflict and Political Violence*’, Background paper, The World Bank, Washington DC, June 1999



societies that experienced armed conflicts or political violence during in the 1980s, a period marked by debt-crisis of the developing countries. Before the actual violence breaks out, there is, Cockburn pointed out, an increase in militarisation and the stockpiles of arms. Analysis shows that there is a negative correlation between arms spending and social spending. The USA increased its military spending between 1980 and 1985 and for this spending the government cut its social spending, which cast an adverse impact on low-income families. In the 1980s in the US, the feminisation of poverty became a significant phenomenon with 34.6 per cent of all women-headed households falling into the official category of 'poor'.<sup>37</sup> Hence, women start bearing the brunt of the war or armed conflict long before it actually takes place.

During conflicts, women are considered the “last vestiges of civil society”.<sup>38</sup> When men go to war, it is the women who defend the homes and carry on with the day-to-day activities of feeding a family and caring for elders and children often in adverse circumstances. In such a situation, they become more vulnerable to be raped by the enemy combatants. One of the ways to intimidate a whole population is to perpetuate the fear of rape among them. Major General Patrick Cammaert, a former UN peacekeeper, is of the view that it is a very effective weapon, because the communities are totally destroyed.<sup>39</sup> In exploring the causes of rape in war, Ruth Seifert suggests three possible explanations<sup>40</sup>: firstly, rape is considered to be a booty principle which has always been an unwritten rule of war ‘that violence against women in the conquered territory is conceded to the victor during the immediate post-war period’. Secondly, through rape, it is communicated ‘from man to man, so to speak, that the men around the women in question are not able to protect “their” women. They are thus wounded in their masculinity and marked as

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<sup>37</sup> Steans, *op. cit.* 110.

<sup>38</sup> Meghna Guhathakurta, “Women in Peace-building” in Imtiaz Ahmed (ed.) *Women, Bangladesh and International Security: Methods, Discourses and Policies* (University Press Limited: Dhaka, 2004) p-133.

<sup>39</sup> BBC, UN classifies rape a 'war tactic'  
<http://news.bbc.co.uk/2/hi/americas/7464462.stm>

<sup>40</sup> Seifert, Ruth. 1995. War and rape: a preliminary analysis' in Alexandra Stiglmayer (ed) *Mass Rape: The War Against Women in Bosnia-Herzegovina*. Lincoln and London: University of Nebraska Press.

‘incompetent’. Finally, it helps to promote soldierly solidarity through male bonding, especially in case of gang rape and systemic rape. In a historical move, the UN Security Council adopted a resolution (no: 1820) in June 2008 classifying rape as a ‘war tactic’, which is used to humiliate, dominate, instil fear in, disperse and/or forcibly relocate civilian members of a community or ethnic group. In the resolution, there was a clear reference to the fact that this type of violence against women in war “can significantly exacerbate situations of armed conflict and may impede the restoration of international peace and security.”<sup>41</sup>

All this shows that women have a very different story of war to share. Arguing on this premise, Grant commented that a woman might have had written the accounts of the Peloponnesian War from a perspective other than that of Thucydides highlighting economic hardships of war and the loss of her sons in battle.<sup>42</sup> Similarly, in her gender sensitive analysis of twenty-year long civil conflict in Mozambique, Ruth Jacobson pointed out the collapse of primary health services affected women differently, leading to a high increase in maternal and child mortality and morbidity.<sup>43</sup> Moreover, war and conflict make the women and children, along with men, refugees and displaced. Nearly half (47%) of the refugees and asylum-seekers are females.<sup>44</sup> In refugee camps, these women face a variety of problems, ranging from physical insecurities to mental agonies. The “durable solutions” – voluntary return home, integration in the country of asylum, and resettlement in a third country – pose unique challenges for women.<sup>45</sup>

During post-war reconstruction, the women who have by compulsion played the role of a male-house head during conflicts are

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<sup>41</sup> UN Security Council Resolution available at <http://daccessdds.un.org/doc/UNDOC/GEN/N08/391/44/PDF/N0839144.pdf?OpenElement>.

<sup>42</sup> Rebecca Grant, Rebecca Grant and Kathleen Newland (eds.), *Gender and International Relations* (Buckingham: Open University Press, 1991) p. 15.

<sup>43</sup> Quoted in Cockburn, *op. cit.*

<sup>44</sup> UNHCR, *2007 Global Trends: Refugees, Asylum-seekers, Returnees, Internally Displaced and Stateless Persons*.

<sup>45</sup> See Martin, Susan Forbes. *Refugee Women*. London: Zed Books. 1991.

often denied access to the public sphere. The women whose male family members survived the conflict are likely to experience increased domestic violence when male combatants return home.<sup>46</sup> On the other hand, many of those women who have lost their men in the conflicts and who have very limited access to livelihood options often opt for sex for survival. Unlike the returning war heroes who receive treatment for their war wounds, women who survived physical harassment including rape cannot disclose their stories as they are mostly sexual. Even during reconstruction period, many women are also violated by UN peacekeepers. In 2007, 127 incidents of sexual exploitation and abuse by UN peacekeepers were reported to the UN.<sup>47</sup>

Although the war may witness the breakdown of patriarchal structure, this appears to be a short-lived phase in the whole cycle of war and peace. This is due to the re-emergence of national male leadership after the war and the male international development community, who take part in post-war phase. “This may be evident in the aggressive refusal by the international development community, as a whole, to seriously consider gender issues in post-conflict reconstruction. The lack of ‘gender mainstreaming’ seems *not* to result from an inability on the part of the international community to know better, but rather suggests its *inability* to consider *its own* patriarchy and the damage this does within international development paradigms.”<sup>48</sup> Therefore, women are not called for consultation at the peace table though they act as the last vestige of civil society during conflicts.<sup>49</sup> In a melancholy voice, a Palestinian woman activist once repented, “I am the soldier, the supporter and the nurse in times of wars. And with my wounds, with my dreams, with my vision, with my strengths, I am the silenced one when the cause is no more.”<sup>50</sup>

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<sup>46</sup> Handrahan, *op. cit.*, p. 434.

<sup>47</sup> The Economist, *Who will watch the watchmen? May 29th 2008*  
[http://www.economist.com/world/international/displaystory.cfm?story\\_id=11458241](http://www.economist.com/world/international/displaystory.cfm?story_id=11458241).

<sup>48</sup> Handrahan, *op. cit.*, p. 436.

<sup>49</sup> Chenoy, *op. cit.*, p. 29.

<sup>50</sup> Quoted in Azza Karam, “Women in War and Peace-Building” *Journal of International Feminist Politics* vol. 3, no. 1, 2001, p. 2.

### 3. FEMINISING SECURITY: SECURING THE UNSECURED

The foregoing discussion has made the point clear that (international) security discourse is gendered—women have hardly any scope to raise their voice in this discourse - although it has a significant bearing on their lives across the world. Security studies is a new field for feminist analysis and may be termed as ‘applied feminism.’<sup>51</sup> Therefore, in recent times, there have emerged several approaches to re-conceptualise the security discourse.

The first step towards the re-conceptualisation of security may be to make an ontological and epistemological intervention in the study of IR. Cynthia Enloe has contributed significantly in subverting the conventional ways of knowing and doing IR.<sup>52</sup> Through her work, she attempts to show how the activities of ordinary women from below contribute to the functioning of the international relations but are less represented in the discipline of IR. For example, she notes that one of the very important factors in bringing about the end of the Cold War was the withdrawal of Russian mothers’ support for the Soviet army due to the gross and unaccountable sacrifice of their sons in the USSR-Afghanistan war. It is what Christine Sylvester termed as ‘*Everyday forms of feminist theorising and issues of security*’.<sup>53</sup> Such a method encourages us to treat women as the *subjects of knowledge* elevating them ‘from the margin to the centre.’<sup>54</sup> Thus, feminist analysis, through its various approaches, has challenged the androcentrism of IR that demeans any ‘other’ entity.

Feminist scholars have nullified the concept of the objectivity of human nature, from which realists derive objective laws regulating interstate relations. They argue that human nature is both objective and subjective and both man and woman possess these attributes and hence objectivity cannot be attributed to man only, or more

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<sup>51</sup> Terriff *et al.*, *op. cit.*, p. 92.

<sup>52</sup> True, *op cit* p., 260.

<sup>53</sup> Christine Sylvester, The Contribution of feminist theory, in Steve Smith, Ken Booth and Marysia Zalewski (eds.) *International Theory: Positivism and Beyond* (Cambridge: Cambridge University Press 1996) p. 263.

<sup>54</sup> Steans, *op. cit.*, p. 169.

specifically masculinity. Similarly, they challenged national interest as understood by realists. To them, it is multidimensional and contextual. When security is viewed beyond the premises of the nation-state, a global perspective in security becomes important. The issues like environment, poverty have become a common security challenge for all. These global issues require cooperative behaviour among various stakeholders. Moreover, feminists point out that empathy is built into the primary definition of the self of women and later through socialisation process a more complex relational world is implanted in them. Such construction of identity negates 'autonomy' and separation rather emphasises interdependence and connectivity. Thus in feminist understanding the separation between 'domestic' and 'foreign' becomes blurred and this leads us to see inter-national relations in terms of a series of complex relations and interdependence.<sup>55</sup> Hence, they attempt to replace 'power over' with the notion of 'power in concert'.

Feminists have challenged the traditional notion of citizenship based on war and patriotism as the concept is equated with masculinity. Liberal feminists argue that women should demand the right to fight in order to break the myths of militarism as a masculine institution. Other feminists, however, maintain that such incorporation of women into the 'military have the effect of increasing the militarisation of society as a whole and so undermine the work of peace movements and women's movements'. They also argue that 'instead of a notion of citizenship that glorifies dying for one's country as the noblest and highest form of duty, one should make a case for a notion of citizenship that has the courage to sustain life.'<sup>56</sup>

Feminists also question the assumption of 'autonomy' of politics because of its being a masculine construction and creating the dichotomous relations between the public and the private. "Claiming that militarism, sexism and racism are interconnected, most feminists contend that the behaviour of individuals and the domestic policies of states cannot be separated from state's behaviour in the international realm. For feminists violence is not a discrete or distinct

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<sup>55</sup> *Ibid* p. 170.

<sup>56</sup> Mohsin, *op. cit.*, p. 26.

event rather it is a continuum and ought to be analysed at all levels viz. individual, national and international.”<sup>57</sup> Feminists, thus, developed an alternative conception of security defining it in positive terms. To them, ‘security is not just the absence of threats or acts of violence, but the enjoyment of economic and social justice’. Their understanding of security also incorporates the elimination of all types of violence, including violence in gender relations. Reardon contends that there are two key feminist principles of security: inclusivity (only fully global security is meaningful) and holism (a multi-deminisional approach to address the various different, interconnected constituent elements of security).<sup>58</sup> Women’s notion of security is indeed based on life sustaining premises.

For realists, such an approach renders the discipline so broad as to be meaningless; they prefer to stick to nation-states as referent objects. The basic difference between the two lies in the depth and complexity. ‘Realism relies on a sparse construction with which to explain and predict security concerns; and the feminist model is far more complex as it recongises the meshing of the inter-relational and the international and entails a sense of empathy, seeking to understand other perspectives rather than dominate with just one view. Unlike realists, they argue that security of one entity cannot be built upon the insecurity of others.’<sup>59</sup> They emphasise the human security where the basic needs of individuals are secured.’ To them, re-conceptualisation of security does not mean broadening of security to include a range of new issues and concerns. It is about the capacity of human beings to express their vulnerabilities and insecurities and thus present new ‘visions’. ‘In this context feminist perspectives do not simply make a contribution to our understanding of security, but are rather central to the ‘reconstructive’ project. The time has come to mainstream the feminism in IR including its sub-field of security. In this respect, feminist scholar Jacqui True asserts that the IR feminist scholarship has ‘to engage in more self-conscious dialogue with a variety of other perspectives on global politics.’<sup>60</sup>

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<sup>57</sup> *Ibid.* p. 25.

<sup>58</sup> Terry Terriff *et al. op. cit.*, p. 96.

<sup>59</sup> *Ibid.* p. 97.

<sup>60</sup> See, True, *op. cit.*

## CONCLUDING REMARKS

The notion of present-day international security is based on the realist notion of security that emphasises the conflictual aspect of state behaviour rather than cooperation. Such conceptualisation is not fruitful for the human being, especially for women. This conceptualisation of international security has been established on the masculine attitudes and values. So, feminist scholarship has challenged the exclusion and marginalization of women's experiences and perspectives on security. It has been argued that women's experience represents an alternative approach to security, which puts emphasis on non-violent ways of negotiating conflict and agency in reconciliation and peace. The feminist calls for a human approach to security that weaves into its fabric the voices of both man and woman as equal partners. Such perspectives are important not only from a human point of view but also because it questions the state-centric military security approach in addressing problems and kind of insecurities that the world faces today. Through the continuous engagement of feminist IR theorists, the re-conceptualisation project of international security would come closer to the vision held by Begum Rokeya.

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